

The Regional Municipality of York

Committee of the Whole
Community and Health Services
October 14, 2021

Report of the Commissioner of Community and Health Services

Proposed New Community Investment Fund Framework

1. Recommendations

1. Council approve the new framework for the Community Investment Fund program as set out in Attachment 1.
2. Council authorize and direct the Commissioner of Community and Health Services to:
 - a. Approve Community Investment Fund projects and funding allocations, including multi-year allocations where appropriate, subject to approval of the program budget as part of annual Budget process.
 - b. Direct external funding, where appropriate, through the Community Investment Fund to support initiatives that address human service needs.
 - c. Report annually on results of the Community Investment Fund.
3. Council approve a six-month funding extension to current projects, as detailed in Attachment 2 and subject to Budget approval, to support program transition.

2. Summary

This report presents findings of the Community Investment Fund review and recommends changes to strengthen the program, as set out in Attachment 1. To support transition to the new framework, a six-month extension to current projects is recommended, as detailed in Attachment 2.

Key Points:

- The Community Investment Fund is an important part of York Region's human service system, addressing gaps in community needs through targeted, time-limited funding to local initiatives delivered by not-for-profit agencies
- As part of continuous improvement, the program was reviewed to make it more flexible, responsive, and efficient, and to strengthen alignment with Regional priorities

- As part of the Region’s social service response to COVID-19, Council-approved temporary enhancements to the program have been piloted over the past 18 months to speed up reaction time, improve efficiency and enhance responsiveness to community needs
- Incorporating pandemic learnings and review findings, this report proposes permanent changes to the program, such as providing authorization to staff for project selection and funding allocations and creating a mechanism to flow funds from external sources to human service initiatives when such funds become available
- Community Investment priorities that will inform project selection and funding allocations during each new term of Council will be confirmed with Council following approval of the Region’s new Strategic Plan
- Subject to Council approval of the new framework, staff will refine program details in collaboration with key stakeholders, and implement the new program starting in 2022
- As part of transition, in 2022 and 2023 the Community Investment Fund will focus on pandemic response and recovery, implementation of the Community Safety and Well-being Plan for York Region, and capacity building of small and new organizations
- To support transition and as the community continues to respond to COVID-19, a six-month extension to current projects is recommended

3. Background

Community Investment Fund supports non-profit agencies to deliver local initiatives that address service gaps and complement Regional services

The Community Investment Fund was established by York Region Council to support local projects and initiatives delivered by not-for-profit community agencies. Through partnership with the local not-for-profit sector, the Region benefits from community agencies’ familiarity with community needs, expertise supporting specific populations and existing service infrastructure.

Funding addresses gaps in human services and complements or enhances other Regional services. The program emphasizes preventative and early-intervention approaches which help to divert residents from more costly programs. Under the current framework, the Community Investment Fund focuses on initiatives that serve residents living with low to moderate income to support the achievement of four “Community Result” areas: Community Health, Economic Independence, Housing Stability and Social Inclusion, as detailed in Attachment 3.

Project recommendations are identified through a Call for Proposals process and are brought to Council for approval.

Temporary enhancements were built into the Community Investment program to support the Region’s social service response to the COVID-19 pandemic

In [April 2020](#), Council approved realignment of Community Investment funding to address pressing community needs. In addition, authorization was granted to the Regional Chairman and Commissioner of Community and Health Services to direct funding, including external funding such as the provincial Social Services Relief Fund, where it was critically needed. Over 67,000 residents received services through the Community Investment Fund in 2020, including food security, mental health and technology supports. Details are provided in Attachment 3.

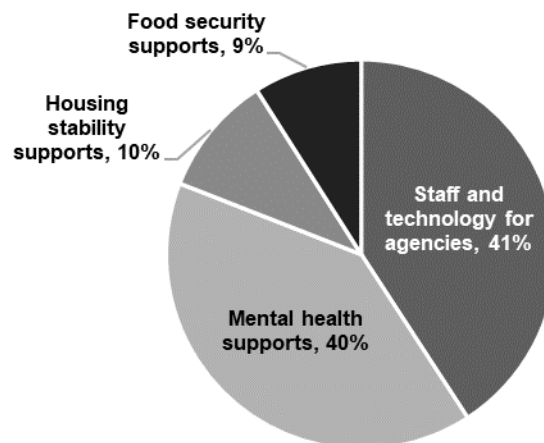
In [October 2020](#), Council provided the Commissioner of Community and Health Services with continued authorization to select projects and allocate funding in 2021. Council also approved setting aside unallocated funding to be used in-year to respond to emergent needs. Enhancements in 2020 and 2021 have helped the program be nimbler and more responsive to uncertain and evolving community needs.

As part of the 2021 Budget process, Council approved \$1 million one-time additional funding to address increased community needs and service gaps due to the COVID-19 Pandemic

Projects were identified using insights from pandemic-focused networks established by the Region, including the [COVID-19 Community Coordination Initiative](#), resulting in additional funding for 33 projects delivered by 29 community agencies in 2021. Projects address critical pandemic-related needs, including staff and technology for agencies to manage demand for virtual services, supplemental mental health programming, and increased housing stability and food security supports (see Figure 1 for funding distribution by need).

Figure 1

Distribution of Additional \$1 Million Community Investment Funding in 2021



Full 2021 Community Investment activity and outcomes will be reported to Council in 2022.

As part of continuous improvement, a review of the Community Investment Fund program was initiated to achieve several policy and program objectives

As noted to Council in [October 2020](#), a strengthened program would:

- Address short-term gaps, but also align to help deliver long-term Regional priorities
- Have flexibility and nimbleness to direct investments where they are needed
- Be adaptable to sectoral change and can leverage emerging opportunities
- Include streamlined administrative processes to achieve program efficiencies
- Continue program delivery in an accountable, transparent, and responsive manner

The program review was conducted amid an increasingly complex policy and fiscal environment

The program has not kept pace with demand. In the last five Calls for Proposals (2015 to 2019), requests have exceeded the funding available by \$1.9 million on average. This is driven by several factors, including an increase of 8.7% of residents living with low to moderate income during this period.

During the pandemic, non-profits have been pushed to do more with less and report significant financial challenges due to loss of funding and other revenue sources, and loss of volunteers. The true impact of the pandemic on the economy is still to be determined, but projected to be long-term, putting more pressure on the non-profit sector to fill gaps.

Looking ahead, the complexity of the human services landscape is expected to escalate and will include:

- An aging population (1 in 5 residents projected to be over the age of 65 by 2031)
- Growth in the number of people experiencing homelessness and forecasts that this trend will continue
- Unique needs of Indigenous, Black and other racialized residents being identified and advocated for as individuals from these groups have been disproportionately impacted by the COVID-19 pandemic
- Increased Opioid use and self-reported poor mental health
- Forecasted growth of residents relying on social assistance as Federal income supports end

These complexities lay the groundwork for the need for the program to continue and for the recommended changes.

Research, stakeholder engagement and COVID-19 response informed recommendations to program changes

Staff undertook research and engaged with peer municipalities on community investment models. Consultations were undertaken with subject matter experts, residents, community agencies, and other funders (such as the United Way Greater Toronto). Collaborative tables, including the Human Services Planning Board, Community Partnership Council and York Region Accessibility Advisory Committee, provided valuable input. In total, more than 200 people were directly engaged in the process. Highlights and key themes heard during these discussions are summarized in Attachment 4.

Program enhancements implemented as part of pandemic response served as an opportunity to test innovative practices. Proposed changes to the Community Investment Fund build on current program strengths and incorporate learnings from the pandemic, making the program more flexible and responsive.

The proposed changes to the Community Investment Fund are described below and in the framework set out in Attachment 1.

4. Analysis

PROPOSED CHANGES TO THE COMMUNITY INVESTMENT PROGRAM

Target population will broaden beyond income threshold to include other priority groups

The program currently invests in projects that serve residents living with low to moderate income. Research and information on the social determinants of health, however, have highlighted the need to also prioritize other at-risk groups that would benefit most from programs and services. These marginalized and vulnerable groups were disproportionately impacted by COVID-19.

In addition to supporting people in poverty, the recommended changes would help address the needs of priority groups that would most benefit from programs and services, including Indigenous, Black and other racialized populations, Lesbian, Gay, Bisexual, Trans, Queer, Two-Spirit (LGBTQ2S) communities, newcomers, and people living with disabilities. Residents who identify with these priority groups have always been eligible to receive Community Investment Fund services (provided they also meet the program's income threshold). The new program focus will help service providers design and deliver projects that specifically respond to these groups' unique needs (which are often intersecting and may not necessarily be dependent on income). This focus will also help advance the [Inclusion Charter for York Region](#) and Council's commitment to creating a welcoming and inclusive community, where diversity is celebrated and where everyone can develop to their full potential, participate freely in society and live with respect, dignity and freedom from discrimination.

Priority groups will also include those living in geographic focus areas (for example, those identified under the [Community Safety and Well-being Plan](#)). This allows the fund to focus on communities that could benefit the most from targeted supports.

Staff will engage organizations that represent and advocate for residents belonging to priority groups as part of communication and implementation of the new program framework.

Fund will enable participation in multi-sectoral partnerships to respond to complex human services issues

The program will continue to focus on and benefit from the expertise of the non-profit sector but recognize that some complex policy problems may require the involvement of many diverse partners. The new framework will enable the program to enter into funding agreements with organizations currently excluded, such as post-secondary institutions and hospitals, and support multi-sectoral initiatives that respond to the most complex human services issues.

Following Council approval of program priorities at the start of each term, Commissioner will be authorized to select projects and allocate funding

The new framework recommends that at the beginning of each Council term and after its strategic priorities are set, Community Investment Fund program priorities will be confirmed with Council. These approved program priorities will then inform the selection of projects during the term of Council. The Commissioner of Community and Health Services will be authorized to approve projects and funding allocations, subject to approval of the overall program budget as part of the Budget process and annual reporting of results.

Under the new framework, the Commissioner of Community and Health Services will also have the ability to flow external funding, as they become available and where appropriate, through the Community Investment Fund to support priority human services initiatives.

These changes build on enhancements tested as part of pandemic response and will improve the program's responsiveness and efficiency.

Processes for selecting projects will be diversified

Processes for project selection and funding allocations will be expanded beyond an annual Call for Proposals, to include targeted calls and direct selection. While the public Call for Proposals process has been a key feature of the program, the process has limitations, especially in emergency scenarios when an urgent need requires an immediate response. Administrative processes associated with the Call for Proposals process can be lengthy and burdensome for agencies and does not always result in proposals that align with needs.

Some funding for emergent needs will be maintained

The program will continue to reserve a portion of funding for in-year allocation to maintain capacity to respond to emergent needs and opportunities during the year. Council approved

this practice in 2021 and was found successful during the pandemic as human services needs were evolving; the proposed framework makes this a permanent program feature.

IMPLEMENTATION OF THE NEW PROGRAM

Implementation will begin in 2022 and include recommended funding extensions to stabilize the sector

To stabilize services and provide time for the local non-profit sector to become familiar with the new framework, staff recommend that funded projects approved by Council in [October 2020](#) and scheduled to expire at the end of 2021, as set out in Attachment 2, be extended for an additional six months, subject to approval of the 2022 program budget. Each of these projects has been reviewed and was found to be in compliance with service agreements, including appropriate use of funding and meeting service targets.

Selection of new projects under the new framework will start in early 2022. Implementation will also include administrative improvements, such as a more streamlined Call for Proposals process. The program will undergo periodic reviews as part of continuous improvement, and any significant changes will be brought forward to Council.

As part of transition, 2022 and 2023 investment priorities will include pandemic response and recovery, and capacity building for new and small organizations

Investment focus until the next term of Council will include COVID-19 pandemic response and recovery and capacity building for the non-profit sector, particularly new and small organizations. The social and economic impact of the pandemic is not fully realized and is predicted to be long-term. Recovery from the pandemic will be slower if community services and the organizations that deliver them are not adequately resourced to fill gaps in human services and support residents' well-being.

The fund will also prioritize initiatives that help implement the Community Safety and Well-being Plan for York Region

The Community Safety and Well-being Plan (Plan) for York Region is a provincially mandated initiative for municipalities to identify, prioritize and develop actions that prevent, or reduce risks to community safety and well-being.

Council approved a [place-based approach](#) to this work, with four geographic focus areas in northern Georgina, central Newmarket, south-central Richmond Hill and south-central Markham selected for this iteration of the Plan. As reported to Council in [May 2021](#), stakeholder consultations identified employment and income concerns, mental well-being concerns, and housing stability as top risk categories to address in the focus areas. Community Action Tables, led by agencies, have been established and are developing proposed solutions that will inform the Community Safety and Well-being Plan (to be submitted to Council for approval during the first half of 2022).

The Region has not received provincial funding to support this work, but initiatives to implement the Plan will require funding and resources.

Implementation will include possible transition of long-time funded projects

Although the program has always intended to provide short-term investments, generally in the range of three years, some projects have been funded over 10 years. This occurred because the projects were deemed critical to Regional core programming.

As part of implementation of the new framework, the program will focus on its original intent of making investments time-limited to allow the fund to respond to a broader range of needs. This may result in the discontinuation of some long-term projects after June 2022.

Transition support may be required to avoid destabilizing non-profit organizations and giving time for programs that continue to become financially sustainable. To support transition, temporary financial assistance to help with fixed costs/project wind-down or referrals to other funding sources may be provided. Long-term funded initiatives deemed critical to Regional core programming will be reviewed and some may be appropriate for ongoing base funding and could be brought forward for Council consideration as part of future budget processes.

Ongoing funding for Seasonal Shelters will be included in the 2022 Budget

An example of long-term funded projects critical to Regional core programming is seasonal emergency shelters and drop-in supports. Emergency shelter supports delivered by Inn from the Cold and Mosaic Interfaith Out of the Cold, both funded by the Community Investment Fund since 2009, have become integral to the Region's homelessness system. Ongoing funding for these seasonal shelter programs will be included in the 2022 Budget (offset from the Community Investment Fund), while oversight for these initiatives have been assumed by the Region's Social Services Branch to enable stronger and more seamless integration with other homelessness programs.

New program framework supports Strategic Plan, Vision 2051, and Inclusion Charter objectives

The Community Investment Fund improves the quality of life of residents by enhancing access to community services. It supports the Vision 2051 goal of York Region as a place that fosters healthy living and is safe, accessible, inclusive, and supportive for all residents. The new framework builds in a process to reflect future strategic plans in its priority setting. Expansion of the program's target population also supports the Inclusion Charter for York Region, and the commitment to create an inclusive environment for all.

5. Financial

The Community Investment Fund has an annual budget of approximately \$6 million. In 2021, the Fund has a budget of \$7,041,074, including a one-time \$1 million for pandemic response. The six-month funding extension to projects, detailed in Attachment 2, total \$2,433,644 in 2022.

The annual budget has not increased significantly since the program's inception in 2002, resulting in gaps in funding and an inability to keep pace with the needs of a growing

population. Any additional funding requirements will be brought forward as part of future budget processes.

Community Investment funding of \$500,000 for the seasonal shelters will transfer from Strategies and Partnerships Branch budget to Social Services budget starting in 2022.

The Community Investment Fund is 100% tax levy funded.

6. Local Impact

Local municipalities and community agencies across the Region were engaged through program review. Under the proposed strengthened framework, the Community Investment Fund will continue to support initiatives that respond to human service needs of vulnerable and equity-seeking residents living in all nine local municipalities. Through alignment with the place-based Community Safety and Well-being Plan for York Region, the proposed framework will also help target investment to communities that would benefit most.

7. Conclusion

As part of COVID-19 response the Region has enhanced its network of community partners, improved mechanisms to monitor local needs, and strengthened its ability to respond to gaps in human services. Informed by research, community consultations and pandemic learnings, the proposed new framework for the Community Investment Fund builds on current program strengths and makes the Fund more flexible and responsive to Regional priorities and community needs. This report identifies an implementation path that includes supports to help stabilize human services and help the sector become familiar with the new program.

For more information on this report, please contact Joseph Silva, Director, Strategies and Partnerships Branch at 1-877-464-9675 ext. 77201. Accessible formats or communication supports are available upon request.



Recommended by:

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Attachments (4)
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