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COMMUNITY DEVELOPMENT AND INVESTMENT FUNDING STRATEGY INITIATIVES UPDATE AND REQUEST FOR APPROVAL OF RECOMMENDED 2005 PROJECTS

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, November 5, 2004, from the Commissioner of Community Services and Housing, subject to replacing the attachment with a revised Attachment 1:

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council approve the community service projects (set forth in *Attachment 1*) recommended for 2005 Purchase of Service contracts by the Community Development Investment Funding (CDIF) Evaluation Committee.
2. The Region enter into Purchase of Service contracts with successful proponents as recommended by the Evaluation Committee, after due diligence verifications are completed, and the Commissioner of Community Services and Housing be authorized to sign these contracts on the Region's behalf, subject to review by the Regional Solicitor.
3. The Commissioner of Community Services and Housing report on these commitments to provincial funding sources as required before year-end.
4. The Community Services and Housing Department be authorized to allocate any new or related Community Development and Investment Funds that may become available during the course of 2005 within the framework of Provincial guidelines, the Community Funding Strategy, and Vision 2026, and report back to Council on the services purchased.
5. The appropriate funding bodies be made aware of the impact that a lack of funding has had on York Region residents, as is indicated by the high number of requests for services that are the funding responsibility of other levels of government.

2. PURPOSE

The purpose of this report is to update Committee and Council on the Community Development and Investment Funding Strategy implementation and activities in 2004.

This report also requests approval from Committee and Council for the projects recommended through the Request for Proposal (RFP) to Provide Priority Community Services to Vulnerable Residents of York Region. These funds are part of the Department's Community Funding Strategy for 2005. The bulk of these funds are from

provincial sources, and the majority of funds must be spent by December 31, 2005 or risk their withdrawal by the Province. To allow the Region to fully use these funds, Community Services and Housing will enter into agreements with agencies this year, after Council approval, to allow projects to begin promptly in the new year.

Finally, this report seeks approval from Committee and Council to again receive and allocate new Community Development and Investment Fund (CDIF) dollars to activities that may become available during the course of 2005 in accordance with Provincial guidelines and the Regional Council approved CDIF Strategy. These funds tend to be either one-time 100% Provincial dollars to be used in community service initiatives or within current budget allocations set aside for CDIF. Normally, Provincial funding of this nature is required to be returned to the Province, if not spent, by the end of the calendar year.

3. BACKGROUND

The Community Services and Housing Department manages a number of Municipal, Provincial and Federal funding initiatives that provide services to residents of York Region. These funds include the Municipal Purchase of Service fund, the National Child Benefit, the Ontario Works Performance Bonus, and Homelessness Initiatives funds. Prior to the CDIF Strategy, each funding initiative was managed independently, with different processes and timelines.

On April 18, 2002, Council approved the CDIF Strategy which established a framework within which the Community Services and Housing Department plans, manages, and funds the purchase of community-based services, and within which accountability criteria and practices are established.

The approved CDIF Strategy established the framework for a fair, equitable and transparent process to distribute and manage these programs and funds in the community. Under the CDIF, there are two “funding envelopes”. One envelope is for Department-Identified Initiatives, and the other is for Community Initiatives. The Community Initiatives envelope is implemented through an annual Request for Proposal (RFP) process which invites project proposals from the community.

This year, the timing of the RFP process for 2005 CDIF community projects coincided with the timing of the RFP process through which the second round of Federal Supporting Communities Partnership Initiative (SCPI) funding would be allocated. These two processes were therefore combined to eliminate the need for agencies to prepare multiple proposals, and to optimize the benefits of multiple funding sources.

The Request for Proposal (RFP) - To Provide Priority Community Services to Vulnerable Residents of York Region was released on August 12, 2004, and closed September 30, 2004. The RFP invited proposals from community agencies for funding under both CDIF and SCPI. This report focuses on the community projects recommended for 2005 CDIF

funding only; projects recommended for SCPI funding will be reported separately to Community Services and Housing Committee and Regional Council.

A joint RFP Evaluation Committee comprised of the CDIF Evaluation Committee members and the SCPI Community Advisory Board (CAB) (made up of York Region staff and York Region Funders from the Federal, Provincial and not-for-profit sectors) met in October to review community proposals. The CDIF Evaluation Committee unanimously recommended 21 projects (outlined in *Attachment 1*) to receive Community Initiatives funding subject to due diligence verifications and negotiations with eligible agencies. CDIF funding will be dispensed for projects to be implemented between January 1, 2005 and December 31, 2005. As was the case last year, services will be purchased for a variety of community services across the Region.

In addition to enhancing the objectivity of the process, the participation of other funders allowed the committee to refer a number of initiatives that were not recommended for CDIF funding for consideration through other, potentially more appropriate funding sources.

Under Purchasing By-law A00304-2002-031, Section 5, the Commissioner of Community Services and Housing has authority to approve contracts up to an amount of \$100,000. The Chief Administrative Officer has authority to approve amounts up to \$250,000, and Regional Council approval is required for amounts over \$250,000. Although most of the recommended projects are for under \$100,000, in order to provide Committee and Council with the full scope of the CDIF allocations, approval is being requested for all projects.

4. ANALYSIS AND OPTIONS

4.1 CDIF Strategy Enhancements

In 2004, a number of initiatives were undertaken to continue improving implementation of the CDIF Strategy in York Region.

Prior to the release of this year's RFP, the Department invited a cross section of community agencies who had applied under the 2003 RFP to participate in a focus group discussion. The purpose of the focus group was to hear about the community's experience with the RFP process. The community agencies present appreciated that despite its difficulty in fitting into a community-based process, the RFP process provided a transparent level playing field for all agencies to apply for CDIF funds. Sample formats, staff support, encouragement to partner with other agencies, wide distribution of information and the clarity of the document and process were seen as positive parts of the process. Positive suggestions for making the process more user-friendly were also discussed. Supplies and Services Branch, working with Community Services and Housing Department incorporated many of these suggestions into the 2005 CDIF RFP process. Examples of some of these improvements are as follows:

- A standard Proposal Submission Form that is user friendly.
- The application fee was waived to allow small agencies to more easily participate.
- An information session was held to allow agencies to ask questions about the RFP. All answers provided at the Information Session were shared with all proponents – whether they attended or not - to ensure a level playing field.

The components of the CDIF Strategy will be evaluated annually to promote continuous improvement in this initiative.

4.2 2004 CDIF Implementation

The 2004 Community projects approved by Regional Council on December 11, 2003, represent the first set of projects to be fully implemented under the full CDIF RFP strategy. These projects will be completed by December 31, 2004. Results of these projects, the numbers of clients served and the project outcomes and successes will be reported to Council early in 2005.

4.3 CDIF Implementation for 2005

Using the criteria set out by Regional Council in 2002, Community Initiatives were invited through an RFP process conducted this fall in accordance with the Region's Purchasing By-law. A total of just over \$1.3M was confirmed to be available to fund recommended proposals, subject to funding limitations and restrictions.

4.3.1 Funding Limits and Restrictions

The majority of the funding available under the Strategy comes from outside York Region and with pre-determined criteria and conditions attached. These conditions are set by each funding source, be it Federal or Provincial. Regional funding criteria are also established by Regional Council for the use of Regional allocations.

Using the guidelines established by the funding sources, Regional Council directives, the Community Services and Housing Department's mandate and objectives, as well as information from a review of homelessness and homelessness services in York Region, the following priority funding areas were identified for the 2005 community initiatives:

- Capacity Building and Sustainability.
- Employment Supports.
- Family and Children Services.
- Homelessness.

4.3.2 Request for Proposal Process

As was the case for last year's 2004 funding cycle, an RFP was developed working with staff from the Supplies and Services Branch as well as the Community Services and Housing Department's Solicitor. The RFP invited community agencies to submit their proposals to enter into purchase of service agreements with The Regional Municipality of York. The RFP was released on August 12, 2004, and closed September 30, 2004.

With the release of the RFP, an extensive marketing plan was undertaken to ensure that the process was open to as many agencies as possible.

The community was informed of the release through:

- Information on the Region's website.
- RFP announcements emailed out to YorkLink agencies.
- Newspaper advertisements.
- A press release from the Region's Corporate Communications.

At closing, 68 proposals with requests that totalled almost \$7 Million were submitted in response to the RFP for SCPI and CDIF requests. Of these, 50 were CDIF proposals.

4.3.3 Proposal Evaluation and Selection

To make the final determination of community initiative services that would be recommended for 2005, an Evaluation Committee met in October. The Evaluation Committee was comprised of members of the SCPI Community Advisory Board who made formal recommendations on SCPI funding, and the CDIF Evaluation Committee. The Directors of the Community Services and Housing Department and representatives from external York Region funding bodies: Human Resource and Skills Development Canada, the Trillium Foundation, the United Way, the Ministry of Community and Social Services, the Ministry of Health and Long Term Care, and the Simcoe-York District Health Council participated. The Supplies and Services Branch facilitated the process.

For CDIF projects, the Evaluation Committee scored each proposal based on the criteria established by Council including:

- Agency effectiveness.
- Agency financial management.
- Agency capacity.
- Project benefits in the priority areas.
- Project methodology and activities.
- Project costs and budget.
- Project/program sustainability.

In addition, the Evaluation Committee sought to identify projects that demonstrated the potential for strong results in each of the four priority areas (Capacity Building and Sustainability, Employment Supports, Family and Children Services, and Homelessness) and were not the mandate of another level of government or funding source; avoid project and service duplication; and provide services throughout the Region.

Twenty-one projects are recommended under the CDIF Strategy's Community Initiatives for 2005. *Attachment 1* lists the CDIF community services that the Evaluation Committee is recommending.

After Regional Council approval, the Community Services and Housing Department will enter into negotiations, as appropriate, with the successful agencies to develop Purchase of Service contracts for the delivery of approved services. During the negotiation process

Regional staff will verify each agency's representations contained in its proposals. After contracts are signed, all agencies will be appropriately monitored and evaluated throughout the implementation of their Purchase of Service agreement.

4.3.4 CDIF Ineligible Projects

This year there were clear trends that suggest that a number of ineligible agencies applied for CDIF funding in response to a lack of provincial funding in specific sectors, including developmental services, a range of health supports, and autism supports.

Staff proposes that agencies be contacted to ask their permission to pass their proposals on to appropriate funding sources in these cases. This report also recommends that other levels of government be made aware of the impact that inadequate funding in these areas has had on York Region residents.

A unique situation arose this year; an individual submitted a form of proposal. A protocol will be developed to respond to individuals who apply to CDIF for funding in future RFP's.

4.3.5 Community Funding Activity Report

As required by Council, a report to Regional Council will be submitted early in 2006, outlining the outcome of these community funding projects that will be implemented between January and December 2005.

4.4 Relationship to Vision 2026

The CDIF Strategy has been designed and implemented to support the Vision 2026 goal of responding to the needs of our residents. The Strategy also addresses the Vision 2026 goal of quality communities for a diverse population.

5. FINANCIAL IMPLICATIONS

Under this RFP a total of \$1,331,633 is allocated to project funding specifically under the CDIF Strategy. The CDIF Strategy is managed within the current budget allocations set aside for each fund contained within the Strategy.

The majority of funding has time limitations attached to them. For example, the Ontario Works Performance and the Family and Children's Services Funds require that funds be spent by December 31, 2005, or the Region risks their withdrawal.

The CDIF Strategy provides sound accountability practices to disburse funds within the Community through a transparent and equitable process. The strategy is managed within the current approved staffing levels for the Department. The benefits to the community of bringing these much needed service dollars into York Region are far reaching.

6. LOCAL MUNICIPAL IMPACT

All area municipalities will benefit from the initiatives generated by these service dollars. The strategic investment process and the model that has been put in place allows for transparent and equitable access to these funds.

7. CONCLUSION

The Council-approved CDIF Strategy allows the Region to plan and manage the purchase of community-based services in York Region, using prescribed funds, and in a way that ensures that both the process and the results are accountable, fair, and equitable.

Regional Council endorsement is requested for the recommended services to be purchased under the CDIF Strategy. This will allow the Region to commit the funds to program activities by year-end for successful community agencies to begin fulfilling their purchase of service obligations to the residents of York Region in accordance with the funding cycle.

The Senior Management Group has reviewed this report.

(The Revised attachment referred to in this clause is attached to this report.)