



## Legislation Text

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### **Fiscal Note**

There is no fiscal impact associated with acceptance of this report. However, it is possible that implementation of some of its recommendations in the future could have fiscal impacts and would require Common Council approval at that time.

### **Title**

Final report on Community Development Division funding process evaluation by Forward Community Investments.

### **Body**

#### **Background**

The City of Madison has a strong record of investing resources in efforts designed to help residents overcome any number of economic, social and/or cultural barriers to opportunity. These efforts are typically undertaken by, or in concert with, a network of community partners. And while they are supported with funds derived from available state and federal resources, the single largest contribution comes from the local property tax levy. At present, the total commitment of funds, from all sources, exceeds \$12 million annually.

Historically, decisions about how to allocate these resources have been made as part of recurring competitive funding processes, conducted by the Community Development Division and involving five legislative policy committees that oversee the Division's work. In 2013, largely in response to changing economic, social and cultural dynamics within Madison, and with an eye toward improving the impacts produced by these funding efforts, the Mayor and Common Council commissioned an independent evaluation of CDD's existing procedures and practices. Funds to support the evaluation were appropriated in the City's Adopted 2104 Operating Budget. Forward Community Investments (FCI) was selected through a competitive RFP process to conduct the evaluation and produce a report, including potential recommendations for how current practices might be improved.

The first phase of FCI's work focused on gathering community input on current CDD practices. FCI conducted a series of community conversations, interviews and focus groups with persons who had experience with CDD funding processes and with other stakeholders and interested parties. The results of that effort were summarized in an interim report presented to the Council in November 2014, titled "Conversation Themes".

In the second and third phases of its work, FCI drew on the input and insights gleaned from its interviews and focus groups to formulate a draft theory of change for CDD and a strategic framework for reaching specified goals. These were presented in an "FCI Funding Process Update", released to the Council in May 2015.

In the project's final phase, FCI turned its attention to developing detailed recommendations on: (1) proposed funding priorities and guiding principles, and a final theory of change for CDD, and (2) potential reforms to the funding process. This final effort built upon the previous three phases and incorporated additional input from a broad, diverse segment of the community, CDD staff and management, appointed members of relevant City legislative committees, and elected City officials. It also drew from research conducted by the Center on Wisconsin Strategy on experiences and best practices from other municipalities in the U.S. The results are contained in the report entitled

“Community Development Division Funding Process Study” and are comprised of the four components - the Guiding Principles and Theory of Change, Proposed Funding Priorities, Proposed Goals and Objectives, and Funding Process Recommendations - contained therein.

#### Action

WHEREAS, the Mayor and Common Council commissioned an independent review and evaluation of the Community Development Division’s funding processes, to include recommendations for improvements that might be deemed appropriate, and authorized \$120,000 in the City’s Adopted 2014 Operating Budget to fund such an analysis; and

WHEREAS, in 2014, Forward Community Investments was selected by the City, through a competitive Request for Proposals process, as the organization to undertake such an analysis; and

WHEREAS, since 2014, FCI has gathered input from a broad spectrum of stakeholders and other community partners , as well as City staff, in the preparation of its report and accompanying recommendations; and

WHEREAS, FCI received assistance from the Center on Wisconsin Strategy to research and report on current and best practices employed by other municipalities around the country with respect to purchase of service funding allocation processes; and

WHEREAS, in the course of completing this study, both CDD and FCI staff have made a concerted effort to ensure that CDD goals, priorities and processes will align with and reinforce the City’s commitment to address issues of racial equity and social justice; and

WHEREAS, FCI has completed its work to evaluate CDD’s funding processes and produced a final report titled “Community Development Division Funding Process Study”, with accompanying appendices, which sets forth a proposed framework of guiding principles, funding priorities, and goals and objectives, and outlines a series of changes to existing practices that the City might consider.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council accepts the report prepared by FCI and commits to working with CDD staff, City legislative committee members, residents, and community partners and stakeholders to carefully consider its recommendations and determine how best to proceed with meaningful reforms.