

# Transition of CRA A-Guide Funding to the City

A DISCUSSION OF WHERE TO GO

City Commission Mtg.  
November 19, 2024

# CRA A-GUIDE FUNDING

- ▶ The CRA has Funding non-profits that provide services in the CRA since at least 1997. The Achieving Goals Using impact Driven Evaluation (A-GUIDE) funding has literally provided \$millions for these organization.
- ▶ Recent changes to interpretation of Sec. 163, Part III of the Florida Statutes, the legislation that governs the operations of CRA's, has made it extremely difficult, if not impossible for the CRA to continue this funding program.
- ▶ As the organizations funded through A-GUIDE would have a difficult time trying to make up the funding they receive through this source, a transition of the funding of this program is being reviewed by the City.

# CRA A-GUIDE FUNDING

- ▶ In the current FY the CRA approved \$1,166,810 in A-Guide funding
- ▶ The CRA will continue to fund the Community Land Trust (CLT) in the future leaving \$927,000 in funding as the base for the City to consider for the future.
- ▶ The City, in anticipation of a transition, has funding  $\frac{1}{2}$  of the A-GUIDE Expenditures (minus the CLT Funding) in the amount of approximately \$463,500 for each of the last two years.

# WHO IS FUNDED THROUGH A-GUIDE

- ▶ Currently the following organization are funded:
  - ▶ Community Land Trust \$239,810
  - ▶ Delray Beach Public Library \$443,000
  - ▶ DB Creative City Cooperative (Arts Garage) \$275,000
  - ▶ Spady Cultural Heritage Museum \$109,000
  - ▶ Delray Beach Historical Society \$100,000
- ▶ In the Past, the CRA A-GUIDE Program has also funded:
  - ▶ The Old School Square Center for the Arts
  - ▶ The Delray Beach Chamber of Commerce (for Small Business Development Program)

# OPTIONS FOR THE FUTURE

- ▶ **Three potential funding options will be presented for consideration.**
- ▶ **The City Commission is not obligated to undertake any of these three and may consider other options as it see appropriate.**

# OPTION 1 – FUNDING AGREEMENTS

Award the CRA FY 2024-25 amount in the form of annual funding through a Five-Year Funding Agreement as is done with current Funding Agreements.

- ▶ This is the most direct method of all the options
- ▶ Provides grantees certainty of funding.
- ▶ Requires minimal time of both applicant and City staff
- ▶ Able to include certain performance standards
- ▶ Requires annual reporting (both pre and post distribution of funds)
  - ▶ Diversity Plan, Annual Budget, previous year's IRS filing, Compilation Report/Audit, performance standards, etc.

# OPTION 2 – GRANT PROGRAM FOR PREVIOUSLY FUNDED ORGANIZATIONS

Continue current process to require some form of application process with specific purpose and award funds based on an established scoring program but only for organizations that have already received A-GUIDE funding from the CRA.

- ▶ This is a more labor intensive method for both City staff and applicants
- ▶ Not necessary if the intent is to fund at the same level. Annual reporting and other requirements will guide expenditures in Option 1.
- ▶ Would require annual grant agreements.
- ▶ Less funding certainty as would probably be done by annual awards.
- ▶ Continues ability to include certain performance standards in grant agreement
- ▶ Reporting standards would be part of the application.
  - ▶ Diversity Plan, Annual Budget, previous year's IRS filing, Compilation Report/Audit, performance standards, etc.

# OPTION 3 – OPEN GRANT PROGRAM

Create an Annual Grant Program that any non-profit that meets annual requirement and preferences can meet.

- ▶ A grant program would be designed that any non-profit could apply for if they meet established parameters (based in Delray Beach, Provide services to residents, promotes City cultural visitation, etc.) and/or provides desired service (drives visitation, provides educational services to City youth, etc.)
- ▶ Very labor-intensive for City staff and would require a more detailed process.
- ▶ Would require annual grant agreements.
- ▶ No funding certainty as would probably be done by annual awards and could be to any organization Commission felt appropriate in that year.
- ▶ Continues ability to include certain performance standards in grant agreement
- ▶ Reporting standards would be part of the application.
  - ▶ Diversity Plan, Annual Budget, previous year's IRS filing, Compilation Report/Audit, performance standards, etc.

# SUMMARY

- ▶ **The City is not limited to a program that meets narrowly defined statutory requirements.**
- ▶ **Three alternatives presented:**
  - ▶ **Direct Funding Agreements in amount of FY 2024-25 awards.**
  - ▶ **Grant awards only to non-profits that have previously received funding that is based on a scoring system similar in nature to how the CRA runs the A-GUIDE Program today.**
  - ▶ **Open grant program to defined non-profit for programs that meet an established need or desire.**
- ▶ **Amount of City staff and/or non-profit resources needed to apply/participate is important.**
- ▶ **Funding certainty is a prime concern of the non-profits (particularly those currently receiving grants)**
- ▶ **Reporting and performance standards will be included in any program**

# SUMMARY

**Any type of reasonable program can be implemented**

**Three alternatives presented:**

**Direct Funding Agreement in amounts now awarded are easiest, least labor-intensive, and provide funding certainty to recipients**



**Any Questions?**