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COMMUNITY DEVELOPMENT AND INVESTMENT FUND STRATEGY: REQUEST FOR APPROVAL OF RECOMMENDED 2008 PROJECTS

The Community Services and Housing Committee recommends that:

1. **The presentation from Cordelia Abankwa-Harris, Director of Policy and Program Support Services and Monica Bryce, Manager, Program Funding and Communications be received; and**
2. **The recommendations contained in the following report, October 30, 2007, from the Commissioner of Community and Health Services be adopted.**

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council pre-commit ongoing funding from the regional tax levy in the amount of $458,000 in 2008 and annualized to $917,000 beginning in 2009 to replace the funds to be lost through the discontinuation of the National Child Benefit (NCB) Reinvestment Strategy to maintain current service levels.

2. Based on approval of Recommendation 1, Regional Council approves the full list of community service projects included in *Attachment 1 (Private)* under the Community Development Investment Fund (CDIF) Strategy and that the Region enter into 2008 Purchase of Service agreements with the agencies for such projects after due diligence verifications are completed.

3. The Commissioner of Community and Health Services be authorized to execute the Purchase of Service agreements with the successful agencies, subject to review by Legal Services.

4. The Commissioner of Community and Health Services be authorized to allocate any new or related CDIF funds that may become available during the course of 2008 within the framework of provincial guidelines, the CDIF Strategy, and Vision 2026.

2. PURPOSE

Approval for the replacement of the National Child Benefit funding which will be discontinued in 2008 is also requested as approval of the Region’s budget has been deferred until 2008. This approval is required now because agencies make staffing and service decisions based on the results of their proposals. It is therefore essential to let agencies know at this time which services will be funded to help avoid unnecessary lay-offs and service cuts in December.

Subject to Council's approval to replace NCB funding, this report also requests approval to fund CDIF projects recommended through the Purchase of Service process to provide priority community services to vulnerable residents in 2008.

As in past years, this report also seeks approval for the Commissioner of Community and Health Services to be authorized to allocate any new or related CDIF funds that may become available during the course of 2008 within the framework of provincial guidelines, the CDIF Strategy, and Vision 2026.

3. BACKGROUND

3.1 CDIF is Supported Through Various Funding Sources

As part of its mandate, the Community and Health Services Department manages a number of municipal and provincial funding initiatives that provide community services for residents of York Region. These funds include the NCB Reinvestment Strategy, the Consolidated Homelessness Prevention Program and Municipal Purchase of Service funds.

On April 18, 2002, Council approved the CDIF Strategy which established a framework within which the Community and Health Services Department plans and manages these funds to purchase community-based services, and within which accountability criteria and practices are established. Under CDIF, the Region purchases a large range of services from non-profit agencies.

It is well known that York Region has limited community and social services supports for residents. CDIF helps maintain the Region's community-based supports and annually makes it possible for about 35,000 working poor and other vulnerable residents across the region to continue to contribute to the economy and community. It also makes residents less likely to need the more expensive social and community services provided by the Region. Specifically, the services purchased by the Region under CDIF help people to find work and provide families with options that allow parents to stay in the workforce and reduce child poverty. Other services actively prevent families and individuals from becoming homeless or help those who are homeless get back on their feet.

3.2 The Termination of NCB Reinvestment will Reduce CDIF Projects and Service Levels

In 1998, the National Child Benefit Supplement was introduced by the federal government. The Province of Ontario opted to deduct the entire amount of the new NCBS from families who received Social Assistance (Ontario Works and Ontario Disability Support Program allowances). These program allowances are cost-shared 80% by the Province and 20% by municipalities. The Province required municipalities to reinvest their 20% of NCB dollars into local supports and programs that met community needs and the federal NCB objectives. Regional Council determined that these funds would be re-invested into the community through the annual CDIF process. These funds represent about 40%, or approximately $917,000, of the total CDIF budget in 2007.

The Province has announced that beginning in July 2008, there will no longer be a requirement to claw back the NCBS from families who receive Social Assistance. This will end the mandatory deduction and subsequent re-investment of these funds into supports for families and children across York Region. CDIF will lose a crucial source of funding resulting in reduced services for residents and increased risk to the sustainability of a number of our community agencies.

4. ANALYSIS AND OPTIONS

The CDIF Strategy, now in its fifth year, continues to make a positive difference in the community services available to residents in all of York Region's communities, and has established the framework for an equitable and transparent process to distribute and manage funds in the community. The Community Initiatives are identified through an annual Purchase of Service Request process that invites project proposals from the community.

4.1 The Purchase of Service Request process for 2008 projects

The Purchase of Service Request process has been administered by the Region's Supplies and Services Branch since 2003 and includes the essential features of the Region's purchasing process of transparency, fairness and accountability. In 2007, a new option of downloading the CDIF documentation from the Region's web site was made available to agencies. The community response to this new option was extremely positive. Overall 58 agencies opted to access the documentation online, while only seven picked up paper copies from the Supplies and Services Branch. The process ran very smoothly and will be continued in the future.

4.1.1 Notifying agencies about the Call for Proposals

The Purchase of Service Request was released on August 9, 2007 and closed on September 13, 2007. The communications strategy included:

- Advance information about the release of the CDIF Purchase of Service was:
    - Advertised on July 19 and July 26, 2007 in all York Region Newspaper Group newspapers.
    - E-mailed to community agencies operating in York Region on July 19, 2007.
- Information was posted on the Region's website with a link from the 'What's New' section on the home page from August 9, 2007 to September 13, 2007.
- An announcement that the Purchase of Service request was now available was sent by email to potentially eligible community agencies currently operating in York Region on August 9, 2007.

- Three separate advertisements were placed in all York Region Newspaper Group publications to let all agencies know the dates for the Purchase of Service process and how to obtain the documentation on August 9, August 26 and September 6, 2007.

4.1.2 CDIF criteria and priority areas
The provincial funding available under CDIF comes to the Region with pre-determined criteria and conditions attached. Regional allocations also have funding criteria as established by Regional Council. Based on these criteria and on the objectives of the CDIF Strategy the following priority funding areas were confirmed for 2008:
- Homelessness Programs.
- Family and Children's Services.
- Employment Supports.

Within each of these three priority areas, community agencies were also given the option of proposing projects that addressed capacity building for agencies.

4.2 Evaluating the proposals and making recommendations
As in past years, all eligible proposals were evaluated by the Community and Health Services Department and external funders from other levels of government and the not-for-profit sector. The evaluation and selection process was facilitated by the Supplies and Services Branch.

The Evaluation Committee scored each proposal based on the criteria established by Regional Council including agency effectiveness; agency financial management; agency capacity; project benefits in the priority areas; project methodology and activities; project costs and budget, and project/program sustainability.

The Evaluation Committee also sought to:
1. Identify strong projects which focused on the clients that the Department is mandated to serve in each of the priority areas (Homelessness Programs, Family and Children's Services and Employment Supports).
2. Avoid project and service duplication.
3. Provide services to residents throughout York Region.

The CDIF Evaluation Committee is recommending the projects outlined in *Attachment 1* receive Community Initiatives funding, subject to due diligence verifications and negotiations with eligible agencies. If approved, the recommended projects will provide a variety of community services across the Region.

4.3 Council's concerns regarding response to the Call for Proposals
At closing, 36 eligible proposals with requests that totalled almost $3.2 million were received in response to the CDIF Purchase of Service Request. In the past, Council expressed concern that an average of 52% of eligible proposals for much needed services have been turned away each year. This has not changed for the 2008 process, where *even*

if the NCB funds are replaced, 33% of eligible proposals will not receive any funding and only 54% will receive the full funding that they require to run their programs.

In response to Council's concerns, an additional request to expand CDIF to address the shortfall that exists between the Region's investment and the need in the community is included in the Department's 2008 Budget request. This additional funding is not included in the funding of recommendations in this report.

4.4 Next steps and timing considerations

On Regional Council approval, the Community and Health Services Department will, as in past years enter into negotiations with the successful agencies to develop Purchase of Service agreements for the delivery of approved services in 2008. During the negotiation process regional staff will verify each agency's representations as contained in its proposal and also ensure that approved amounts and all agreed services and funding conditions reflect the decisions of the Evaluation Committee. All agencies will be appropriately monitored and evaluated by regional staff throughout the implementation of their Purchase of Service agreements.

CDIF funding will be flowed to all approved projects to allow their implementation from January 1, 2008 to December 31, 2008. As in past years, it is important that the recommended projects are considered by Council at this time, so that agencies have the opportunity to plan to implement the successful projects. If the recommended projects are not approved at this time, agencies may be forced to discontinue programs and lay-off staff as their current budgets are tight and funding ends on December 31, 2007.

As required by the CDIF Strategy, a report to Regional Council outlining the outcomes of the projects implemented between January and December 2008 will be submitted to Regional Council in 2009.

5. FINANCIAL IMPLICATIONS

The total amount of projects being recommended for funding in 2008, as included in *Attachment 1*, is $1,674,228. In order to fund each of the projects on the attached list and ensure that community agencies continue to be staffed appropriately to deliver services, Council approval of the replacement for NCB funds prior to the anticipated 2008 budget approval is required. In the event that the NCB funds are not replaced, several projects listed on *Attachment 1* will not receive funding.

Annually the Region's share of the NCB initiative is approximately $917,000 or 40% of the total CDIF budget which directly supports up to 16,000 families and children. Given that the NCB will not be discontinued until July 2008, approximately $458,000 is needed in 2008 to maintain existing service levels. A further $459,000 beginning in 2009 is required to provide for the full annual amount of $917,000. All other sources of CDIF funding will be managed within the current budget allocations set aside for each fund contained in CDIF.

6. LOCAL MUNICIPAL IMPACT

Investments made through CDIF result in tangible benefits in each local municipality. In 2006 over 35,000 York Region residents from all municipalities directly benefited from these services. Through the NCB investment, up to 16,000 working poor and other vulnerable families and children have access to local and regional programs that provide a variety of supports that make it possible for them to remain or become integrated, contributing community members. A few examples from 2006 include:

- After school programs that provide a safe place for over 400 children so their parents can work.
- Region-wide breakfast, snack or emergency lunch programs for children in need where CDIF contributed to the program's expansion to help over 1,800 additional children.
- A community kitchen program that helped low-income women in the region learn economical ways to cook nutritious meals for their families.
- Helping an estimated 300 homeless youth to find permanent housing and acquire crucial life skills through agencies such as Pathways and Rose of Sharon.
- Mentoring and family support programs from agencies such as Big Brothers/Big Sisters and Catholic Community Services of York Region that helped over 300 children, teens, and their parents and grandparents to break the cycle of dependency and build better relationships.

Community volunteerism is also strengthened in local municipalities – over 700 residents volunteered in the delivery of these programs, helping to make their communities stronger.

7. CONCLUSION

The Council-approved CDIF Strategy successfully builds on existing community supports by fostering community development and partnerships in every municipality. Using this funding to strategically purchase greatly needed community services from the agencies that are best equipped to deliver them, and monitoring the use of these dollars, continues to be a very cost-efficient and effective way of supporting the needs of residents.

CDIF also leverages the use of agency staff and supports the building of a stronger volunteer sector. The results of this successful community investment strategy are evident in that many residents with low and low moderate incomes have been kept from falling between the cracks and needing more expensive services. CDIF has been well received by residents and agencies. More importantly, it has helped our working poor and other vulnerable residents remain or become contributing members of our economy and community.

Approval for the replacement of the funds to be lost through the discontinuation of the National Child Benefit Reinvestment claw back and approving the full list of recommended community service projects will allow this work to continue at current service levels.

For more information on this report, please contact Cordelia Abankwa-Harris, Director, Policy and Program Support Services Branch in the Community and Health Services Department.

The Senior Management Group has reviewed this report.

(The attachment referred to in this Clause is enclosed under separate cover.)