

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Adoption of Resolution No. 337 Amending the Neighborhood Mini-Grant Program Policies and Procedures

**DEPARTMENT:** Community Services Division

**PRESENTED BY:** Debbie Tarry, Assistant City Manager  
Nora Smith, Neighborhood Coordinator

**ACTION:** \_\_\_\_\_ Ordinance      X   Resolution    \_\_\_\_\_ Motion  
                  \_\_\_\_\_ Discussion    \_\_\_\_\_ Public Hearing

**PROBLEM/ISSUE STATEMENT:**

At the December 3 City Council meeting, Council discussed changes to the Neighborhood Mini-Grant program proposed by the Council of Neighborhoods (CON) and City staff.

Resolution No. 337 will modify the mini-grant program with the goal of making the administration of the program more flexible by giving the City Manager authority to approve and modify administrative guidelines along with approving individual grants. The City Council still retains the authority to allocate the annual budget for the neighborhood mini-grant program. These changes align the process for the neighborhood mini-grant program with the process that has been in place for the environmental mini-grant program since its adoption in 2005.

In addition to the recommended change proposed in Resolution No. 337, the CON and City staff recommend that the City Manager, once authorized, make administrative changes. These recommended administrative changes include:

- Making the program more accessible to all neighborhoods in Shoreline by reducing the neighborhood match required from the current 1 to 1 match to a 1 to 2 match. The change would require the neighborhood provide \$1 of match for every \$2 of grant awarded.
- Establish criteria for the evaluation of the grant applications.
- Establish a cross-department review team with one community representative to rank and make recommendations to the City Manager for grant approval.
- Clarify the language describing the types of projects eligible for funding
- Provide an annual report to the City Council.

**RESOURCE/FINANCIAL IMPACT:**

The 2013 budget includes \$20,000 for funding the Neighborhood Mini-Grant Program. The recommended changes have no additional financial impact.

**RECOMMENDATION**

Staff recommends approval of Resolution No. 337 to give authority to the City Manager for administration and approval of individual neighborhood mini-grants.

Approved By:       City Manager ***JU***   City Attorney ***IS***

## **INTRODUCTION**

In late 2012 Council of Neighborhoods (CON) and City staff identified modifications that would make the neighborhood mini-grant program more accessible to all neighborhoods in Shoreline and easier to administer.

At the December 3, 2012 City Council meeting, the Council discussed the proposed modifications. A link to the staff report and full description of the recommendations can be found at

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2012/staffreport120312-8b.pdf>

## **BACKGROUND**

### **Neighborhood Mini-Grant Program**

The Neighborhood Mini-Grant program was established in 1996 with the City Council of adoption of Resolution 54. Resolution 54, Section 3 stated "There is established a Neighborhood Matching Grant Program, the process and administration of said funds to be handled by the Office of Neighborhoods. The allocation of total available funds shall be determined from year to year by appropriation of the City Council. All such grants to individual Neighborhood groups shall be governed by rules approved by the City Council. The City Council shall approve individual grants prior to their implementation by the City."

Grants to individual neighborhood associations are governed by guidelines approved by the City Council on November 23, 1998. These guidelines include a program description, how to apply, application forms and administrative details.

Since 2007 the City has allocated \$20,000 annually for this program. The Neighborhood Mini-Grant program provides grants of up to \$5,000 to each of the actively organized, qualifying neighborhood associations in the City of Shoreline on a first come, first served basis. Neighborhood Associations have been required to provide a dollar for dollar match to Neighborhood Mini-Grant funds. A match may be generated from co-sponsoring groups, businesses, organizations, schools, media, in-kind donations and/or "sweat equity".

## **DISCUSSION**

### **Change proposed in Resolution No. 337**

The change recommended in Resolution No. 337 is to establish approval and administration of the program through the City Manager. The requirement to have individual mini-grants approved by City Council can result in a delay in the project schedule for neighborhood projects of one to two months depending on the timing of application and Council meetings. For volunteer groups that apply in the spring and summer, this can significantly reduce their time period for implementation.

The City Council has already delegated purchasing authority to the City Manager for service contracts in the amount of \$50,000 or less, and given that each individual mini-grant cannot exceed \$5,000, staff would recommend that the City Council delegate

individual grant authorization to the City Manager. Council has already delegated the approval individual environmental mini-grants to the City Manager. Council will continue to authorize the total budget for mini-grant programs through the City's budget adoption process.

Staff would also recommend that Council delegate the administrative authority to make adjustments to the rules or guidelines to the City Manager. This would simplify both the approval of grants and changes or improvements to mini-grant guidelines.

### Program Modifications

If Council authorizes the City Manager to make administrative changes to the neighborhood mini-grant program, then staff will incorporate the changes as discussed below.

1. **Revise the matching requirement of neighborhood match to City grant funds.**  
The CON and City staff recommend revising the match requirement from one dollar of neighborhood match for each City dollar to "the neighborhood will provide a one dollar match for every two dollars of City funds." (1:2 instead of 1:1).

Reducing the match required of neighborhoods will make it easier for less active neighborhoods to engage residents through launching a project, and for a wider variety of projects to be eligible, for instance an art or physical improvement project requiring hired professional services.

2. **Create a staff review team with one community representative** – This would facilitate review by staff who need to approve or give input to grants. This would also align with the process followed by the Environmental Mini-Grant program.
3. **Clarify the language describing the types of projects eligible for funding**  
Staff recommends that the description of eligible neighborhood projects be modified as follows (**bold** indicates new language, ~~strike through~~ indicates old language to be removed, regular font is language to keep)
  - Projects that create or enhance a tangible improvement in the neighborhood.
  - Projects that ~~disseminate information and~~ increase awareness of the **goals and mission of the** neighborhood association ~~to~~ in the neighborhood community.
  - **Projects or events that build or expand neighborhood and community connections or civic engagement.**
  - ~~Projects that directly benefit a public agency or organization and its immediate neighborhood, and that require the active involvement of both the public agency and members of the neighborhood in planning and carrying out the program.~~
4. **Develop criteria for reviewing and rating applications.**  
Currently there are no set rating criteria. A project that ranks highest according to the newly established criteria will be funded in the event that requests exceed

funding available. The CON has reviewed and concurs with the following criteria. The proposed criteria for projects are:

- Provide a public benefit and be open to all community members.
- Build stronger neighborhoods and expand community connections and engagement.
- Increase awareness of the neighborhood association in the neighborhood community.
- If the project will require permits, permit requirements and cost have been discussed with the City's Planning and Community Development staff.
- If the project is a tangible improvement, proposal includes a plan for extended maintenance by the community.
- Project applicant has a history of successful project implementation or can demonstrate capacity to implement project.
- Project addresses new or important area of identified community interest or need.
- Project promotes inclusiveness among a wide variety of populations within a neighborhood (e.g. ethnic, intergenerational, renters or other underrepresented populations).

At the December 3, 2012 meeting, the City Council made a variety of suggestions for administrative changes. Staff has researched the suggestions and they are discussed in more detail in the following paragraphs.

1. *Keeping Council informed of individual neighborhood mini-grant awards:* The City Manager can provide information on neighborhood mini-grants in her regular Council updates and could also provide a bigger picture view in an annual report to City Council on all mini-grant programs.
2. *Carrying over unallocated neighborhood mini-grant funds:* Under the City's adopted financial policies, to be eligible for budget carryover money must be "legally incurred" i.e. mini-grant funds be approved for a specific project prior to the end of a fiscal year. This is a best practice in that large reserves do not accumulate for unspecified projects/purposes and therefore are available for Council budget appropriation for priority projects. The goal of the neighborhood mini-grant program is to use the fully allocated annual budget. Even though this is the case there have been years in which neighborhoods have not applied for grants to fully utilize the \$20,000 annual budget. Staff recommends that instead of changing the carry-over criteria, that staff's focus continue to be on working with neighborhoods to use the current annual allocation. If in the future the demand for mini-grants exceed the annual allocation, then staff will request additional budget authorization through the annual budget process. Additionally, neighborhoods who may be seeking funding for larger projects (grants in excess of \$5,000) would likely be seeking a project that should be considered as part of the City's capital improvement program or a larger neighborhood event that should be considered against other City budget priorities. Staff recommends that there not be a change in the recommended budget carry-over policy at this time.

3. *Multiple due dates for grants:* Current guidelines state that mini-grants are due June 30 of each year, with funding available on a first come first served basis. This provides one major “batch” for review which provides efficiency to the process. Also staff accepts applications after the June 30 deadline if there are remaining budget funds available. With \$20,000 budgeted for the program and only four to seven projects annually, the single mid-year deadline is functional. Staff does not recommend a change in the grant deadline at this time.
4. *Adding level of volunteer effort to the ranking criteria:* The CON strongly recommended changing the required match to make the grants more accessible to less active neighborhoods. Rather than adding volunteer effort to the ranking criteria which might counter this goal of accessibility, staff will add a clearer requirement in the application process to both document community support for a project and a description of planned community engagement in the project.

### **STAKEHOLDER OUTREACH**

City staff had multiple conversations with Council of Neighborhoods Board about the proposed changes. Council of Neighborhoods Board and staff solicited comments via email from all Council of Neighborhood representatives. Representatives of the Council of Neighborhoods attended the October 22, 2012 Council meeting to give public comment on mini-grants.

The City promotes the Neighborhood and Environmental Mini-Grant programs annually in Currents encouraging applications, showing photos of past projects, and describing the program. Mini-Grants are also publicized annually in Neighborhood E-news. There are Neighborhood and Environmental mini-grant pages on the City’s website with a description, forms and photos of past projects.

For the last three years staff has held a “how to” workshop in the spring for Neighborhood and Environmental Mini-Grants in early spring which has also been publicized in Currents. Neighborhood Mini-Grants are discussed regularly with Council of Neighborhoods.

### **RESOURCE/FINANCIAL IMPACT**

The 2013 budget includes \$20,000 for funding the Neighborhood Mini-Grant Program. The recommended changes have no additional financial impact.

### **RECOMMENDATION**

Staff recommends approval of Resolution No. 337 to give authority to the City Manager for administration and approval of individual neighborhood mini-grants.

### **ATTACHMENTS**

Attachment A: Resolution No. 337