PARKS & COMMUNITY SERVICES COMMISSION
AGENDA
AUGUST 14, 2025

STAFF REPORT
BUSINESS
ITEM NUMBER: 2.

TITLE
Community Grant Program Policy

RECOMMENDATION
Review and comment on City's Community Grant Program Policy.

CONTACT
Alexandra Ikeda, Deputy City Manager

BACKGROUND & ANALYSIS
As part of the Parks and Community Services (PCS) Commission's Fiscal Year 2025/26 Work Plan, the City Council requested for the Commission to develop a community grant program. The intent is to create a locally focused funding opportunity for American Canyon-based nonprofit organizations to receive one-time financial support for programs, events, and services that benefit American Canyon residents. This program is not intended to fund ongoing operational or administrative costs, but rather to support initiatives such as pilot programs, community events, or service based projects. The goal is to equitably distribute available funds across a diverse range of applicants. While no specific funding cap per applicant was established, the City Council allocated funding in the Fiscal Year 2025/25 Budget t to support the program.

In researching prior efforts, City staff identified Resolution 2020-27: Community Grant Program Policy (Attachment 1), which was formally adopted by the City Council on March 21, 2020. Staff also reviewed the American Canyon Tourism Business Improvement District (TBID) Funding Guidelines and Application (Attachment 2).

Resolution 2020-27: Community Grant Program
This policy outlines a competitive and structured process for awarding small-scale ("micro") grants to nonprofit or not-for-profit organizations serving American Canyon residents. The policy establishes criteria, requiring that at least 70% of beneficiaries be local residents and that funds be used only for one-time or seed programs, events, or services (not operational or administrative expenses). The program includes one funding cycle per year, and no single organization may receive more than 30% of the total fund available. Applications are reviewed and scored by the Parks and Community Services Commission based on need, project clarity, community benefit, and use of in-

kind support. Bonus points are awarded for projects that promote health/wellness or serve underserved populations. The policy also outlines a full annual timeline, from goal-setting in the summer to final reporting the following year, and includes accountability measures such as formal agreements, progress updates, and closeout reports.

Some things to consider about the policy:

1. *Definition of "One-Time" or "Seed" Funding:* the policy prohibits use of funds for ongoing operational or administrative expenses and states the grants are intended for "one-time or seed programs and projects." However, it does not define what qualifies as a "seed project" or what types of recurring events, i.e. annual festivals or sports clinics, would be eligible for repeat funding. Clarifying this would help manage applicant expectations and ensure consistency in award decisions.

2. *Residency Verification for Participants:* the policy requires that 70% of program participants be American Canyon residents but does not define how that should be verified. Should applicants submit participant rosters, zip codes, sign-ins, or affidavits? Establishing acceptable methods of verification would help applicants and reviewers meet this requirement.

3. *Handling of Incomplete or Ineligible Applications:* while the policy outlines an evaluation process, it does not describe how incomplete, late, or ineligible applicants will be handled. Clarifying staff's role in screening applications, and whether applicants may correct issues, would enhance transparency and efficiency.

4. *Use of Leftover or Unawarded Funds:* the policy does not address how unallocated funds should be handled if not all funds are awarded in a given cycle. Established whether funds may roll over, be reallocated, or trigger a second application round would support sound financial management.

5. *Conflict of Interest / Recusal Process for PCS r Council:* the policy does not provide guidance in the event that a PCS Commissioner or Councilmember is affiliated with an applicant organization. Including basic conflict-of-interest and recusal protocol would help uphold the integrity of the review and award process.

6. *Public Community and Transparency:* there is no mention of how the public will be informed of grant awards, evaluation outcomes, or program results. Establishing a standard for publicly posting award summaries and final reports would reinforce transparency and community trust.

7. *Clarification of the 30% Funding Limit:* the policy states "no one organization shall receive more than 30% of total grant funds available," but does not specify whether this is a strict cap or a general guideline. It also does not define how the 30% is calculated, i.e. based on the total budgeted amount, total eligible request, or final awards). Clarifying this provision will be important to ensure fairness and equitable distribution across applicants.

8. Clarification of Eligible Organization Status: the current policy refers to "nonprofit or not-for-profit" groups but does not define what qualifies. For legal and fiscal accountability, it is important to clarify whether organizations must be formally registered nonprofits, i.e. IRS 501(c)(3) to receive grant funds. Clear eligibility criteria will help ensure compliance with state laws regarding public expenditures and avoid inadvertently awarding funds to ineligible entities.

9. Consequences for Non-Compliance with Report Requirements: the current policy requires that grant recipients submit a closeout report within 60 days of completing their program, including outcomes and a detailed accounting of how funds were spent. However, it does not specify what consequences, if any, will apply if an applicant fails to meet this requirement. The policy should clarify this, establishing clear expectations and consequences for non-compliance to reinforce accountability and ensure responsible stewardship of public funds.

TBID Funding Guidelines and Application
The American Canyon Tourism Business Improvement District (TBID) allocates approximately $5,000 annually to support tourism-related projects designed to enhance visitor experience and generate economic benefits. Applications are accepted on a rolling basis, and are reviewed biannually by the TBID Local Governing Committee at its regular meetings. Eligible applicants include IRS recognized nonprofit organizations (501(c)(3) or 501(c)(6)) and government entities, provided they have a proven track record in tourism or visitor-serving programming. The TBID places emphasis on clearly measurable outcomes, expanding funded projects to enhance visitor experience, demonstrates economic impact, and ideally drive overnight stays during off-peak periods. Once the applications are submitted (including the project budget), applicants are invited to present to the TBID Governing Committee during regular meetings, where funding decisions are made. It is important to note that the TBID does not have a stated per-applicant cap on funding nor do they mention a percentage allocation.

TBID things to consider:
1. Clear Focus on Measurable Outcomes: the applicants are required to demonstrate how their proposed project will enhance the visitor experience, generate economic impact, or create overnight stays, often including projected attendance, spending, or media reach. The City's Community Grant Program could adopt a similar standard by requiring applicants to outline quantifiable outcomes such as number of residents services, volunteer engagement, or anticipated community benefit.

2. Eligibility Tied to IRS Nonprofit Status: TBID funding is limited to IRS-recognized 501(c)(3) or 501(c)(6) nonprofits and government entities. This ensures funds go to formally organized and accountable groups. The City may consider requiring formal nonprofit designation to protect public funds and establish a consistent eligibility threshold.

3. Rolling Applications with Biannual Review: TBID accepts applications throughout the year but conducts formal funding reviews during two set periods, typically in May and December. This

provides predictability while retaining flexibility. The City could explore a similar structure by maintaining an annual call for applications, which an option for a second round if funds remain.

4. Detailed Budget and Use-of-Funds Section: TBID applicants must submit clear, itemized budget showing how funds will be spent and identifying other funding sources or in-kind contributions. Requiring this level of detail in the City's application would enhance financial transparency and help reviewers assess the feasibility and scale of each proposal.

5. Presentation-Based Review Process: TBID requires applicants to present their proposals in public meetings, allowing for Q&A and transparency in the review process. While the City already requires applicant presentations, placing greater emphasis on this step could help improve applicant readiness and ensure open public evaluation.

6. Public-Facing Guidelines and Application Materials: TBID provides a cohesive, easy-to-access application packet that includes instructions, goals, eligibility criteria, and funding expectations. Creating a similar "Community Grant Program Guide" and website page on the City's website, would support accessibility, consistency, and transparency.

Next Steps
To support the development of a consistent and equitable Community Grant Program, staff recommends that the Commission discuss and provide input on the following:

1. Review the existing Community Grant Program Policy (Resolution 2020-27) and identify which components should be retained, clarified, or updated to align with current City goals and the FY2025/26 Work Plan directive.

2. Provide comments on the considerations outlines above, including key policy gaps such as residency verification, funding limits, treatment of incomplete applications, and consequences for non-compliance.

3. Discuss whether to incorporate elements of the TBID Funding process, such as clearer budget documentation, public facing application materials, and applicant presentations, to improve consistency, transparency, and accessibility.

4. Offer direction to staff on what additional tools or materials may be helpful to support applicants, i.e. Community Grant Guide, sample application, scoring rubric.

Based on the Commission's review and discussion, staff will incorporate feedback and return to the next meeting with an update.

COUNCIL PRIORITY PROGRAMS AND PROJECTS
Organizational Effectiveness: "Deliver exemplary government services."

FISCAL IMPACT

Not Applicable

ATTACHMENTS:

1. Resolution 2020-27: Community Grant Program Policy
2. TBID Funding Request Guidelines and Application