

**Subject: Community Funding Framework Midterm Review**

**File Number: ACS2026-CSS-GEN-001**

**Report to Community Services Committee on 24 February 2026**

**and Council 11 March 2026**

**Submitted on February 13, 2026 by Clara Freire, General Manager-Community and Social Services**

**Contact Person: Sarah Taylor, Director – Community Safety, Well-Being, Policy and Analytics, Community and Social Services**

**613-580-2424 ext. 27960, [sarah.taylor@ottawa.ca](mailto:sarah.taylor@ottawa.ca)**

**Ward: Citywide**

**Objet : Examen à mi-parcours du cadre de financement communautaire**

**Numéro de dossier : ACS2026-CSS-GEN-001**

**Rapport présenté au Comité des services communautaires**

**Rapport soumis le 24 février 2026**

**et au Conseil le 11 mars 2026**

**Soumis le 2026-02-13 par Clara Freire, Directrice générale, Services sociaux et communautaires**

**Personne ressource : Sarah Taylor, directrice, Services de la sécurité et du bien-être dans les collectivités, des politiques et des données analytiques**

**613-580-2424 poste 27960, [sarah.taylor@ottawa.ca](mailto:sarah.taylor@ottawa.ca)**

**Quartier : À l'échelle de la ville**

## **REPORT RECOMMENDATION(S)**

**The Community Services Committee recommend Council approve:**

- 1. The Community Funding Framework Funding Policy Statements as outlined in this report and attached as Document 2 to this report.**
- 2. Delegate authority to the Director of Community Safety, Well-Being, Policy and Analytics and the Program Manager of Social Development and Funding, individually, to manage and administer the Community and Social Services Department Community Funding budget as described in this report and the Policy Statements attached as Document 2 to this report.**

## **RECOMMANDATION(S) DU RAPPORT**

**Le Comité des services communautaires recommande au Conseil:**

- 1. d'approuver les énoncés de politique sur le financement du Cadre de financement communautaire, exposées dans le présent rapport et reproduites ci-joint en tant que Document 2 de ce rapport;**
- 2. de déléguer le pouvoir à la directrice des Services de la sécurité et du bien-être dans les collectivités, des politiques et de l'analytique ainsi qu'au gestionnaire de programme de la Direction du développement social et du financement, individuellement, le pouvoir de gérer et d'administrer le budget de financement communautaire de la Direction générale des services sociaux et communautaires décrit dans ce rapport et dans les énoncés de politique reproduites dans le Document 2 de ce rapport.**

## **EXECUTIVE SUMMARY**

In September 2019, Ottawa City Council approved a new vision for how the City supports the non-for-profit social services sector ([ACS2019-CSS-GEN-0012](#)). This new Community Funding Framework (CFF) was built on the belief that a strong and sustainable non-profit sector is essential for an equitable and socially inclusive city.

On February 26, 2020, Council approved new Policy Statements ([ACS2020-CSS-GEN-0003](#)), outlining how funding decisions are made, who is eligible, what costs are covered, and how results are measured. The Framework officially came into effect on January 1, 2022, with the launch of the Sustainability Fund.

In 2026, the CFF will administer a funding envelope of \$32 million in municipal funding.

This investment will support more than 100 non-profit social service organizations in delivering essential programs and services to Ottawa residents with the greatest needs.

The Council approved CFF requires a midterm review of community needs, pressures and funding criteria every five years, while a full review of the CFF is recommended every ten years. The purpose of this midterm review is to evaluate the operations of the current Framework to ensure it continues to align with community needs and promotes equitable, socially inclusive services for Ottawa residents with the greatest needs.

To capture diverse perspectives from Ottawa's not-profit sector during the midterm review, the Community and Social Services Department (CSSD) used a two-step engagement approach: a sector-wide survey followed by focus groups. This layered process first tested ideas across the sector, then explored issues in depth through direct dialogue with organizations. Engagement included both funded and non-funded organizations, with intentional outreach to Indigenous serving agencies and equity-deserving communities.

The results from these consultations with Ottawa's non-profit social services sector confirmed that they face mounting pressures, including rising costs and inflation, staffing shortages, systemic barriers for equity-deserving organizations, heavy reporting requirements, limited capacity for collaboration, and surging community demand to address needs such as housing, food security, and mental health. Agencies are challenged to balance the stability offered by multi-year funding with the flexibility required to adapt to emerging issues, underscoring the need for a funding system that supports both predictability and responsiveness.

In response to their current realities, agencies identified areas where the CFF could shift to better align with the current context. Several process improvements recommended by organizations are already embedded within the CFF, including multi-year funding with annual inflation adjustments, support for collaboration, and equity-focused decision-making. Accessibility and transparency are reinforced through bilingual information sessions and one-on-one meetings with Community Funding staff.

New initiatives will be introduced to further strengthen the CFF, including grant-writing workshops, capacity-building communities of practice, streamlined application and reporting processes, gathering events, and enhanced digital platforms.

The updated Policy Statements introduce changes to enhance accessibility, flexibility, and responsiveness within the CFF. Key updates include streamlining applicant

eligibility criteria, allowable and ineligible expenses, criteria for assessing eligible proposals, and reporting requirements.

In terms of reporting requirements, the threshold for audited financial statements will be raised from \$25,000 to \$50,000, to reduce costs for smaller organizations while maintaining strong financial controls.

The Emerging Community Needs funding has been renamed Community Response Funding to reflect its role in providing rapid, short-term support for urgent community challenges, while Capital Funding has been shifted to allow minor capital expenses to be eligible under existing streams. These changes align with best practices, reduce administrative burden, and ensure funding remains equitable, adaptable, and focused on critical community needs.

Capacity building is a critical priority for grassroots organizations, which are small, community-based, and often volunteer-led, with deep connections to equity-deserving populations. These organizations often lack the infrastructure and expertise to navigate complex funding and reporting requirements. To address this, CFF will integrate a comprehensive capacity-building approach, including simplifying processes, leveraging community-based support networks through multi-year investments in projects like the Ottawa Black Coalition's Backbone Project and Volunteer Ottawa's Capacity Building Project, and piloting a dedicated Capacity Building Fund from 2026 to 2028 in collaboration with the Anti-Racism Secretariat. This structured approach promotes equity, strengthens organizational resilience, and ensures grassroots groups can deliver sustainable, community-driven solutions.

## **RÉSUMÉ**

En septembre 2019, le Conseil municipal d'Ottawa a approuvé une nouvelle vision pour la façon dont la Ville soutient le secteur des services sociaux sans but lucratif ([ACS2019-CSS-GEN-0012](#)). Ce nouveau Cadre de financement communautaire (CFC) repose sur l'idée que pour que la Ville soit équitable et inclusive, il est important d'avoir un secteur à but non lucratif fort et durable.

Le 26 février 2020, le Conseil a approuvé de nouveaux énoncés de politique ([ACS2020-CSS-GEN-0003](#)) précisant comment les décisions de financement sont prises, qui est admissible, quelles dépenses sont couvertes et comment les résultats sont mesurés. Le Cadre est officiellement entré en vigueur le 1er janvier 2022 avec le lancement du Fonds de viabilité.

En 2026, le CFC offrira une enveloppe de financement de 32 millions de dollars, entièrement financée par la Ville. Cet investissement soutiendra plus de 100 organismes de services sociaux sans but lucratif dans la prestation de programmes et services essentiels aux résidents d'Ottawa ayant les besoins les plus importants.

Le CFC approuvé par le Conseil exige un examen à mi-parcours des besoins communautaires, des pressions et des critères de financement tous les cinq ans, tandis qu'un examen complet du CFC est recommandé tous les dix ans. L'objectif de cet examen à mi-parcours est d'évaluer le fonctionnement actuel du Cadre afin de s'assurer qu'il continue de répondre aux besoins communautaires et favorise des services équitables et socialement inclusifs pour les résidents d'Ottawa les plus vulnérables.

Pour recueillir des perspectives diversifiées du secteur sans but lucratif d'Ottawa, la Direction générale des services sociaux et communautaires (DGSSC) a adopté une approche de consultation en deux volets : un sondage sectoriel suivi de groupes de discussion. Ce processus a permis de tester des idées à l'échelle du secteur, puis d'approfondir les enjeux par un dialogue direct avec les organismes. La consultation a inclus des organismes financés et non financés, portant une attention particulière aux organismes autochtones et aux communautés en quête d'équité.

Les résultats de ces consultations confirment que le secteur fait face à des pressions croissantes, notamment la hausse des coûts et l'inflation, les pénuries de personnel, les obstacles systémiques pour les organismes en quête d'équité, des exigences de reddition de comptes lourdes, une capacité limitée à collaborer et une demande communautaire en forte croissance pour répondre à des besoins tels que le logement, la sécurité alimentaire et la santé mentale. Les organismes doivent concilier la stabilité offerte par le financement pluriannuel avec la flexibilité nécessaire pour s'adapter aux enjeux émergents, ce qui souligne la nécessité d'un système de financement qui soutient à la fois la prévisibilité et la réactivité.

En réponse à ces réalités, les organismes ont identifié des pistes pour mieux aligner le CFC avec le contexte actuel. Plusieurs améliorations de processus recommandées par les organismes sont déjà intégrées au CFC, notamment le financement pluriannuel avec ajustements annuels pour l'inflation, le soutien à la collaboration et la prise de décision axée sur l'équité. L'accessibilité et la transparence sont renforcées par des séances d'information bilingues et des rencontres individuelles avec le personnel du développement communautaire et du financement.

En s'appuyant sur ces bases, de nouvelles initiatives viendront renforcer le CFC, notamment des ateliers de rédaction de demandes de subvention, des communautés de pratique pour le renforcement des capacités, des processus simplifiés de demande et de reddition de comptes, des événements de réseautage et des plateformes numériques améliorées.

La version à jour des Énoncés de politique apporte des changements pour améliorer l'accessibilité, la flexibilité et la réactivité du CFC. Les principales mises à jour consistent à simplifier les critères d'admissibilité des demandeurs, les dépenses admissibles et non admissibles, les critères d'évaluation des propositions admissibles, et les exigences de reddition de comptes.

Concernant la reddition de comptes, le seuil fixé pour les états financiers vérifiés passe de 25 000 \$ à 50 000 \$ afin de réduire les coûts pour les petits organismes tout en maintenant des contrôles financiers rigoureux; et la priorité est donnée au financement pluriannuel avec des options de prolongation pour soutenir la stabilité.

Le financement des besoins communautaires émergents a été renommé « Financement des interventions communautaires » pour refléter son rôle dans le soutien rapide et à court terme aux défis urgents, tandis que le financement des infrastructures a été ajusté pour permettre des dépenses mineures en immobilisations dans les volets existants. Ces changements s'alignent sur les meilleures pratiques, réduisent le fardeau administratif et garantissent que le financement demeure équitable, adaptable et axé sur les besoins communautaires critiques.

Le renforcement des capacités est une priorité essentielle pour les organismes communautaires de base, souvent petits, dirigés par des bénévoles et profondément liés aux populations en quête d'équité. Ces organismes manquent souvent de l'infrastructure et de l'expertise nécessaires pour naviguer dans des exigences complexes de financement et de reddition de comptes. Pour y remédier, le CFC intégrera une approche globale de renforcement des capacités, comprenant la simplification des processus, la mobilisation de réseaux de soutien communautaires par des investissements pluriannuels dans des projets tels que le projet Backbone de la Coalition noire d'Ottawa et le projet de renforcement des capacités de Bénévoles Ottawa, ainsi que le lancement d'un Fonds dédié au renforcement des capacités de 2026 à 2028 en collaboration avec le Secrétariat à la lutte contre le racisme. Cette approche structurée favorise l'équité, renforce la résilience organisationnelle et garantit que les groupes communautaires peuvent offrir des solutions durables et axées sur la communauté

## **BACKGROUND**

In September 2019, Ottawa City Council approved a new vision for how the City supports the non-for-profit social services sector ([ACS2019-CSS-GEN-0012](#)). This new Community Funding Framework (CFF) was built on the belief that a strong and sustainable sector is essential for an equitable and socially inclusive city.

The Framework's mission is to improve community well-being by investing financial and capacity-building resources in the not-for-profit sector. The goal is to address the root causes of poverty and to expand equitable access to services for Ottawa residents and communities facing systemic barriers. The Framework also identifies key priority groups: 2SLGBTQQIA+ community members; Francophones; immigrants and newcomers; Indigenous Peoples; older adults; people living in poverty; people with disabilities; racialized people; rural residents; women; and youth.

On February 26, 2020, Council approved new Policy Statements ([ACS2020-CSS-GEN-0003](#)), outlining how funding decisions are made, who is eligible, what costs are covered, and how results are measured. The Framework officially came into effect on January 1, 2022, with the launch of the Sustainability Fund.

To ensure transparency and accountability, the Council approved CFF requires that a midterm review of community needs, funding pressures, and eligibility criteria be conducted every five years. In addition, a comprehensive review of the CFF is recommended every ten years.

The midterm review aims to assess the effectiveness of the current Framework, ensuring it remains aligned with community needs and continues to foster equitable, socially inclusive services for Ottawa residents with the greatest needs.

The review provided valuable feedback to inform improvements to the CFF, including to the related Community Funding Policy Statements, Procedures Guidelines, and the Community Funding Evaluation Framework.

In 2026, the CFF will provide a funding envelope of \$32 million, entirely municipally funded. This investment will support more than 100 non-profit social service organizations in delivering essential programs and services to Ottawa residents with the greatest needs.

## **DISCUSSION**

This report recommends updates to the Community Funding Framework (CFF)

informed by feedback from the midterm review and engagement process with community agencies. The proposed changes are designed to enhance fairness, flexibility, and responsiveness within the funding system, ensuring it continues to meet the evolving needs of Ottawa residents and communities facing systemic barriers.

To capture diverse perspectives from Ottawa's not-for-profit sector, the Community and Social Services Department (CSSD) used a two-step engagement approach for the midterm review: a sector-wide survey followed by focus groups. This layered process first tested ideas across the sector, then explored issues in depth through direct dialogue with organizations. Engagement included both funded and non-funded organizations, with intentional outreach to Indigenous serving agencies and equity-deserving communities.

The online survey was conducted from April 9 to 30, 2025, and was promoted through direct outreach, distribution lists, and community networks. It received 116 responses (88% in English, 12% in French) from organizations across Ottawa. Focus groups were then held to validate themes, explore issues in greater depth, and provide space for organizations to share stories and recommendations. Seven sessions took place in May and June 2025, engaging 165 participants, including:

- Four from rural-serving organizations
- 12 from Indigenous-serving organizations
- 18 from Francophone-serving organizations
- 30 from Black-led, Black-focused, and Black-serving (B3) organizations
- 36 from non-funded or short-term funded organizations
- 65 from Sustainability Fund organizations

Further details are provided in the Consultation section of this report.

The **What We Learned Report** (Document 1) summarizes key findings from this engagement.

## **KEY FINDINGS FROM THE ENGAGEMENT**

The midterm review highlighted both strengths and areas for improvement within the Community Funding Framework (CFF). Organizations across the sector expressed strong appreciation for the Framework, recognizing its value and importance. At the

same time, the review identified opportunities to make the CFF more accessible, responsive, and sustainable.

## **Sector Challenges**

The review indicated that Ottawa’s not-profit social services sector is under pressure, affecting its ability to deliver services.

- Rising costs and inflation have significantly eroded the value of funding, forcing agencies to stretch limited resources while demand continues to grow.
- Staffing shortages and workforce sustainability challenges—driven by low wages, high burnout, and difficulty recruiting bilingual and culturally competent staff—threaten service continuity.
- Systemic barriers persist, particularly for Black-led, Indigenous-serving, Francophone, and grassroots organizations, which often face greater difficulty accessing and sustaining funding.
- Heavy reporting and administrative requirements remain a major burden, especially for smaller agencies, diverting time and energy away from frontline service delivery.
- Limited capacity for collaboration constrains efforts to build integrated solutions, as partnerships require resources that many organizations lack.
- Surging community needs—housing, food security, mental health, and wraparound supports—are outpacing agencies’ ability to respond.
- Organizations are challenged to balance the stability provided by multi-year funding with the flexibility needed to innovate and adapt to emerging issues.

Without action, these pressures risk reducing service availability, a weakening of our social infrastructure, and deepening inequities across communities facing systemic barriers

## **Themes from Engagement**

Through shared experiences, five key themes emerged:

### **1. Access to Funding**

Organizations described the funding application process as both an opportunity and a

barrier. While City applications are generally simpler than those of other funders, smaller and grassroots organizations still find the process intimidating. Challenges include understanding eligibility criteria, finding time to complete applications, and presenting work in a formal way.

Grassroots and equity-deserving organizations often feel excluded because they lack administrative capacity or a long funding history. Agencies shared that some eligibility criteria unintentionally exclude groups most connected to underserved communities. Participants called for greater flexibility so newer or smaller organizations can apply.

## **2. Meeting Community Needs**

Demand for social services is rising sharply, driven by cost-of-living increases, housing shortages, and inflation. Mental health needs were repeatedly identified as urgent and complex.

Organizations reported that today's needs are more layered—requiring wraparound supports that connect housing, mental health, settlement, and employment. Indigenous and equity-deserving communities continue to face barriers accessing mainstream services, while organizations serving these groups often operate with fewer resources.

Participants emphasized the need for flexible funding to adapt programs quickly and for resources to support outreach and partnerships.

## **3. Sustainability and Emerging Needs**

The Sustainability Fund, launched in 2022, was widely praised for providing stability. Multi-year funding allows organizations to plan, retain staff, and deliver programs confidently. However, stability alone is not enough.

Non-funded and short-term funded organizations feel left behind, and even sustainability-funded organizations face inflation, staffing shortages, and rising demand. Stability does not equal security.

Organizations urged the City to expand multi-year agreements so more groups can benefit.

## **4. Collaboration and Capacity Building**

Collaboration is both a strength and a challenge. While many organizations work together through networks and coalitions, collaboration requires time and resources—luxuries smaller organizations often lack. Competition for funding can also hinder

partnerships.

Participants recommended incentives and resources to support collaboration, regular spaces for knowledge-sharing, and capacity-building investments in training, technology, and staff development. Suggestions included shared reporting systems and backbone organizations to reduce duplication and strengthen collective impact.

## **5. Reporting and Impact**

Organizations recognize the importance of accountability but described reporting requirements as burdensome, especially for smaller organizations. Current processes often focus on outputs (numbers served) rather than outcomes and impact.

Participants called for streamlined, right-sized reporting that matches the size of the grant, clearer guidance, and a stronger focus on stories and results rather than just metrics.

Together, these themes affirm the value of the Community Funding Framework while highlighting clear opportunities for improvement.

## **RECOMMENDATIONS**

The midterm review confirms that non-profit organizations value stability and are calling for greater flexibility, fairness, and simplicity. They want a funding system that reflects community realities, supports innovation, and reduces barriers to access.

The challenges facing the sector are significant. Yet, within these challenges lie opportunities to strengthen funding practices, invest in people, and build a more equitable and sustainable social services sector.

In response to these findings and feedback from the local social services sector, staff recommend the following changes to the Community Funding Framework (CFF).

### **1. Process changes**

**Several of the recommendations raised by organizations are processes that are already embedded within the Community Funding Framework (CFF).**

These include a funding model that offers project-based funding with multi-year options, complemented by an annual inflationary adjustment for multi-year budgets. The current Framework funds and supports social infrastructure through collaboration and

partnerships, actively supporting joint initiatives by encouraging partnerships in applications and providing funding for collaborative projects. Resources are allocated to facilitate outreach and strengthen partnerships.

Equity considerations are integrated into funding decisions, prioritizing populations served, and neighborhoods identified as high need. To ensure accessibility and transparency, bilingual information sessions are provided for each funding stream, recorded for future reference, and supplemented by one-on-one meetings with Specialists, Community Funding and Development, to review proposals alignment and eligibility.

Online applications and the evaluation and reporting platform streamline administrative processes, while an updated email distribution list keeps organizations informed of upcoming opportunities. Finally, engagement and transparency are reinforced through clear rating criteria, feedback meetings when an application was not successful, and the public posting of successful applicants.

**In addition to the existing processes outlined above, several new opportunities and initiatives will be implemented to further strengthen the CFF.**

Beginning in the first quarter of 2026, grant writing workshops will be offered in collaboration with the province's Regional Development Advisors to build organizational capacity. Regional Development Advisors act as connectors and advisors, ensuring that provincial funding programs are understood and applied effectively. Grant writing workshops will support organizations in better understand what the CFF and the province require and prioritize in funding applications.

Staff will explore further capacity-building opportunities to strengthen the sector. This includes the development of a capacity-building community of practice, enabling organizations to share knowledge, resources, and best practices.

Efforts are also underway to streamline application processes and rating guides, ensuring greater clarity and accessibility. The CFF Evaluation Framework will also be simplified by refining narrative requirements and standardizing outputs and outcomes for consistency.

Convening events will be introduced to share updates, celebrate achievements, and foster stronger connections among stakeholders. Future events will incorporate workshops, information sessions, and resource-sharing activities to enhance organizational resilience and collaboration across the sector.

Finally, the Framework will advance digital transformation by exploring enhanced online platform options to manage applications and reduce administrative burdens.

## **2. Policy changes**

The following policy changes have been incorporated in the updated Policy Statements (Document 2) to enhance accessibility, flexibility, and responsiveness within CFF. A comparison table outlining the 2020 Council-approved Policy Statements and the updated version is provided in Document 3, attached to this report.

Eligibility criteria, allowable and ineligible expenses, criteria for assessing eligible proposals, and reporting and monitoring requirements have been streamlined and simplified to make requirements more accessible for applicants.

The requirement to submit Audited Financial Statements has been updated to improve accessibility for smaller organizations while maintaining strong financial controls and accountability. Previously, organizations receiving contributions over \$25,000 were required to submit annual Audited Financial Statements; this threshold has now been increased to \$50,000. The proposed changes align with best in similar-sized municipalities, provincial funding programs, and comparable federal contribution Framework, where audited financial statements are required only at higher funding levels (typically between \$50,000 and \$100,000).

Audited statements can cost several thousand dollars, creating a disproportionate burden for organizations receiving modest funding amounts. Under the new approach, organizations receiving below the \$50,000 threshold will continue to provide unaudited financial statements or simplified financial summaries, ensuring transparency and compliance.

Financial integrity remains safeguarded through the City's Council-approved policies, delegated authority limits, audit processes, and transparent reporting. In addition, strong relationships with funded agencies are maintained through regular communication, site visits, and monitoring activities. These measures ensure that financial accountability is paired with partnership and support, enabling agencies to focus resources on service delivery while the City continues to uphold rigorous oversight and trust.

Wherever possible, multi-year funding agreements will be prioritized in place of single-year terms. Organizations that begin with one-year funding will also be eligible to extend their contribution for up to two additional years, subject to performance, persistent need, and budget availability. Longer funding cycles allow agencies to plan effectively, retain

skilled staff, and sustain programs without the constant pressure of annual applications.

At the same time, the City recognizes the need for flexibility to respond to evolving and emerging community needs. Staff will explore options for a multi-year project funding structure that preserves this flexibility—such as maintaining dedicated streams or mechanisms for urgent and innovative initiatives—so that stability does not come at the expense of adaptability. This balanced approach ensures predictability for agencies while keeping the funding system responsive to changing realities

The Emerging Community Need funding has been renamed Community Response Funding to better reflect its purpose: providing one-time, short-term, and flexible support when a community or neighbourhood faces a new, urgent, or time-sensitive challenge. This funding enables organizations to deliver rapid, time-limited activities such as healing circles, outreach, community meetings, conflict resolution, temporary staffing, or mobilization efforts that strengthen community well-being, resilience, and safety during periods of change or pressure. The fund is designed to address community-level issues—not internal operational crises or ongoing programming—and ensures organizations can respond quickly while advancing equity, inclusion, and local priorities.

Capital Funding has been integrated into the other CFF funding streams as part of efforts to better align resources with the most pressing community needs. This decision was driven in part by the fact that Capital Funding is not widely requested and did not reflect the priorities identified by funded organizations. To maintain flexibility, minor capital expenses are now eligible as part of any funding application under eligible expenses, eliminating the need for a separate capital funding process. Minor capital expenses refer to small-scale, one-time purchases or improvements to physical assets that do not involve major construction or renovation—such as equipment, furniture, technology upgrades, or minor accessibility improvements. This approach reduces administrative burden for both applicants and the City while continuing to support essential infrastructure needs.

The updated Policy Statements describes seven (7) funding streams under the CFF, as described below.

- **Sustainability Funding** (5-year): To maintain a strong social infrastructure and sustainable non-profit social sector that ensures equitable provision of services for residents facing the greatest barriers and challenges.
- **Project Funding** (1-year or 3-year): To support planned, time-limited initiatives, pilot projects, and capacity-building activities to address service gaps or

strengthen organizational effectiveness.

- **Community Response Funding (One-Time):** To provide rapid, flexible support for situations where community is experiencing an urgent, time-sensitive challenge, and contribute to community well-being and resiliency.
- **Emergency Funding (One-Time):** To help address one-time unexpected, critical expenses that threaten an organization's ability to deliver essential services and cannot be covered by an organization's existing financial resources.
- **Civic Events Funding (Per event):** To strengthen neighbourhood and community belonging, connection, and inclusion by supporting free, accessible, volunteer-led events.
- **Community Safety Well-Being Fund (1-year to 3-year):** To build the capacity and fund the non-profit social services sector to respond to the identified priorities and goals as described in the City of Ottawa's Community Safety and Well-Being Plan.
- **Older Adult Plan Funding (1-year to 3-year):** To build the capacity and fund the non-profit social services sector and City departments to respond to the identified priorities and goals as described in the City of Ottawa's Older Adult Plan.

Please note that in 2024 City Council incorporated the Community Safety & Well-Being Fund ([ACS2024-CSS-GEN-012](#)) into the CFF Policy Statements, and Council approved the Older Adult Plan Funding stream ([ACS2025-CSS-GEN-011](#)) in October 2025.

### **3. Capacity Building Approach for Grassroots Organizations**

Capacity building has been identified as a critical need for grassroots organizations within the community. Grassroots organizations are described as small, community-based, and often volunteer-led, with leadership drawn from the communities they serve. They operate with limited resources and informal structures. They often take a holistic approach, addressing interconnected issues such as housing, food security, and mental health, and combine advocacy with direct service delivery, informed by lived experience.

Grassroots organizations are often uniquely positioned to serve equity-deserving populations because they are deeply embedded in their communities, offering culturally relevant and trusted support. Their flexibility allows them to adapt quickly to emerging needs. Their leadership is often drawn from equity-deserving groups to ensure

representation and inclusive decision-making. Their proximity, trust, and responsiveness make them important partners in dismantling systemic barriers and promoting equitable solutions.

Grassroots organizations often lack the infrastructure and expertise needed to navigate complex funding and reporting requirements. Targeted support can strengthen these organizations, promotes fairness and transparency in funding decisions, and enhances the sector's ability to address systemic barriers. By investing in capacity building, the City can help grassroots organizations deliver services more effectively and create long-term, community-driven solutions.

In response to this need, a comprehensive capacity-building approach will be integrated into the Community Funding Framework (CFF). This approach considers the needs of organizations, the City's capacity, and available budget, and includes three key components:

1. **Simplification and Streamlining** – As reflected in above process and policy changes, reducing administrative complexity to make funding more accessible.
2. **Community-Based Support Networks** – Leveraging umbrella organizations within the community to act as networks and provide direct capacity support in areas such as governance, financial management, grant writing, and shared resources.
  - In 2025, two projects that directly address this key component have been awarded three-year funding under the Project Funding stream. The Ottawa Black Coalition will receive \$75,000 a year for its Backbone Project, which will provide structural coordination and shared resources to sustain grassroots networks. Volunteer Ottawa will receive \$50,000 a year for its Community Capacity Building Project, designed to strengthen grassroots engagement and leadership development. These multi-year investments will enhance organizational resilience, improve the sector's ability to meet community needs, foster collaboration and resource sharing, and advance equity by supporting smaller organizations to access funding and deliver programs successfully.
3. **Funding for Capacity Building** – Allocating resources specifically to strengthen organizational capacity and sustainability.

### **Capacity Building Fund – Pilot Initiative**

A Capacity Building Fund will be piloted and evaluated in 2026-2028 to strengthen the sustainability and effectiveness of grassroots organizations and equity-deserving groups. Beginning in 2026, this initiative will be piloted in collaboration with the City's Anti-Racism Secretariat to fund, pilot, and evaluate a dedicated capacity-building funding stream. This partnership will incorporate evidence-based practices into the pilot, provide access to research, tools, and municipal best practices that support data-informed decision-making, ensuring the fund is designed to deliver measurable outcomes for community organizations.

The approach will involve engagement with the social services sector to define desired impacts, specific needs, and eligibility criteria.

### **UPDATE – SUSTAINABILITY FUND**

The Sustainability Fund's next five-year cycle was originally scheduled to launch in 2026 for the 2027–2031 term. However, based on findings from the Community Funding Framework Midterm Review, the launch has been postponed to 2027.

Sustainability-funded organizations have been notified of this extension. In 2026, 87 agencies will receive 27 million dollars through Sustainability Funding.

The next term of the Sustainability Fund will launch its application process in early 2027, with the new five-year funding cycle running from January 1, 2028, to December 31, 2032.

This decision reflects our commitment to implement the process changes identified through the Midterm Review, including simplifying processes, reducing administrative burden, strengthening equity and accessibility, and supporting sector readiness to access funding.

As a result, all current contribution agreements for Sustainability-funded agencies will be extended for an additional year, until December 31, 2027, under the same terms and conditions. The extension ensures stability for funded organizations while improvements are underway.

### **FINANCIAL IMPLICATIONS**

There are no financial implications. The Community Funding Framework Midterm Review recommendations and updated Policy Statements will be implemented with existing budget.

## **LEGAL IMPLICATION**

There are no legal impediments associated with the implementation of the report's recommendations.

## **CONSULTATION**

The midterm review used a two-step engagement process to ensure the findings were grounded in both data and lived experiences. First, a broad survey was conducted with community organization to capture diverse perspectives and identify overarching themes. Then, focus groups were held to test, validate, and expand on what we learned.

This layered approach allowed Staff to start with internal reflections, then test those ideas across the sector, and finally dive deeper into the issues through direct dialogue with organizations. By combining these methods, it ensured the findings reflected not just numbers, but also the voices and experiences of Ottawa's social service providers.

The purpose of the survey was to capture a broad snapshot of how organizations are experiencing the CFF in its early years. It was designed to reach as many organizations as possible, both those funded by the City and those not currently receiving funding to understand how well the Framework is working, where pressures are being felt most, and what improvements could be made.

The survey was available online from April 9 to 30, 2025. It was promoted through direct outreach to organizations and community networks. Organizations could complete the survey in English or French. Questions were a mix of multiple-choice and open-ended formats, allowing both quantitative and qualitative insights. The survey was structured around five key themes: access to funding, ability to meet community needs, planning and collaboration, transparency and equity, and reporting and demonstrating impact.

The survey received 116 responses from both funded and non-funded organizations across the city (88% in English, 12% in French).

The focus groups were designed to build on the survey findings. Their purpose was to validate the survey themes, explore issues in greater depth, and give organizations a space to share stories, examples, and recommendations in their own words. The focus groups also helped capture nuances that a survey cannot, such as the emotions, pressures, and lived realities of organizations on the ground.

Seven focus groups were held in May and June 2025. Sessions were organized by organization type and focus, including those receiving Sustainability Funding, those with short-term funding, and those not currently funded at all. We also made sure to include organizations serving priority groups such as Francophone communities, Black-led/serving/focused (B3) organizations, and Indigenous-serving organizations through targeted outreach. For rural organizations, we offered a virtual session to ensure distance was not a barrier to participation.

These sessions brought together a cross-section of Ottawa's non-profit sector from small grassroots groups and mid-sized organizations to long-standing community partners. Written submissions from organizations who could not attend were allowed, to make sure their perspectives were included.

Each session was 90 minutes, held virtually or in person, and facilitated by City staff with volunteer support for notetaking. A semi-structured guide was used to ensure consistency across groups, while allowing participants to raise issues most relevant to them.

#### **Seven focus group sessions were held with 165 participants:**

- Four from rural-serving organizations, 12 from Indigenous serving organizations, 18 from Francophone-serving organizations, 30 from Black-led Black-focused and Black-serving (B3) organizations, 36 from organizations not in receipt of funding or short-term funding, and 65 individuals from organizations in receipt of funding
- Mix of large, long-standing organizations and smaller, grassroots groups
- Sessions included equity-deserving groups to ensure diverse perspectives were represented
- Participants engaged in open dialogue and shared concrete examples of their challenges and successes

#### **ACCESSIBILITY IMPACTS**

The Community Funding Framework midterm review follows all requirements in accordance with the *Integrated Accessibility Standards Regulation (IASR)* under the *Accessibility for Ontarians with Disabilities Act, 2005 (AODA)*. The proposed changes and new initiatives meet all legislative requirements and are designed to reduce administrative barriers, particularly for smaller organizations, including those serving persons with disabilities and older adults. Accessibility remains a core principle in the

funding criteria, requiring applicants to demonstrate how their programs and events will accommodate individuals with disabilities and/or older adults. Application processes, guidelines and any offered workshops are available in accessible formats and with communication supports, upon request. Additionally, all online platforms and digital content meet all requirements under the Web Content Accessibility Guidelines (WCAG), level 2.0 AA.

These updates do not create new barriers; rather, they strengthen inclusive practices and encourage funded organizations to adopt accessibility best practices across physical, sensory, and communication dimensions. While consultation with the Accessibility Advisory Committee was not required as the changes do not alter service delivery or physical infrastructure, staff will consult with the Corporate Accessibility Office, as required, to ensure any new actions and initiatives incorporate accessibility standards and best practices to the highest degree possible

## **DELEGATION OF AUTHORITY IMPLICATIONS**

Delegate authority to the Director of Community Safety, Well-Being, Policy and Analytics and the Program Manager of Social Development and Funding, individually, with authority to manage and administer the Community Funding Framework budget, as further described in the updated Policy Statements for Community Funding attached as Document 2 to this report.

## **INDIGENOUS, GENDER AND EQUITY IMPLICATIONS**

### **Indigenous Policy Considerations**

The Community Funding Framework recognizes the distinct rights and priorities of Indigenous peoples and supports the City's commitment to reconciliation, inclusion, and self-determination. As part of the midterm review, City staff undertook targeted consultation with urban Indigenous community partners, including Tungasuvvingat Inuit and the Ottawa Aboriginal Coalition. Feedback from these consultations helped identify barriers to accessing funding and informed actions to improve equitable access for Indigenous-led and Indigenous-serving organizations. Ongoing collaboration will continue through established relationships to ensure Indigenous voices, rights, and priorities remain central to the implementation of the Framework.

### **Gender and Equity Implications**

Equity and inclusion were foundational to the midterm review of the Community Funding Framework. The consultation strategy was designed to ensure representation from

Ottawa's diverse equity-deserving communities. To support this, City staff engaged Black-led, Black-focused and Black-serving (B3) organizations; Francophone organizations; and rural serving organizations to identify barriers and opportunities within the funding process. Feedback from these consultations informed key updates to the Framework, including simplified processes and strengthened inclusive funding criteria.

A significant outcome of this engagement is the planned implementation of a **Capacity Building Fund Pilot in 2026**, which will support grassroots organizations in building sustainability and resilience.

The Framework continues to prioritize organizations serving women, gender-diverse individuals, 2SLGBTQQIA communities, children and youth, older adults, and immigrants, aligning with the [Equity, Diversity, Inclusion and Belonging \(EDIB\) Lens](#).

These efforts reflect a commitment to embedding equity and inclusion throughout both the planning and implementation of the Community Funding Framework. Ongoing collaboration with diverse representatives will help ensure that the voices and needs of equity-deserving communities remain central as the Framework evolves.

## **RURAL IMPLICATIONS**

Community consultations in rural areas highlighted the need to address geographic marginalization within equity criteria. Rural communities are often excluded from funding linked to priority neighborhoods or demographic-based tools such as the Neighborhood Equity Index. In response, the Policy Statements have been updated to recognize this issue, and future funding applications will incorporate these considerations.

Participants also emphasized that performance metrics and reporting requirements should reflect rural realities, where smaller-scale programs can have a significant impact. They requested flexibility to include qualitative reporting. Staff will update the Community Funding Framework Evaluation Framework to better align with rural contexts.

Staff will continue engaging with rural-serving agencies to refine processes and implement improvements.

## **TERM OF COUNCIL PRIORITIES**

- A city that has affordable housing and is more liveable for all

## **SUPPORTING DOCUMENTATION**

Document 1 – What We Learned Report

Document 2 – Policy Statements for Community Funding Framework

Document 3 – Comparison Table outlining the 2020 Council approved Policy Statements and the updated version-approved Policy Statements and the updated version

## **DISPOSITION**

Upon approval by City Council, the Director of Community Safety and Well-Being, Policies and Analytics, and the Program Manager of Social Development and Funding have the authority, individually, to manage and administer the Community and Social Services Department Community Funding budget under the City's Delegation of Authority By-law No. 2025-69, Schedule "D", Subsections 4(3) and 11(2).