

### DISCRETIONARY GRANTS

It shall be the policy of the City Council that the City of Newport Beach's ("City") budget specifically allows the City Council to, at any time during the year, direct revenue towards worthy projects or programs which the City Council deems beneficial to Newport Beach's resident's quality of life. The City Council notes that it has multiple tools at its discretion to assist non-profit agencies, community groups, community events, or enhancement projects within the City. These tools are:

- A. Community Programs Grants from the General Fund;
- B. Special Event Grants from the General Fund;
- C. "District Discretionary Grant Account" from the General Fund;
- D. Culture and Arts Grant pursuant to Council Policy I-10; and
- E. Federal Community Development Block Grant (CDBG) Social Service Funds.

These funds shall be provided in the following manner:

(CDBG) Social Services funds shall be allocated according to standards set by the federal government and appropriated at least once each year. The level of funding offered for social services in Newport Beach shall be based upon federal formulas and the specific amount of CDBG revenue allocated to the City in any one fiscal year. The Community Development Department shall administer these funds after City Council approval of the funds' expenditure.

Community Programs Grants shall be expended from the General Fund in the amount of \$75,000 each fiscal year. The City Manager's Office shall review all requests for Community Programs Grants and shall forward recommendations for funding to the City Council for final approval. At the time of the City Manager's presentation of any Community Programs Grant award proposals to the City Council, the City Manager shall show which entities, if any, have received funds from the Community Programs Grant, Special Event Grant, District Discretionary Grant, Culture and Arts Grant, or CDBG Social Services Fund during the same fiscal year.

The City Manager or designee shall follow these priorities when recommending Community Programs Grants:

- A. Local groups located within the City and offering programs to City residents;
- B. Regional groups located in Orange County and offering programs to City residents;
- C. Groups located in California and offering programs to City residents; and
- D. Groups that have not received funding from any City source for three (3) consecutive years or more.

Groups not offering programs or services to local residents shall not be eligible for support from the City.

Special Events Grants are intended to allow meritorious community, social or athletic events to offset some or all of their City fees for their event. Doing so should decrease costs to the event organizer so that beneficiaries can see even greater benefit from any fundraising associated with the events. The City Manager or designee shall, in consultation with the City Council, establish a threshold amount for the proposed City budget that reflects adequate support for these events. The City Manager shall establish an administrative policy for these grants. The City Manager may divide the funding into more than one category to ensure that different types of events are fairly measured with peer events. The City Council shall consider and approve the Special Event Grant allocations by recipient.

The City reserves the right to audit the expenditure of these funds within a year of receipt.

District Discretionary Grant Accounts. At the start of the fiscal year, the City Manager shall provide an account for each Council District within the City Council's Budget division known as the District Discretionary Grant Accounts. The City Council shall set a funding level of these Accounts during the budget process preceding the June adoption of the City's budget. Each City Council Member shall have, at his or her discretion, the ability to allocate their District's funding to uses, projects, or community entities that benefit the City as a whole or the City Council Member's district specifically. Any expenditure from these Accounts must have an identifiable public benefit.

Requests to expend these funds should be directed by each City Council Member to the Director of Administrative Services. Expenditures will be reported to the City Council annually. The report will include a brief description and the public benefit associated with each expenditure.

At the conclusion of the fiscal year in which the District Discretionary Grant Accounts received appropriation, all unencumbered funds in the Accounts shall be deposited in the City's General Fund Reserve Account.

***History***

Adopted F-22 - 7-8-1985

Amended F-22 - 10-28-1991

Amended F-22 - 1-24-1994 (changed to A-12)

Amended A-12 - 5-22-2001

Amended A-12 - 6-22-2010

Amended A-12 - 9-27-2011

Amended A-12 - 5-12-2015

Amended A-12 - 4-9-2019

Amended A-12 - 12-9-2025