

**City of Madison
Community Development Division
Neighborhood Center Support
2019 Policy Paper**

I. INTRODUCTION

This policy paper introduces the proposed conceptual framework for 2020 City of Madison Community Development Division Center Support funding for Neighborhood Centers.

The City of Madison's Community Development Division (CDD) seeks to create the necessary conditions for Madison residents to realize their full potential through the strengthening of social capital and neighborhood assets. An important element of that work is the provision of ongoing support to a group of 15 neighborhood centers located throughout the city. This support, along with funds from other entities, helps those centers function as neighborhood focal points, providing physical places within which residents can gather, interact with one another and build a sense of community. They also serve as safe venues for programs, services and other activities that enrich the lives of neighborhood residents and improve access to basic services and resources, particularly for low- and moderate-income individuals and families. The City's financial commitment to these centers acknowledges the key roles they play in strengthening neighborhoods and improving the quality of life in Madison. It is but one element of collaborative partnerships that serve to make neighborhoods more supportive, connected, resilient and livable for all residents.

City funding for neighborhood centers has not been the subject of a funding process since 2013 (for 2014 allocations). Individual allocations to centers have remained largely unchanged since that time. In reviewing our current funding framework for neighborhood centers and contemplating potential modifications, CDD staff gathered input from a number of sources. They consulted with, the Forward Community Investment (FCI) Funding Process Study Report, Imagine Madison, and the work underway within the Madison Out-of-School-Time (MOST) Initiative. They also gathered input through conversations with neighborhood center directors, stakeholders, policy makers, and center users. In seeking resident input, CDD staff made a concerted effort to use settings and locations accessible to low-income individuals and families and people of color. The engagement process included:

- Polling over 1,000 community members at sites across the City to hear what programs and services were most important to them at neighborhood centers.
- Polling over 200 community members online to hear what programs and services were most important to them at neighborhood centers.
- Holding a series of 10 presentations and listening sessions for the public and stakeholders to gather feedback on the neighborhood center funding allocation model and hear about resident visions for neighborhood centers.
- Collaborating with neighborhood center directors, city officials, and City committee members through numerous meetings to gain insight and feedback on the neighborhood center funding allocation model.

While some of the strategies to gather feedback proved more effective than others, the input they generated informed many of the ideas that are reflected in this document. The community engagement processes

reinforced the notion that most residents have a strong affinity for their neighborhood centers – a sentiment echoed in input offered through the City’s recent Imagine Madison engagement effort. Residents identify with the centers and perceive them to be important to the fabric of the community. They place a high value on the City’s ongoing support for centers. Their survey responses revealed that child and youth development programming at centers, along with food pantries, are most popular. There was also plenty of interest in adding activities that might benefit other age groups or meet specific needs. Some community members expressed a desire to have more say in determining what happens in the centers and they asked for greater access to facilities, particularly on weekends and evenings.

2019 Neighborhood Center Funding Process Goals

In 2015-16, FCI undertook an extensive review and evaluation of CDD funding processes to determine how they, and their outcomes, might be improved. One of the principal outcomes of the FCI Study was a desire to try to view CDD funding decisions through the lens of their impacts on poverty, racial equity, and social justice. The Report urged CDD to strive to adopt an evidenced-based, holistic outlook that supports coordinated service delivery so that residents have increased access to appropriate resources. It called for greater emphasis on overcoming cultural and language barriers, and it challenged CDD, and its community partners, to give residents more opportunity to shape programs and services.

The FCI Report promoted a place-based strategy to support and strengthen Madison neighborhoods. More specifically, it proposed that CDD:

“In coordination with other entities, create, enhance or sustain the development and operation of facilities such as Neighborhood Centers, or other physical amenities that bring people of diverse backgrounds together, serve as neighborhood focal points, or help residents develop skills or take advantage of opportunities that will strengthen neighborhoods.”¹

Accordingly, CDD intends that the 2019 funding process be the mechanism by which the City continues and builds upon its relationships with the existing network of City funded neighborhood centers. In doing so, the process will further other goals identified in the FCI Report, from better articulating more standardized performance expectations and applying clearer program standards, to heightening attention to lower-income households, reinforcing efforts to engage residents in decision-making about center programming and, where possible, widening access to facility use. At the same time, CDD will simplify and bring greater transparency and consistency to that portion of City financial support made to these centers, the center support payment that, as described below, is not directly connected to specific programmatic uses.

II. Neighborhood Center Support

The financial support provided by the City to neighborhood centers is comprised of two distinct components – funding to support specific kinds of programming (e.g., after school programming for elementary age children), and funding to help centers with basic, and non-program specific expenses. This latter payment, called “Center Support”, helps centers pay a portion of the costs of key administrative staff positions and helps defray space and maintenance costs. It is sometimes characterized as financial support that helps centers “keep the doors open,”

¹ See Forward Community Investments, “Community Development Division Funding Process Study,” March 31, 2016, pages 15-16.

The City currently allocates Center Support funding to 15 neighborhood center operators that own, or lease, and operate facilities, which are typically located in neighborhoods with higher concentrations of low- and moderate-income residents. The City derives great value from these investments, largely from their contributions toward helping sustain a network of physical spaces in Madison that are accessible to the public and vital to promoting a sense of community; that offer safe and convenient venues for an array of services, programs and activities, many of which benefit under resourced populations; and that afford residents a meaningful role in shaping what happens within the facilities. (Notably, these are generally the same attributes that residents and facility users cite as important to them.) And though each center varies greatly one from the next – in terms of size, budget, range of programming, etc. – they also have much in common with respect to the impacts they have on the families and neighborhoods they serve. The City’s funding relationship with centers, therefore, should strive to better reflect these considerations as it allocates scarce resources.

The proposed Center Support payment structure seeks to strengthen the partnerships between the City and each of the 15 centers currently receiving Center Support payments. It more clearly describes a common set of expectations that are both fundamental to the effectiveness of individual centers and aligned with objectives identified by residents as important to them. The proposed payment model also increases equity in allocations made to individual centers, recognizing both the similarities and the variation that exist, but doing so through a simplified and transparent approach. Finally, and importantly, by insulating centers from any reduction in their funding, and precluding any redistribution of funds between centers, the new model reaffirms the value the City places on its partnerships with these centers and the roles they play.

In addition to meeting standard City contracting requirements, organizations receiving Center Support funds will be asked to:

1. Ensure that residents living proximate to the centers, particularly lower-income residents, are a primary focus of facility programs and activities.
2. Use neighborhood and community data and resident input to inform decisions about operations and programming at the center.
3. Commit to meeting applicable licensing and accreditation standards as well as quality standards established in contracts for all programming provided by the organization.
4. Track and report usage and outcome data.

Performance Goals for Neighborhood Centers Receiving Center Support

There is a richness and diversity of strategies utilized by currently funded neighborhood centers in their approaches to neighborhood engagement, programming and operations. In many ways, this is a reflection of the diversity of the neighborhoods within which centers operate. At the same time, there is a set of basic expectations of centers, or standards that have not previously been well articulated, that should accompany the receipt of ongoing financial support from the City. Engaging and serving the residents of neighborhoods within which centers are situated, ensuring that facilities are accessible to residents, providing staff development opportunities – these are standards most centers currently meet. Others, e.g., broadening program offerings, or adding weekend or evening hours may require more time and effort but are worth pursuing based on the desires or aspirations expressed by community members and stakeholders. The goal for the new funding structure is that these standards will become more directly tied to continued Center Support allocations. They include the following:

1. Engage and connect with the community

- Create open and welcoming spaces for the public.
- Engage a broad representation of neighborhood residents in governance, planning, and evaluation for the organization.
- Have staff and board that reflect the demographics of participants served.
- Utilize formal processes to gather input from residents about functions and programming of the center.

2. Ensure residents stakeholders living nearby have access to the facility

- Implement thoughtful and inclusive communication strategies for neighborhood and media regarding activities at the organization and availability of facility space.
- Provide access to the facility and community rooms at no/nominal cost for neighborhood residents and stakeholders, including some evening and weekend hours.
- Create equitable and clear facility use policies and protocols related to fees, hours, eligibility, and user guidelines.
- Maintain a clean and safe facility with a sustainable plan for facility updates
- Ensure facility users include a broad representation of neighborhood residents and stakeholders.
- Ensure facility is a safe space for all City of Madison residents, free from bullying and discrimination based on protected classes.

3. Offer programs and services to a variety of age groups

- Provide out-of-school-time programming that meets quality standards outlined in the City's School-Age Child and Youth Development Policy Paper, and that is accessible to low-income children and youth.
- Have a plan to connect residents with needed resources and services. This could include either onsite case managers or strong relationships with outside organizations that provide or connect residents to services.
- Provide programming and amenities that address the needs and interests of a broad spectrum of ages in the surrounding neighborhood.
- Operate a food pantry or develop a strong relationship with one in the area.

4. Build organizational and administrative capacity

- Provide professional development opportunities to staff.
- Have a strategic plan that includes a yearly assessment to identify strengths and weaknesses and specifies organizational goals for the next year.
- Have clear, written personnel policies.
- Provide competitive wages and adopt other strategies to reduce staff turnover.

5. Collect and use data

- Participate in CDD sampling process.
- Use data in decision-making.
- Utilize neighborhood data from the "Data Toolkit" and other sources in program planning.
- Collect data to track program outcomes.

Tiered Funding Structure for Neighborhood Center Support

The 15 currently funded neighborhood centers vary widely across a number of characteristics including: square footage, available community space, budget size, staffing, and range of programming. Similarly, Center

Support payments made to centers under the existing structure range from a low of \$50,000 to nearly \$170,000. There is no clear rationale for those differences and little, if any, correlation between payment levels and center characteristics, such as facility size or range of programming.

As the City seeks to standardize more of the administrative and process expectations it places on all centers, it makes sense to do the same with Center Support payments. Toward that end, and to create more consistency and transparency in this funding structure, the proposed funding model introduces a simpler, two-tiered Center Support payment structure. Each center would be identified as either a Tier 1 or Tier 2 facility based on specified criteria. All Tier 1 centers would receive the same Center Support payment; Tier 2 centers would receive a standardized slightly higher payment. A center’s placement in either Tier 1 or Tier 2 would depend on specific facility characteristics, e.g., size, budget, the number of people who use the center, as well as operational parameters, e.g., its level of community engagement, the days and hours in which the facility is open, range of programming and services, etc.

Each center, regardless of its tier placement, will be expected to meet specific identified benchmarks, or develop a plan to do so. These will address such issues as the type or range of programming offered, the hours of operation, how centers involve residents in decision-making or the policies governing access to the facility. The expectations for Tier 2 centers would be a bit higher, particularly with respect to hours of operation and range of programming. The levels for Tier 1 and Tier 2 payments will ultimately be a function of resource availability but likely amounts range from \$70,000 to \$90,000 for Tier 1 and \$90,000 to \$110,000 for Tier 2 centers.

The point of establishing some level of performance benchmarks within the network of facilities to which the City extends ongoing financial support is to achieve a degree of consistency among centers while recognizing that they operate under very different circumstances. To the extent that some centers may be unable to meet one or more of the benchmarks, they should be afforded time to devise a plan to meet them.

City funded Neighborhood Centers – Tier Benchmarks:

The following table presents the benchmarks that would guide tier placements.

Requirement:	Benchmark:	Tier 1 Expectation:	Tier 2 Expectation:
Engage and Connect with the Community	Resident involved planning or governance	<ul style="list-style-type: none"> At least 4 events or processes that provide documented resident input into planning for center functions. Center staff should reflect the demographics of the participants served. Center board should reflect the demographics of the participants served. 	
Engage and Connect with the Community	Community outreach	<ul style="list-style-type: none"> At least 2 resident informed community building events per year. 	<ul style="list-style-type: none"> At least 4 resident informed community building events per year.
Ensure Surrounding Neighborhoods and Stakeholders have Access to the Facility	Square footage	5,000-9,999 square feet	10,000+ square feet

Requirement:	Benchmark:	Tier 1 Expectation:	Tier 2 Expectation:
Ensure Surrounding Neighborhood and Stakeholders have Access to the Facility	Facility use hours	250-2,140 facility use hours per year	2,141+ facility use hours per year
Ensure Surrounding Neighborhood and Stakeholders have Access to the Facility	Facility use participants	200-2,150 unduplicated facility use participants per year	2,151+ unduplicated facility use participants per year
Ensure Surrounding Neighborhood and Stakeholders have Access to the Facility	Facility policies and plan	<ul style="list-style-type: none"> • Have a facility use policy that provides low/no cost options for residents. • Have a maintenance and facility update plan. • Have a language access plan for facility. 	
Ensure Surrounding Neighborhood and Stakeholders have Access to the Facility	Facility available for community use on weekends and evenings	<ul style="list-style-type: none"> • Center is available for facility use at least 5 or more Saturdays or Sundays per year. • Center is available for facility use until 7pm at least 2 days per week. 	<ul style="list-style-type: none"> • Center is available for facility use at least 12 Saturdays or Sundays per year. • Center is available for facility use until 8 pm at least 3 days per week.
Offer Programs and Services to a Variety of Age Groups	Programming and Resources Offered	<ul style="list-style-type: none"> • Programming for at least two of the following age groups offered: Elementary, Middle, and High School age programming. • 12 or more planned activities at the Center for adults per year. • Have a plan to connect residents with needed resources and services. • Operate a food pantry on site or have a close relationship with an established food pantry. 	<ul style="list-style-type: none"> • Elementary, Middle, and High School age programming required. • 24 or more planned activities at the Center for adults per year. • Have a plan to connect residents with needed resources and services. • Operate a food pantry on site or have a close relationship with food pantry in area. • One or more of the following: Adult Employment, Early Childhood, and/or Older Adult programming.
Build Organizational and Administrative Capacity	Total Agency Budget	\$200,000-\$520,699	\$520,700+

Requirement:	Benchmark:	Tier 1 Expectation:	Tier 2 Expectation:
Build Organizational and Administrative Capacity	Total Agency FTE	3-7.9 FTE	8.0+ FTE
Build Organizational and Administrative Capacity	Policy and Planning	<ul style="list-style-type: none"> • Have a current strategic plan. • Submit annual reports on board and staff demographics. • Have an existing personnel policy that addresses key elements required in contract. 	
Collect and Use Data	Sampling and Data Informed Decision-Making	<ul style="list-style-type: none"> • Participate in sampling. • Use data in decision-making (data toolkit and other resources). • Collect data to track program outcomes. 	

III. 2020 Budget Implications

The City of Madison’s 2019 Adopted Operating Budget allocates approximately \$2.6 million that supports purchase of service contracts between the City and 15 neighborhood centers. Just over half of that total (\$1,307,339) goes toward Center Support allocations and about a third (\$870,287) supports Child and Youth Development program contracts. The balance (\$400,241) supports payments to neighborhood centers for other types of programs –employment, parent and family support, etc. In addition, the Operating Budget allocates \$157,987 for School-Age Child and Youth Development program contracts with organizations that are not neighborhood centers.

In 2019, CDD is preparing to conduct RFP processes that will determine new funding allocations beginning in 2020 for Center Support (\$1,307,339) and for **all** School-Age Child and Youth Development funds (\$1,028,274). Several factors suggest additional funding may be needed to make these processes successful. As previously noted, Center Support and Child and Youth Development funds have not been the subject of an RFP process since 2013. Traditionally, the occasion of an RFP process presents the opportunity for the City to consider funding adjustments that reflect rising program costs and the emergence of new programs and/or agency providers. Furthermore, neighborhood center directors will be more receptive to the proposed new Center Support payment structure if it does not redistribute funds among centers.

The appropriate level of added funding depends on whether, and how, the new Center support model is implemented, and whether funding is adjusted to accommodate cost pressures and new school-age child and youth service providers. CDD staff have modeled a scenario in which these considerations are accommodated and project a total needed funding increase, for both Center Support and Child and Youth Development, of between \$320,000 and \$473,000. The estimate assumes:

- Center Support payment amounts will be established between \$70,000 and \$90,000 for Tier 1 centers and between \$90,000 and \$110,000 for Tier 2 centers.
- A neighborhood center’s funding allocation will not decline as the result of the application of the new Center Support payment structure. If a center’s current Center Support payment exceeds the payment called for under the new structure, the center can retain and apply the difference toward any City-supported programming.

- Each neighborhood center will be assured a minimum 5% total funding increase from 2019 levels to account for the time that has elapsed since the last RFP process.
- This RFP process will not expand the group of centers receiving Center Support payments unless additional funding is authorized to do so.
- Up to \$100,000 of the added funding will be reserved for Child and Youth Development providers other than neighborhood centers.

As an aside, it is conceivable that one or more centers currently receiving Center Support payments, for whatever reason, may not wish to pursue center support funding with its associated expectations. If needed, CDD proposes that the city negotiate a 2-3 year process in which center support funds are incrementally withdrawn to allow time for the centers to seek new funding sources.

2019 Application Process for 2020 contracts

Contracts awarded through these RFP processes may extend for up to five years pending the availability of funding in future City operating budgets and satisfactory completion of contract goals. These funds and resultant contracts will be subject to all city ordinances and rules governing purchase of service contracts, including but not limited to wage requirements, equal opportunity and benefits provisions, and insurance requirements.