Children & Families
Commission of Orange County

RECEIVED
08 APR 30 AM 11: 25
CLERK OF THE BOARD
ORANGE COUNTY
BOARD OF SUPERVISORS

Agenda Item No. 13
May 7, 2008 Meeting

DATE: April 29, 2008

TO: Children and Families Commission of Orange County

FROM: Michael M. Ruane, Executive Director

SUBJECT: Funding of New and Expanded Facilities

SUMMARY:
There are continuing opportunities for the Children and Families Commission of Orange County to participate in one-time capital investment projects targeted to children's health and education. This item establishes a framework to initiate and develop potential capital projects and a request to set aside limited funds to support the planning and development of viable, catalytic programs for Commission consideration.

Background
The Bridgespan Group's strategic assessment cited the Commission as innovative, and included a recommendation to direct more funds to catalytic activities which can provide greater flexibility to invest in new opportunities instead of sustaining on-going programs.

The Commission made limited investments in capital projects including the construction of the Garden Grove Children's Health & Dental Center; up to $2 million annually for the construction of new shelter projects and services with HomeAid Orange County such as the Hope Family Housing project in Buena Park; and the upcoming YMCA Santa Ana facility for health, physical fitness and nutrition programs.

Leveraging Commission funds with other organizations to collaboratively construct and support facilities allows for a broadening of support to children beyond five-years and a seamless provision of services. Allocating a total of $150,000 to fund a process to organize and support new capital projects is recommended. Individual planning grants will be within the approval authority of the Commission Executive Director and will not exceed $50,000.

Current & Potential Opportunities
The Commission has received both formal and informal proposals to fund capital projects that meet the vision in the Commission's Strategic Plan that *All Children are Healthy and Ready to Succeed.* One-time investments in selected programs respond to the Bridgespan Group's recommendation to participate in catalytic programs, which will give the Commission the flexibility to invest in new opportunities and achieve more with the available funds. The following is an outline of the potential programs. A detailed report on potential opportunities is included as Attachment 1.

17320 Redhill Avenue, Suite 200 · Irvine, California · 92614
714-834-5310 · FAX 949-474-2243

Established Community Organizations – new facilities and expansions for local YMCA, Boys & Girls Clubs and other community organizations.

Non-Profit Neighborhood Centers – new or rehabilitated structures to house multiple non-profit organizations to provide health, education or social services to members of the surrounding community based on the community's needs.

Regional Children's Venues – new or existing facilities that provide interactive learning programs in a recreational setting. Existing facilities can include the Discovery Science Center and Angels Stadium, new facilities may include the Pretend City Children's Museum.

Transitional Projects – expanding the construction of transitional shelters to increase the number of beds available to families with young children.

Planning and Legal Considerations
Commission funding may trigger state public works project and land use requirements, including CEQA (California Environmental Quality Act) that must be satisfied prior to the release of construction funds. In addition, funding will require that mechanisms are established to ensure that the Commission investment is offset by ongoing services and/or program space.

STRATEGIC PLAN & FISCAL SUMMARY:
This program has been specifically reviewed in relation to the Strategic Plan and is consistent with the Capacity Building goal. The $150,000 to fund this item is included in the FY2008-2009 Budget in the Capacity Building Grants category.

PRIOR COMMISSION ACTIONS:
None

RECOMMENDED ACTIONS:
1. Receive report and presentation, and provide policy direction on specific projects or funding categories for priority implementation.
2. Set aside $150,000 in the Capacity Building budget category to fund planning activities for catalytic capital programs designated at the May 2008 Commission meeting or future meetings including Non-Profit Neighborhood Centers, Regional Children's Facilities, and Homeless Prevention Projects. Individual planning grants will be within the approval authority of the Commission Executive Director and will not exceed $50,000.
3. Direct Commission staff to coordinate with the designated organizations to develop plans and return to the Commission with individual program recommendations and funding requests.

ATTACHMENT:
1. Review of Capital Funding Projects

Contacts: Kim Goll
Kelly Pijl

Attachment 1

Review of Capital Funding Projects

Children & Families
Commission of Orange County

Agenda Item No. 13 - May 7, 2008

New Facility and Facility Expansion Funding

- Typically one time funding contribution, with multi-year benefits
- Catalytic investment that energize the surrounding communities and increase private giving
- May also allow the Commission to focus investments in targeted communities
- Current project criteria:
  - Existing or prior grant/sponsorship agreement with the Commission OR Commission sponsored planning effort
  - Expands reach of Commission sponsored services
  - High potential for catalytic impact, not ongoing funding demands
  - Lead organization has solid capacity to carry out project

Children & Families
Commission of Orange County

Funding Options

More than one may be applicable to a project

1. Direct funding of construction of new or expanded facilities
2. Funding of programs in a new facility, either through multi-year funding award or endowment fund
3. New exhibit or permanent program in major venue
4. Serving as guarantor for lease payments by tenants in new facility or similar credit enhancement
5. Participation as financial partner or security for a facility financing mechanism, such as a tax-exempt nonprofit bond

Children & Families Commission of Orange County

Established Community Organizations

- Programming space or services in a new or expanded facility operated by an established community organization such as a local YMCA, Boys & Girls Club, or similar organization (e.g. Think Together)
- Current Opportunities:
  - Proposed Anaheim YMCA Project
  - Smaller expansion and satellite projects for Boys & Girls Clubs future opportunities
  - Combined facilities with after school programs such as Think Together

Children & Families Commission of Orange County

Non-Profit Neighborhood Centers

New or rehabilitated structures to house multiple non-profit organizations to provide health, education or social services to members of the surrounding community based on the community's needs

Status

- Countywide survey of nonprofit work space needs recently completed that demonstrates strong need for centers
- Interest in this investment has grown and a steering committee of interested private funders have met with the Commission to discuss investment structure, location of facility and potential services
- Down turn in real estate market may result in better financial opportunities for purchases

Current Opportunities

- Opportunity for the Commission to concentrate complementary services in targeted communities- For example, a learning center in a Santa Ana neighborhood, with the Commission's investment focused on early literacy development

Future Opportunities

- Larger project or nonprofit campus is also needed. Commission is key participant in planning for projects in central Orange County and the OC Great Park

Children & Families Commission of Orange County

Regional Children's Venues

New or existing facilities that provide interactive learning programs in a recreational setting. Existing facilities can include the Discovery Science Center and Angels Stadium, new facilities may include the Pretend City Children's Museum

Status

- Countywide reach with specific targets to underserved communities
- Creation of health and education messages focused on the needs of families with children up to age six

Current Opportunities

- Discovery Science Center (Expansion/Permanent Exhibit)
- Pretend City Children's Museum (New Facility)

Future Opportunities

- Angels Stadium
- Orange County Fairgrounds

Children & Families Commission of Orange County

Transitional Shelter Projects

Expanding the construction of transitional shelters to increase the number of beds available to families with young children in partnership with HomeAid Orange County outreach to partnering shelter providers to determine possible program expansion

Current Opportunities

- Provide planning money to support the identification property and feasibility studies necessary to develop transitional shelter projects
- One time investments in the services providers allowing major program expansion
- Replication of successful Buena Park Hope Family Housing project in other communities

Future Opportunities

- Determine Commission role in projects not sponsored by HomeAid that meet Commission goals

Children & Families Commission of Orange County

Next Steps

1. Continue to participate in the funder steering committee to assist in the identification of a site, investment structure, and nonprofit organizations neighborhood centers.

2. Based upon Commission direction, initiate planning effort for designated project (current opportunities) with regional children's venues and established community organizations.

3. Continue to work with HomeAid Orange County to identify new transitional shelter projects and return at the October 2008 Commission meeting with an action plan.

Children & Families Commission of Orange County