

CITY OF DANA POINT
AGENDA REPORT

Reviewed By:	
DH	x
CM	x
CA	___

DATE: OCTOBER 26, 2005

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: CITY COUNCIL POLICY REVIEW TASK FORCE

SUBJECT: COUNCIL POLICY NO. 116 – GRANT FUNDING

RECOMMENDED ACTION:

It is recommended that the City Council approve Council Policy No. 116 as revised to provide a uniform application process for community based non-profit organization grant funding.

ISSUE:

Shall Policy No. 116 be revised such that all requests shall require an application process; that all applicants must be community-based non-profit organizations; and that all requests shall be subject to the City Council's evaluation and approval?

BACKGROUND:

At the City Council Meeting of February 23, 2005, action was taken to form a Dana Point Policy Review Task Force which was charged with reviewing the existing City Council policies. Mayor Pro Tem Anderson and Councilmember Lacy were appointed as the Council representatives to the Task Force, and Administrative Services Director Apodaca and City Clerk Ehring were appointed by the City Manager as the staff liaisons.

DISCUSSION:

The Task Force has reviewed all Council Policies to ensure that they are not in conflict with current practice and or City and state codes. The Task Force is finalizing its proposed revisions to certain policies for the City Council's consideration, and as part of that submittal, will be recommending the adoption of several new policies.

However, due to the impending holiday season and anticipated inquiries by local non-profit groups concerning available grant funds to assist with their holiday programs, the Task Force has fast-tracked Policy No. 116 for the City Council's consideration.

The existing Council Policy No. 116 provides a process for approving requests for funding by groups, events or organizations that benefit the Dana Point community. Each Councilmember is eligible to recommend allocating 1/5 of the total funding dedicated to the program at his or her discretion subject to Council approval. The policy at present does not require the requesting agency to be a non-profit organization. As in prior years, the current Fiscal Year Budget for 2005-06 includes a \$50,000 appropriation for community grants. However, City Council Members have not submitted recommendations for the expenditure of those funds under the current policy pending its review and forthcoming recommendation by the Task Force.

The Task Force is proposing that Council Policy No. 116 be revised such that all requests shall require an application process; that all applicants must be community-based non-profit organizations that provide valuable services to the community; and that all requests shall be subject to the City Council's evaluation and official approval. The revised policy is attached as Action Document A, including the proposed application which will assist with a fair and equitable evaluation of each funding request.

The proposed policy would allow year-round application submittals, however must be filed with the City Clerk at least sixty days prior to the date funds are needed. This will allow time to process and agendaize the application. The policy also prohibits grants for any political or religious activity. The application requests tax exempt information to substantiate non-profit status, an event or project budget, as well as a comprehensive description of how the funds will be utilized and who will be served.

NOTIFICATION AND FOLLOW-UP:

It is recommended that a press release be issued and that local non-profit groups be notified of the new charitable grant funding process.

The policy and application will be posted to the City's website for the public's convenience.

STRATEGIC PLAN INITIATIVE:

Achieve total excellence in municipal services and City administration/planning with excellent customer service and cost-effectiveness.

FISCAL IMPACT:

\$50,000 has been budgeted in Fiscal Year 2005-06 in Account 01-241 for local non-profit community grants.

ALTERNATIVE ACTIONS:

An alternative action as deemed appropriate by the Council.

ACTION DOCUMENTS: _____ **PAGE NO.**

A. Council Policy No. 116 with Annotations.....4

ACTION DOCUMENT A**(Draft)****Underline = New Language****Strikethrough = Deleted Language****CITY OF DANA POINT
COUNCIL POLICY**

SUBJECT:	PAGE:	EFFECTIVE DATE:	POLICY NO.:
<u>Charitable Grant Requests</u>	1 of 2	10/26/99	116
City Council Member Requests for Groups or Events that Benefit Dana Point		AMENDED DATE: 9/26/00 <u>10/26/05</u>	

PURPOSE:

To establish a process for approving City Council Member requests for funding for groups, events, or organizations that benefit the Dana Point community.

BACKGROUND:

~~During Budget deliberations for FY 99/00 and 00/01, City Council approved funding to support groups, events, or organizations that benefit the Dana Point community.~~

It has been the practice of the City of Dana Point since Fiscal Year 1999-00 to allocate funds to contribute to community-based programs and activities conducted by non-profit organizations which provide valuable services to the community of Dana Point.

In order to ensure a uniform process is followed for distributing the funds, the existing guidelines need to be established revised, including the implementation of an application process.

FUNDING PHILOSOPHY:

The City Council will consider requests for funding received from community-based non-profit organizations during the regular budget process. Due to limited resources, not all requests can be funded. Therefore, it is the City Council's intention to evaluate each proposal and, based upon available funds and the merits of each proposal, provide money or other forms of assistance to those organizations which most effectively serve the needs and improve the well being of Dana Point Residents.

Further, the City Council encourages a goal of self-sufficiency for all community-based organizations seeking City funding. City grants are not intended to provide on-going funding to well-established programs or services, except where the City Council finds merit for funding consistent with the community-need philosophy stated in the paragraph above.

POLICY:

In order to efficiently and equitably respond to requests for funding, process a City Council Member requests, the following guidelines shall be followed:

- City Council will determine the level of Charitable Grant funding every two years in conjunction with the City budget process.
- Once the level of funding is established, each City Council Member is eligible to recommend allocating 1/5 of the total funding dedicated to the program. Each City Council Member has the discretion to recommend funding to one or more events or organizations so long as the total funding request does not exceed 1/5 of the total funding for this program.
- If a City Council Member makes a determination to provide funding to a particular group, event, or organization, an agenda report shall be prepared outlining the event or organization and amount of funding recommended by the Council Member. In addition, the agenda report will include correspondence from the organization requesting funding from the City.
- All Charitable Grant requests must be submitted on an application form that is available in the office of the City Clerk or can be downloaded from the City of Dana Point website (www.danapoint.org). Completed applications must be filed with the City Clerk at least sixty (60) days prior to the date funds are needed
- The City Council will consider each grant request at a City Council Meeting. If staff validates a funding request for a particular group, event or organization, an agenda report will be prepared outlining the event or organization and amount of funding requested by the organization. In addition, the report will include the grant application form and any supporting materials from the organization requesting funding from the City.
- The agenda report shall be placed on the consent calendar for formal Council action. If approved, staff will process the contribution for the event or organization.
- No grants will be made for any political or religious activity.

- At the close of the fiscal year (June 30), all City appropriations cease and any unallocated funding will not be carried over to the next fiscal year.

ATTACHED:

Sample of Charitable Grant Application



City of Dana Point
Charitable Grant Application
 33282 Golden Lantern, Dana Point, CA 92629
 949.248.3500

Date: _____

Name of Organization: _____

Contact Person: _____

Mailing Address: _____

City/State/Zip Code: _____

Telephone: _____

Email: _____ Web site: _____

Amount requested: \$ _____ Date Funding Needed: _____

Project/Event Start Date: _____

Organizational Information

Nature of the Organization: _____

Geographic area(s) served: _____

Year founded: _____ Number of paid staff: _____

Number of volunteers: _____ Volunteer hours contributed in past year: _____

Is this Organization incorporated in California as a non-profit organization? _____ Yes.
 _____ No.

If yes, date of incorporation as a non-profit: _____

Federal Identification Number: _____

State Identification Number: _____

*Attach a copy of your Internal Revenue Service Tax-Exemption Determination Letter. _____ Attached.

*Attach a copy of your organization's signed tax filing from last year. _____ Attached.

*Attach a copy of your organization's most recent Treasurer's Report or financial statement. _____ Attached

Please indicate how the money allocated will be used by your Organization:

Briefly describe the goals and objectives of your organization and the major community services it provide (Mission Statement):

PROJECT OR EVENT NEEDING CHARITABLE FUNDING:

How will your Organization use any funding awarded? Give the service or project's objectives, number of persons served, area where services are provided, and number of your volunteers involved. Be specific. Note any equipment or services that award money would purchase and why it is needed. Please include a detailed budget and a schedule of significant activities related to this service or project. Please attach a maximum of one double-spaced type written page of information if you need to expand your answer beyond this space.

This application has been authorized by the Organization's:

Executive Committee: _____ Board of Directors: _____ Members-at-large: _____

We hereby certify that the information contained in this application is true to the best of our knowledge and belief. The financial information requested above has been included in our grant application submittal.

(If same person, sign both)

Signature of individual preparing form: Title & Date

Signature of Authorized Agent/Officer: Title & Date

Name of Organization:

Address: City, State, Zip

Telephone

Email

Web site address:

This application may also be downloaded from the City's official website at www.danapoint.org. A hard copy of this form may be obtained in the City Clerk's Office.

Return completed application to:

City of Dana Point

Phone: (949) 248-3505

Attention: City Clerk
33282 Golden Lantern
Dana Point, CA 92629

Fax: (949) 248-9920
www.danapoint.org