

## *Council Policy Statement*

**Category: COMMUNITY ACTIVITY FUNDING**  
**Specific Subject: Process for Funding Community Activities**

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### **PURPOSE:**

To establish the process for distributing funds for community activities, special events, support for winning teams, and community spirit activities.

### **BACKGROUND:**

The City Council has, in the past, chosen to fund community activities with General Fund monies. This has included the allocation of funds to agencies that provide various programs that enrich Carlsbad residents and visitors, and/or assist in enhancing their quality of life.

### **POLICY:**

1. It is the policy of the City of Carlsbad to allocate funds for “start-up costs” to initiate new programs/ideas/organizations that provide for community activities or enhancements within Carlsbad, or to celebrate community accomplishments and spirit. The program is not intended to fund ongoing services/programs. There are four (4) funding programs available under this Council policy: Community Activity Grants, Special Event Grants, Winning Team Grants, and Community Spirit Grants. A description of each program and its related eligibility criteria is provided below.
2. The Grant Funding shall have the following term limits per organization:
  - A. Community Activity Grants: An organization may receive no more than one grant per year for up to a maximum of three (3) years. After three (3) years, the organization will be ineligible for any type of funding from the City, including these grant funds, for at least two (2) years. After a two (2) year hiatus from receiving city funding, an organization will be eligible to again apply for and may receive this Grant funding for an additional two (2) years maximum. This grant will provide no more than five (5) years total of funding for an organization.
  - B. Special Event Grants: An organization may receive no more than one (1) special event grant per year and may receive no more than five (5) years of grants total with cash assistance being provided for no more than three (3) of those years and grants for in-kind city assistance to pay for city services/facilities for special events permitted for each of the five (5) years.
  - C. Winning Teams Grants: A team may receive no more than one (1) grant per year for a national championship competition as defined below.

- D. Community Spirit Grants: An organizer/organization may receive no more than one (1) grant per year for an event which reflects community pride or community spirit to help others within the community as defined below.
3. The organization cannot receive money, or donated city services from other city sources (including CDBG) for the current fiscal year to receive one of the above noted grants.
4. All awarded grants will be disbursed on a reimbursement basis only, and will be subject to compliance with an agreement or letter of agreement approved by the City Manager or designee. The reimbursement shall be based on actual costs with receipt and proof of payment required from the applicant.
5. Community Activity Grants – Criteria and Process
- A. These grants provide funding for enrichment programs for the community and/or for physical or other neighborhood enhancements within Carlsbad, with the exception that the following will not be eligible: 1) social service programs; 2) programs sponsored by educational institutions; and 3) a program that conflicts or is in competition with a city program.
- B. City funding shall be awarded to fund approved program/project costs only. The City funds shall not be used for operational reserves for the applicant or for future year programs/projects. The City funds received by the applicant may also not be used for donations to other organizations.
- C. The City Council will annually determine the amount of funds to be budgeted for Community Activity Grants. This amount shall include the interest earned on the initial \$1 million set-aside for said fund, but may also include additional general funds at the discretion of the Council.
- D. Once the budget is adopted by the Council, interested groups will be notified of the application process to request said grants.
- E. The application process will consist of the following:
- i. Completion of city application for funds.
  - ii. Review by city staff and a Citizens' Advisory Committee.
  - iii. Recommendations submitted by Advisory Committee to City Council.
  - iv. Action by City Council to approve, modify, or disapprove the request.
- F. The City Council will establish a review panel comprised of citizens and city staff to evaluate the applications, and make recommendations to the City Council. The review panel will be comprised of the following: one representative from each quadrant of the city, one member of the Senior Commission, the Library Board, and the Parks & Recreation Commission.
- G. The review panel will consider the provision of matching funds from other sources in evaluation of the applications. Every effort should be made by the applicant to leverage the city funds to develop a long term funding plan for the proposed project/program; this effort shall be evaluated by the advisory committee in evaluating the funding priorities for these funds.
6. Special Event Grants – Criteria and Process
- A. These grants provide city funding for startup costs related to new Special Events (as defined below) held within the city that have a citywide interest; and shall be available to a recognized 501(C)(3) non-profit organizations, or to an organized all-volunteer, Carlsbad-

- based group on a reimbursement basis of actual costs only.
- B. For the purposes of this grant, a “special event” shall be defined as set forth in Chapter 8.17 of the Carlsbad Municipal Code (Special Event Ordinance), with the exception that the following “special events” shall not be eligible for this grant:
    - i. Events hosted by a commercial enterprise for profit and/or fundraiser purposes.
    - ii. Regularly offered programs, activities or events.
    - iii. Any event held for primarily a political or religious benefit or other similar purpose, which in the opinion of the City Attorney constitutes an unlawful use of public funds.
  - C. Special fundraising events shall be eligible if:
    - i. The event is hosted and coordinated by an all-volunteer, Carlsbad-based organization, and provided further that City grant funds are used only for direct costs of the event and no staff of the organization is paid for working the event, other than short-term consultants or contractors that are directly necessary for holding the event; and
    - ii. The event is held to raise funds for a Carlsbad-based (located) organization with a community-wide benefit and no cash funds are provided directly to individuals or families; the benefit must be to an organization providing services to the larger Carlsbad community.
  - D. Such grants can be requested any time of the year, and may not exceed \$10,000 for a single grant in a year.
  - E. Grant requests for cash assistance shall not exceed 20 percent of the total estimated event cost; total estimated event costs shall not include valuations for volunteer hours for planning or implementing the event or in-kind city services, and may not include payment or reimbursement for applicant-provided resources, such as office space, staff and other operational expenses. Total costs shall include expenses to be paid directly by the organizer to third party vendors.
  - F. A “new event” is defined as an event that has been newly established and has been initially developed within no more than three years of the date of the first grant request to the City. A change of location does not classify the event as “new” for the purposes of eligibility for this grant.
  - G. Grant applications shall be submitted no less than 60 days prior to the event to allow for adequate processing time by the City.
  - H. All approved grants will be funded from the City Council’s contingency account. An annual appropriation maximum shall be set by the City Council at its discretion.
  - I. The City Manager, or designee, is authorized to approve grants up to \$5,000 , and the Finance Director shall be authorized to appropriate said funds from the City Council’s general fund contingency account. The City Council shall approve grants over \$5,000.
  - J. The application process will consist of the following:
    - i. Completion of a permit application for the special event (if applicable).
    - ii. Completion of a Special Event Grant supplemental application.
    - iii. Administrative review and tentative support/approval of special event by special events committee (if applicable).
    - iv. Approval of grant by City Manager, or designee, if the grant request is \$5,000 or less. Approval of grant request and appropriation of funds by City Council, if the grant request exceeds \$5,000.

## 7. Winning Teams Grants

- A. These grants provide funding to youth teams to offset the cost of travel expenses to national championship competitions. To be eligible for these grants, the team(s) must advance through a series of competitive levels, earning the right to compete at a national or international level. Exhibition only or non-competitive events are not eligible for this grant. Additional eligibility requirements are provided below.
  - B. Such grants can be requested any time of the year.
  - C. Grant requests should not exceed 20 percent of the team's total travel cost; team costs may include participants and coaches. Eligibility does not extend to the family members or other individuals accompanying the team. Eligible travel costs include: airfare, lodging, entry fees, and food for the team.
  - D. These requests will be funded from City Council's contingency account.
  - E. Eligibility requirements are:
    - i. The participants are all 18 years of age or under.
    - ii. The group or team is an organized non-profit corporation or unincorporated association.
    - iii. The request for funding must be made prior to the date of the national or international event.
    - iv. At least 90 percent of the participants in the team or group are residents of Carlsbad; or, if the team is participating on behalf of a local school, the private or public school shall be physically located within the boundaries of the City of Carlsbad.
  - F. The application process will consist of the following:
    - i. Written request to the Housing and Neighborhood Services Director.
    - ii. Administrative review by the Housing and Neighborhood Services Director, or designee to determine the eligibility for a grant.
    - iii. Consideration and approval of grant by the City Manager, or designee, if the grant is \$5,000 or less. The teams approved for an administrative grant will be recognized by the City Council at a public meeting following the competitive event.
    - iv. Consideration and approval of grant request funding by the City Council if the grant request exceeds \$5,000.
8. Community Spirit Grant
- A. These grants shall provide city funding for events that contribute towards a vibrant community and strengthen the residents' quality of life by demonstrating community pride or spirit to help others or celebrate the community.
  - B. Grants to be utilized for in-kind city services only, ineligible costs include: operations, ongoing projects and capital costs; no cash assistance available under this grant program.
  - C. Recognized non-profit or donor driven charitable organizations are grant eligible. Activities include: parades and charitable initiatives directly benefitting Carlsbad residents.
  - D. Fundraising events are not eligible for this grant.
  - E. Such grants can be requested at any time of the year, one grant per organization per year.
  - F. All approved grants will be funded from the City Council's General Fund contingency account.
  - G. The application process will consist of the following:
    - i. Written request to the Housing & Neighborhood Services Director.
    - ii. Administrative review by the Housing & Neighborhood Services Director, or designee, for grant eligibility and confirmation of a special event permit application (if applicable).

- iii. Consideration and approval of grant funding (for in-kind/city services only) by the City Manager, or designee, if grant request is for \$5,000 or less.
  - iv. Consideration and approval of grant funding (for in-kind/city services only) by the City Council if grant request exceeds \$5,000.
9. This policy may be amended as necessary and appropriate by the City Council.