
For Information

REPORT TITLE: Community Investment Program 2020 Fund Update

FROM: Janice Sheehy, Commissioner of Human Services

OBJECTIVE

To provide Regional Council with an update on the 2020 Community Investment Program fund allocations.

REPORT HIGHLIGHTS

- The Community Investment Program invests exclusively in not-for-profit agencies' core operations to strengthen organizational capacity and achieve greater impact on Peel's overall social services system.
 - In 2020, the Community Investment Program administered the following funds: Core, Capacity, Change, Small Capital, Community Hubs, Agricultural and Transition.
 - As of December 31, 2020, the Community Investment Program expended \$6,924,034 from the program's base budget and \$500,000 in one-time funding, all through 173 contracts.
 - The Community Investment Program aligned funding streams to support COVID-19 priorities including Anti-Black Racism, and the Community Safety and Wellbeing Plan.
 - Community Investment Program survey findings reveal fifty-nine percent of agencies polled are experiencing financial challenges such as an increase in unbudgeted operational costs and decreased financial reserves.
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DISCUSSION

1. Background

The Community Partnership division delivers and supports a range of community support services such as Poverty Reduction Initiatives, Community Engagement, Anti-Human Sex Trafficking, Affordable Transit, the Peel Hunger Relief Network, the Peel Community Benefits Network, and the Community Investment Program. Since 2013, the Region of Peel's Community Investment Program has funded Peel's not-for-profit sector to build stronger more equitable communities by: providing programs to the most vulnerable; supporting capacity and resources for marginalized and equity-seeking populations; and enabling upstream systems change that addresses complex social challenges.

With the onset of the COVID-19 pandemic in March 2020, the Community Investment Program pivoted to assist the not-for-profit sector to adapt their service delivery models to support Peel's most vulnerable populations. On July 9, 2020 in a report titled "Aligning 2020 Community Investment Program to COVID-19 Post Recovery Efforts" approval was given to support the sector by realigning \$1,285,000 through the different phases of the pandemic (Resolution 2020-546).

Community Investment Program 2020 Fund Update

On June 11, 2020 Council declared Anti-Black Racism a crisis in the Region of Peel and passed Resolution 2020-448 to address systemic discrimination by supporting policies, equitable funding, and programs that address the inequities faced by the black community and other marginalized groups. Staff worked with the Office of Culture and Inclusion to incorporate and pilot an equity funding lens on the Community Investment Program in 2020.

The Community Investment Program has provided funding to the not-for-profit sector in Peel to support core infrastructure, improved business practices, organizational development, and collaborative partnerships. The 2020 Community Investment Program was comprised of the following funds:

- a) **Core:** invests in an agency's core operational needs; enabling the organization to develop, maintain and improve its service delivery and programs.
- b) **Capacity:** to strengthen an agency's infrastructure with a focus on COVID-19 priorities related to Adaptive, Operational and Financial Capacity.
- c) **Change:** to empower communities and not-for-profit groups to stabilize, rebuild and reconvene during the medium and long-term phases of COVID-19.
- d) **Small Capital:** to strengthen an organization's ability to better meet service needs through small capital purchases during COVID-19.
- e) **Community Hubs:** to support community agencies to conduct feasibility studies and develop strong community hub business plans; aligned to Peel's community hub development standards.
- f) **Agricultural:** to focus on increased awareness and education of Peel's agricultural community.
- g) **Transition:** one-time funding to support agencies negatively impacted by changes to the Community Investment Program (Resolution 2019-418).
- h) **Social Enterprise:** two-year pilot to support not-for-profit agencies to develop innovative approaches for employment. This has been deferred to 2022 (Resolution 2020-239).

2. 2020 Community Investment Program Allocations

In 2020, the Community Investment Program received 209 applications with a total request for funding of \$10,031,314. As of December 31, 2020, the Community Investment Program expended \$6,924,034 base budget and \$500,000 one-time funding through 173 contracts.

Allocations from each grant can be found in the chart below.

Table 1: 2020 Community Investment Program Funding Streams

Fund	Total Requested Funding 2020	Total Funding Allocated 2020	Number of Investments 2020
Core	\$6,278,545	\$5,037,970	67
Capacity	\$1,163,808	\$700,522	30
Change	\$1,091,228	\$643,361	14
Small Capital	\$875,568	\$420,016	39
Community Hubs	\$106,165	\$106,165	3
Agriculture	\$16,000	\$16,000	6

Community Investment Program 2020 Fund Update

Subtotal 2020 Base Funding	\$9,531,314	\$6,924,034	159
Transition (one-time)	\$500,000	\$500,000	14
Social Enterprise (two Year Pilot)	\$0	\$0	Deferred
Total 2020 Base + One-Time Funding	\$10,031,314	\$7,424,034	173

Please refer to Appendix I - 2020 Community Investment Program Allocations for a breakdown of fund allocations.

Funding allocations are assessed against a scoring matrix by a review committee. For the Capacity and Change Fund the review committee is comprised of Regional staff. For the Core Fund the review committee is comprised of provincial, municipal, and sectorial funding partners.

Community Investment funding represents only a small percentage (up to 20 per cent) of each organization's overall revenue. Agencies leverage the Region's funding to obtain other funding sources from different levels of government, foundations, and private sector funders.

3. 2020 Community Investment Program Funding Impacts

Despite the many obstacles from COVID-19 the Peel not-for-profit sector has been resilient, working collaboratively to support the most vulnerable. Peel's not-for-profit sector is an integral part of our human services systems continuum and is vital in supporting the needs of residents. The Community Investment Program does not directly fund agency programs or client services, rather it invests exclusively in agencies' core operations. This funding model enables Peel's sector to focus on improving their organizational capacity, which ultimately strengthens and improves an agency's ability to operate and deliver quality programming.

The 2020 Community Investment Program enhancements and the realignment to COVID-19 priorities resulted in the following:

- a) Increased agency funding contracts by sixty-two percent from 2019.
- b) Assisted forty-four agencies through the realignment of \$1,285,000 program funding to address the impacts of unbudgeted COVID-19 expenses.
- c) Addressing Council's Anti-Black Racism Motion, thirty-five percent of successful applicants for the Capacity and Change Fund were Black-led, Black-mandated or Black-serving Peel not-for-profits.
- d) Forty-two percent of funded projects through the Change Fund were aligned to Peel's Community Safety and Wellbeing Plan priorities of family violence, mental health and addictions, and systemic discrimination.

Please refer to Appendix II - 2020 Community Investment Program Overview, that highlights outcomes from the 2020 investments.

4. Peel Not-For-Profit COVID-19 Challenges

In March 2021, staff conducted a consultation through the Community Response Table and surveyed over seventy Peel not-for-profits to better understand current organization capacity

Community Investment Program 2020 Fund Update

and financial impacts at the one-year mark of the pandemic. Some of the findings are summarized below:

- a) Peel not-for-profits have been agile, resilient, and innovative in adapting to the many phases of the pandemic.
- b) Eighty-seven per cent of Peel agencies continue to modify and adapt service delivery models aligned with Public Health COVID-19 guidance.
- c) Fifty-nine per cent of Peel agencies have increased, unbudgeted operational and infrastructure costs to support a significant demand for staff, volunteers, programs, and services.
- d) Agencies continue to experience staff fatigue, depleting financial reserves, and decreases to base fundraising revenue.
- e) Agencies are hopeful about their organization's ability to recover from COVID-19, but long-term sustainable funding and future financial viability are of most concern.

The COVID-19 pandemic and emergency response measures from all levels of government have drawn attention to the disparities experienced by marginalized populations and equity-seeking groups across Peel. As such, it is anticipated the Program will see a surge of applications and requests exceeding the 2021 Community Investment Program budget.

CONCLUSION

During an unprecedented year marked by a need to be responsive to the impacts of COVID-19 within the community, Peel's not-for-profit sector has demonstrated resiliency by continuing to provide essential programs and services in unique and collaborative ways to vulnerable residents.

The 2020 funding allocations reflected in this report represent important investments in supporting agencies to adapt, strengthen organizational infrastructure and their capacity to deliver programs and services in new ways. In 2021, the Community Investment Program will continue to work with Peel's not-for-profit sector as they face ongoing financial and COVID-19 pressures.

APPENDICES

Appendix I - 2020 Community Investment Program Allocations

Appendix II - 2020 Community Investment Program Overview

For further information regarding this report, please contact Sonia Pace, Director Community Partnerships, Sonia.pace@peelregion.ca

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Reviewed and/or approved in workflow by:

Department Commissioner, Division Director and Legal Services.