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COMMUNITY DEVELOPMENT AND INVESTMENT FUND STRATEGY: PROGRAM EXPANSION

The Community Services and Housing Committee recommends the adoption of the recommendation contained in the following report, August 27, 2008, from the Commissioner of Community and Health Services:

1. RECOMMENDATION

It is recommended that:

1. The Community Development and Investment Fund Strategy be enhanced in order to:
 - a. Expand eligibility criteria to include projects and activities that support service delivery at the agency level. These will include projects that address agency organizational development, equipment and technical development requirements of a small capital nature, one time program set-up costs, the development of fundraising and sustainability strategies and program evaluation.
 - b. Expand eligibility criteria to include activities that enhance the service delivery system of the community. These will include shared learning and professional development activities, projects that allow the community to collaborate, to share successes and challenges, and professional development.
 - c. Establish a renewable funding envelope that will make funding available to successful applicants for a maximum initial period of up to three years based on achieving annual targets and objectives. All of the following eligibility criteria will apply:
 - Services must be a vital and core component of the community service system in York Region and directly benefit vulnerable York Region residents.
 - Services must have a proven track record of success in the community and must have received funding under the Community Development and Investment Fund for a continuous period of at least three years.
 - Agencies delivering the core services must have the organizational capacity and financial viability to optimize renewable funding through cost effective programming, enhanced service delivery and sustainability planning.
 - Decisions on renewable funding will be made by the Commissioner of Community and Health Services.

2. PURPOSE

In June 2008, through the adoption of Clause No. 1 of Report No. 5 of the Community Services and Housing Committee, Regional Council approved a strategy for seeking

input on proposed enhancements to the Community Development and Investment Fund (CDIF) Strategy. This report outlines findings from the consultations and recommends proposed program expansions to the CDIF Strategy.

3. BACKGROUND

CDIF Strategy has opportunity to expand its program parameters

The main objective of the CDIF Strategy, which was approved by Council in 2002 (Clause No. 1 of Report No. 4 of the Community Services and Housing Committee), is to purchase a range of priority community services with clear, measurable outcomes from eligible community agencies who deliver supports to lower income, vulnerable residents. The three CDIF priority funding areas are employment supports, homelessness prevention, and supports to families and children. Returns on each investment in community services are expected within one year. Each year, across York Region, 35,000-38,000 individual residents and their families benefit from this investment strategy. The CDIF Strategy keeps residents contributing to our communities and economy—it is used to strengthen volunteerism, increase community service capacity, and purchase services that help low income residents get and keep jobs, prevent homelessness, and support children and families.

Emerging challenges, including rapid and diverse population growth, increasing community need and growing pressures on agencies to offer community-based supports have placed pressures on CDIF and the community as a whole. To address these concerns, the 2008 Operating Budget included community investment enhancements. Council also approved three key approaches to investing in longer-term funding, namely:

1. Continue to invest strategically in a variety of needed supports that provide tangible results within one year.
2. Expand CDIF to provide renewable funding (two to three years) for agencies that meet criteria and provide a core community service.
3. Develop the capacity of smaller, newer agencies to respond to emerging needs and diverse services through the creation of a New Agency Development Fund.

This report specifically proposes recommendations for expanding project eligibility and for further enhancing CDIF to provide renewable funding (for up to three years) for agencies that meet criteria and provide a core community service.

In fall 2008, a report will be presented for Council endorsement which outlines the proposed terms of reference and implementation strategy for the New Agency Development Fund.

4. ANALYSIS AND OPTIONS

The process for enhancing the CDIF Strategy

The additional CDIF funding offered an opportunity to examine ways to expand the parameters of CDIF while still maintaining the components that have made it successful.

The commitment made to Regional Council in June 2008 was that regional staff would conduct consultations, which would explore options for expanding the current CDIF criteria and for providing renewable funding. It was agreed that key aspects of the program would remain unchanged including the three priority funding areas, the application and monitoring process, and that the focus would remain within the framework of mandated community services to ensure that the Region does not fund programs that are the responsibility of other levels of government.

CDIF community consultation sessions offer key findings

In July 2008, 50 community agencies that have participated in the CDIF process were invited to discuss the role of CDIF and offer suggestions for its expansion. Regional Funders were also invited to attend these consultations. Two consultation sessions were held at accessible locations in the Region. Representatives from 28 agencies participated in the consultations. Those unable to attend the consultations were interviewed separately in order to capture their comments.

Overall the CDIF community consultations affirmed the value and importance of CDIF funding in the community, indicated a greater interest than anticipated in the need to see the Region play a greater community development role, and offered valuable input into how to best enhance the CDIF Strategy. The following core themes and messages emerged:

- There was wide spread support for Council's decision to expand the parameters of CDIF while still maintaining the components that have made it successful.
 - In particular, agencies believe it is important to continue to strategically invest in a variety of supports within the priority areas of employment supports, homelessness prevention, and family and children's services.
- There was unanimous agreement with further expanding CDIF to provide renewable funding of up to three years for agencies that meet criteria and provide a core community service.
 - While one-year funding is important, renewable funding will allow agencies that receive it to build programs to a more sustainable level, attract non-traditional forms of financial support and conduct better program evaluations.
- Overall, agencies felt CDIF provides flexible funding to purchase services that meet the unique needs of vulnerable residents and addresses short-term needs in the

community. Further, agencies find the purchase of service and reporting process to be straightforward, reasonable and fair.

- Agencies mentioned that funding dollars for more than front-line programs would strengthen their capacity over the long term. This could include funding for infrastructure and small capital purchases and short-term administration needs.
- Several agencies requested that the Region conduct and provide information on research into regional community trends and best practices.
- Agencies also suggested that some of the new funding criteria should allow for capacity building investments such as shared agency learning, building partnerships, program evaluation, fundraising development (to build sustainability), staff development and training, all of which contribute to the long-term viability of agencies.
- Agencies spoke very favourably of the CDIF application process and the fact that they found the whole CDIF process fair, objective and well run. Regional support provided to agencies whose projects were approved was also praised. However, program approval and funding flow timelines were cited as challenges.
- Agencies would like to see the Region become a facilitator of community development activities such as best practice workshops, information forums that profile CDIF funded programs and collaboration between agencies working on similar projects.

Recommendations for an enhanced CDIF Strategy

Recommendations for an enhanced CDIF Strategy to expand project eligibility and to offer renewable funding are based on feedback from agencies, internal consultations, cross-jurisdictional analysis as well as discussions with Regional Funders. As per Council's direction, key aspects of the program that have made it successful remain unchanged including the three priority funding areas, the application and monitoring process, and the focus to work within the framework of mandated community services to ensure that the Region does not fund programs that are the responsibility of other levels of government.

Recommendations for enhanced CDIF Strategy to expand project eligibility

It is proposed that:

- Regional Council continue to purchase community services from eligible agencies, with the expectation that program services will be delivered within a 12-month period.

- Criteria be expanded to include projects and activities that support service delivery at the agency level. These could include projects that address agency organizational development, equipment and technical development requirements of a small capital nature, one time program set-up costs, the development of fundraising and sustainability strategies and program evaluation.
- Criteria be expanded to include activities that enhance the service delivery system of the community. These could include shared learning and professional development activities, projects that allow the community to collaborate, to share successes and challenges, and professional development.

Recommendations for enhancing the CDIF Strategy to offer renewable funding

Renewable funding will allow agencies to create improved efficiencies of service, attract and retain staff of a high calibre, and deliver services in a more consistent manner. Renewable funding will also enhance the Region's role in community development through longer-term support for services that are important to ensuring a strong social service delivery system.

As a new CDIF funding envelope it is recommended that renewable funding be targeted to services and agencies that meet all of the following criteria:

- Services must be a vital and core component of the community service system in York Region and directly benefit vulnerable York Region residents.
- Services must have a proven track record of success in the community and must have received CDIF funding for a continuous period of at least three years.
- Agencies delivering the core services must have the organizational capacity and financial viability to optimize renewable funding through cost effective programming, enhanced service delivery, and sustainability planning.

It is also recommended that:

- Renewable funding will be made available to successful applicants for a maximum initial period of up to three years based on achieving annual targets and objectives.
- Decisions on renewable funding be made by the Commissioner of Community and Health Services.

5. FINANCIAL IMPLICATIONS

The activities described above will take place within the approved budget for CDIF. The Region's 2008 approved Operating Budget included enhancements totaling \$2.1 million for CDIF (Clause No 1 of Report No. 3 of the Community Services and Housing Committee and Clause No 3 of Report No 4 of the Finance and Administration Committee). These enhancements will enable the CDIF program to expand to meet the growing needs of the Region and provide renewable funding to some community-based

agencies. In 2009, CDIF funding will increase an additional \$0.9 million (annualized impact of 2008 approved initiatives) resulting in a total 2009 Operating Budget for CDIF of \$5.1 million.

6. LOCAL MUNICIPAL IMPACT

The CDIF Strategy is an efficient, cost-effective and flexible way to purchase community services for residents and acts as a key mechanism for strengthening families and keeping or getting residents employed or sheltered. On average, the Strategy helps as many as 38,000 vulnerable residents each year, in all nine local municipalities.

The expanded CDIF, while maintaining the core elements that have made it a success, will now be able to respond with greater flexibility to the needs for community services across the Region. This will also allow enhanced services and better address the increasing pressures for community services that accompany rapid and diverse population growth.

7. CONCLUSION

The CDIF Strategy enables the Region to plan, manage and fund the purchase of community-based services in York Region in a way that ensures both the process and results are accountable, fair and equitable. This strategy has continued to be an efficient and effective way of managing very limited but important resources.

The additional CDIF funding, approved by Council in April 2008, offered an opportunity to provide more services to residents and to expand the parameters of CDIF while still maintaining the components that have made it successful. Consultation with community agencies that had participated in the CDIF process offered important feedback on ways to make the CDIF Strategy more responsive to both agency and community need.

It is proposed that Regional Council:

- a. Continue to invest strategically in a variety of needed supports that provide tangible results within one year.
- b. Expand project eligibility to include projects and activities that support service delivery at the agency level.
- c. Fund activities that inform and enhance the service delivery system of the community.
- d. Provide renewable funding for core and vital community services.

Regional Council will be advised of the results of the enhanced CDIF Strategy through the CDIF Annual Activity Report.

For more information on this report, please contact Cordelia Abankwa-Harris, Managing Director, Strategic Service Integration and Policy Branch, Community and Health Services Department, at Ext. 2150.

The Senior Management Group has reviewed this report.