



Department: Administration
Cost Center: 1010
For Agenda of: 12/10/2024
Placement: Consent

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SUBJECT: CONSIDERATION OF THE 2024-25 DIVERSITY, EQUITY, AND INCLUSION HIGH IMPACT GRANT FUNDING RECOMMENDATIONS

RECOMMENDATION

1. As recommended by the Human Relations Commission, approve the 2024-2025 DEI High Impact Grant funding allocations in the amount of \$150,000; and
2. Authorize the City Manager to execute agreements with each grant recipient.

POLICY CONTEXT

The Human Relations Commission's (HRC) purpose is to advise and make recommendations to City Council and the City Manager which promote and advance inclusion, mutual understanding, respect, and equitable treatment to all San Luis Obispo community members. The Diversity, Equity, Inclusion (DEI) High Impact Grant program provides financial support to non-profit organizations for programming and projects that advance DEI in the City. This grant program is part of the DEI Major City Goal workplan with the goal of making San Luis Obispo a more welcoming and inclusive place for all community members by addressing structural and systemic issues.

DISCUSSION

Background

On November 17, 2020, City Council approved the first funding allocations for DEI High Impact Grant projects totaling \$109,800 to eight (8) organizations. During the 2021-23 Financial Plan process, City Council approved the DEI Major City Goal to include annual funding of \$150,000 for the DEI High Impact Grant program.

DEI High Impact Grant Purpose

The purpose of the funding program is to enhance the sense of belonging for all people in the San Luis Obispo community. The funding is an effort to uplift and support local projects, programs, and initiatives that contribute to creating a San Luis Obispo that is welcoming, inclusive, equitable, and safe. The scope of inclusion and equity work is inherently broad and complex, and the funding seeks to support initiatives that show an understanding of "root causes" issues, can demonstrate measurable success, and contribute to some aspect of systemic change.

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The funding is primarily focused on advancing and implementing diversity, equity, and inclusion through innovative practices that seek to narrow equity gaps and address intractable, systemic, and structural issues. Illustrative examples of systemic/structural issues include:

1. Affordable housing development and access to housing.
2. Access to culturally and linguistically appropriate behavioral health services.
3. Poverty and unemployment impacting access to education, food, and shelter.
4. Diversity in government and governing institutions.
5. Racial and socio-economic disparities in the criminal justice system.
6. Environmental justice and equitable access to sustainable resources.
7. Equity in access and representation of females and female-identified community members in decision-making processes and leadership roles.
8. Diverse individual civic engagement related to voting representation and election education.
9. Diverse work programs to match individuals with potential employers.

Funding Applicants Criteria

1. Applicants must be a registered 501(c)(3) non-profit organization, government or education entity, or faith-based organization.
2. Funding activities must primarily occur in the City of San Luis Obispo and be accessible to all community members.
3. Funded activities must primarily serve City residents. Applicants that provide services to neighboring communities, but also serve a significant number of City residents, will be considered.
4. Requests must be for programs or services with the ability to show measurable impact and success. New creative approaches rooted in best practices or evidence, as well as proven approaches, are highly encouraged.
5. Collaborations between one or more organizations or groups are welcome and encouraged. At least one organization in the partnership needs to be an eligible entity noted above.

Funding Requirements

1. Applicants must submit a complete application that must include the following attachments:
 - a. DEI Statement
 - b. Detailed budget for the proposed project
 - c. Organizational chart
 - d. Document certifying Federal Tax-Exempt Status

2. Applicants must demonstrate core values of justice, equity, diversity, and inclusion in their purpose/mission statement and daily operations and have been providing DEI-related initiatives or programs within SLO County for at least two years prior to application. (The proposal can be for something new, but the recipient organization must have been operating locally for at least two years.)
3. Grant recipients must enter into a contract with the City prior to receipt of DEI funds.
4. Grant recipients must complete periodic impact reports and provide them timely.
5. Grant recipients must submit a final impact report at the end of project or at 12 months from start, whichever comes first. Grant recipients will be expected to return unused funds.

DEI High Impact Grant Application Process

On July 22, 2024, the Office of DEI formally launched the DEI High Impact Grant process by advertising the availability of grant funds and information regarding the upcoming grant timeline, funding criteria, and examples of funding requests via the City's Grant webpage and via email to community partners. The DEI High Impact Grant program application was due to the City August 30, 2024, at 5:00pm. The Office of DEI provided online technical assistance on July 31, and August 1, 2024, as well as responding to individual questions throughout the month of August. The City received grant applications from 30 organizations requesting funding for a total of \$642,995. Attachment A includes a list of the applications submitted to the City for the DEI High Impact Grant funding and the HRC's recommended funding amounts, including a description of each application.

HRC Review Process

The HRC DEI High Impact Grant Review Subcommittee, which included Chair Angie Kasprzak, Commissioner Vincent DeTurris, and Commissioner Stephanie Carlotti, participated in a three-part review process which included:

1. Subcommittee Review #1: Individual review of all applications. The subcommittee had from Wednesday, September 4, 2024, to Tuesday, September 10, 2024, to complete their initial independent review.
2. Subcommittee Review #2: The initial group review was conducted on Wednesday, September 11, 2024, in which the subcommittee members considered the funding priorities, the impact of the proposed project, and the viability and sustainability of the applications to guide their funding recommendations.
3. Subcommittee Review #3: The subcommittee met for a second time on September 17, 2024, to review their preliminary funding recommendations and provide final feedback to staff to present the recommendation to the entire HRC.

On October 2, 2024, staff presented the DEI High Impact Grant subcommittee preliminary grant recommendations to the full HRC during a noticed public hearing meeting. During the discussion, the staff and subcommittee engaged with the other Commissioners to answer questions on the preliminary recommendations and voted to approve the funding recommendations reflected in Attachment A. The HRC found that the projects recommended for funding further Council’s adopted goal to make San Luis Obispo a more welcoming and inclusive place for all by advancing DEI initiatives.

HRC Public Hearing

The public hearing was held on October 2, 2024, which allowed the HRC to solicit feedback on the DEI High Impact Grant preliminary funding recommendations, prior to review by the City Council. Applicants were notified via email of their opportunity to attend the public hearing. A total of 24 correspondences were received on the public hearing item, showcasing the importance of this grant program in the community. Upon completion of deliberation, the HRC voted to approve the preliminary funding recommendations.

Grant Contracts

Upon Council approval of the DEI High Impact Grant funding allocations, the City will enter into a contract with each organization that has been awarded grant funding. The HRC and City staff will review grant project reports throughout the year. Organizations awarded grant funding are required to provide a mid-year report and a year-end report describing administrative functions, metrics and outcomes, and use of funds related to the application for each grant program. Reports are reviewed by staff and the HRC for completeness, compliance, and to ensure their approved projects are accessible to all community members.

Public Engagement

The public, and more specifically non-profit organizations, were engaged throughout the grant award process. Non-profit organizations received communication of available funding, including two virtual information sessions in English and Spanish on July 29, 2024, from 2:00pm – 4:00pm. Staff also offered technical assistance during the entire application period. This item is on the consent agenda for the December 10, 2024, City Council meeting and will follow all required postings and notification. The public can submit comments on this item at or before the meeting.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act does not apply to the recommended action in this report, because the action does not constitute a “Project” under CEQA Guidelines Sec. 15378.

FISCAL IMPACT

Budgeted: Yes
Funding Identified: Yes

Budget Year: 2024-25

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$150,000	\$150,000	\$0	\$
State				
Federal				
Fees				
Other:				
Total	\$150,000	\$0	\$0	\$

As adopted in the 2023-2025 Financial Plan, the allocated 2024-2025 budget for the DEI High Impact Grant program was \$150,000. DEI High Impact Grant programs will be implemented for a period of one year starting January 1, 2025, and ending on December 31, 2025.

ALTERNATIVES

1. ***The Council may modify the proposed grant funding amounts to the applicants recommended by the HRC.*** The Council should provide direction on the modifications desired.
2. ***The Council may choose to modify the proposed grant funding recommendations and to fund eligible DEI High Impact Grant applications not recommended by the HRC.*** This action is not recommended by staff because thorough consideration was given to recommended awardees.

ATTACHMENTS

- A - 2024-2025 DEI High Impact Grant HRC Preliminary Funding Recommendations & Program Summary
 B - 10-02-2024 Approved HRC Minutes