CITY COUNCIL
AGENDA REPORT

Subject: UTILITY RELIEF GRANT PROGRAM OUTCOME

Recommendation(s)

1. That the City of St. Albert extend the Utility Relief Grant pilot program to August 31, 2017 and the remaining funding of approximately $X originally approved by resolution C140-2015 be used to financially support this extension.

2. That the Utility Relief Grant amount be increased to $200 (from $150) for single family residential and to $75 (from $50) for multi-unit residential.

3. That the City Manager be authorized to extend the agreement with Community Village to August 31, 2017 for the purposes of administering the program.

4. That Administration report back to Council in Q4 2017 with outcome and analytic data related to the Utility Relief Grant.

Purpose of Report

To provide summary analytic data and recommendations around the Utility Relief Grant pilot program which took place from October 2015 to September 2016.

Council Direction

On December 1, 2014 Council passed the following resolution:

(C547-2014)
That a one-time withdrawal of $200,000 be made available in 2015 from the Stabilization Reserve to support the creation of a Utility Relief Grant aimed at providing financial support to individuals with fixed or low-incomes in paying their City of St. Albert Utility Bills; and that Administration bring forward to Council recommendations on options for the administration and eligibility criteria for the Utility Grant by Q1 2015.

On March 16, 2015, the following motion was moved and subsequently postponed by Motion C141-2015:

(C140-2015)
That the City of St. Albert implement a Utility Relief Grant program, on a one year trial basis, effective October 2015, with a capped allocation from the Stabilization Reserve of $200,000;

That the City Manager be authorized to enter into a one year agreement with the Community Village for the purposes of administration of the program; and

That Administration report to Council on the outcome and analytics of the Utility Relief Grant within 3 months of the completion of the one year trial program.

On March 16, 2015 Council passed the following resolution:

(C141-2015)
That Motion C140-2015 be postponed and come back prior to April 30, 2015

On April 27, 2016 Council passed the following resolution:

(C219-2015)
That the City of St. Albert implement a Utility Relief Grant program, on a one year trial basis, effective October 2015, with a capped allocation from the Stabilization Reserve of $200,000.

That the City Manager be authorized to enter into a one year agreement with the Community Village for the purposes of administration of the program.

That Administration report to Council on the outcome and analytics of the Utility Relief Grant within 3 months of the completion of the one year trial program.

Background and Discussion

In October 2015, the City of St. Albert in partnership with Community Village launched a Utility Relief Grant pilot program. The goal of the program was to provide financial support to low income individuals and families to help offset the 2015 increase in utility rates due to the addition of the Supplemental Capital Contribution (SCC) fee.

The program was designed based on the following guiding principles:

- Eligibility will be based solely on “household” combined income and will not be restricted by age or home ownership status (ie. Own vs. Rent)
- Eligibility for this program is independent. Participation in any other subsidy or income support program provided by the City or any other

external agency or government body will not preclude approval under this program.
- Costs for administration of the program will be kept as low as possible to ensure that the dollars actually reaching qualifying residents is maximized.
- As a strategy to limit administration costs, the eligibility criteria should be very clear and undisputable to eliminate or mitigate the costs associated with a formal appeal process.
- Proper and adequate reporting is available for the ongoing evaluation of the success of the program.

The original proposal contemplated that there would be up to 2,200 households in St. Albert that would potentially qualify for this grant based 2011 tax filer data if the LICO (Low income Cut-off) was used as the qualifying income measure. Understanding that that not all eligible households would actually apply for the grant, administration calculated grant amounts and administration costs based on an estimated 1,500 total grants.

At the end of the pilot program, a total of 144 grants were approved and issued for a total grant amount of $18,650. More detailed grant statistics can be found in the attachment entitled "Utility Relief Grant Statistics".

As part of the design of the pilot, the program was split into 2 intake periods. The intent was to evaluate the effectiveness of the program after the first intake with the opportunity to make adjustments prior to the second intake. The first intake took place in October and November 2015. Statistics from this first intake saw the issuance of only 35 grants.

Through discussions between the City of St. Albert and Community Village the following items were thought to be hampering the uptake on the program:

- Using the LICO as the income threshold may be too low. There were several individuals/families who did not qualify as their income was greater than the LICO but who would still be deemed very low income.
- The main means of advertizing was through postcards attached to the food bank drive bags (delivered to every household in the city), social media posts and information on both the City and Community Village web-sites. It is unclear if these methods were effective.
- Documentation required to be provided by applicant may be seen as prohibitive.

To address these potential issues, the following changes were made to the program for Intake #2 which took place in April/May 2016.

- Income criteria was adjusted to the most recent CNIT (Core Needs Income Threshold) for St. Albert. This is deemed to be a more accurate reflection of needs for our specific area. After the very low

uptake during the initial offering it was felt there was little risk in exhausting the budget by increasing the income threshold.

- In terms of advertising, statistics from the first intake indicated that overwhelming majority of grant recipients were homeowners vs. renters. Due to this fact, notifications about the grant were added to the March and April utility bills inviting people to apply.
- The requirement for specific pieces of documentation from the applicant were not able to be addressed. It was felt that all the information being requested was required in order to confirm eligibility.

The impact of these changes to the application statistics for intake #2 were significant. The grants approved increased by 211% to 109 households and disbursed grants of $13,600.

While overall program uptake was below expectations it should still be recognized that 144 households benefitted from this grant and for many it provided a significant benefit to their situation.

As another positive outcome, as was anticipated, several families that connected with Community Village specifically related to this grant program were referred to other programs within the organization and/or in the greater community for other required supports and programs.

From an administrative cost perspective, Community Village was initially allocated $25,000 for the pilot program to cover the incremental costs of running this program. A summary of expenses is provided below:

Allocated	$	25,000
Wages:		12,630
Other Costs:		645
Remaining Balance	$	11,725

Expenses were higher in this first stage of the new program due to the requirement to plan, develop forms & processes etcetera. It is anticipated that the administrative cost per grant will reduce substantially during this next phase as the program is more developed.

The remaining balance of $11,725 is felt to be more than adequate to cover the expenses required to run the pilot program for another year.

A complete financial summary of the pilot program can be found in the attachment entitled “Utility Relief Grant Financial Summary”.

It is recognized that the amount of grants issued on an annual basis is likely required to make the program viable on an ongoing basis. Given this assumption, Administration and Community Village are jointly making the following recommendations:

a) Extension of the pilot program to August 31, 2017
   -It is anticipated that uptake on the program will continue to grow over time as it becomes more known in the community. The intent is to focus communications and advertizing to other community organizations that serve a similar population base.

b) Update the income threshold to the most recently published CNIT values

c) Increase the grant amounts as follows:
   a. $200/program year (from $150) for single family residential
   b. $75/program year (from $75) for multi-family residential
      - The original grant amounts were set fairly low to ensure there were adequate funds available based on the projected number of recipients. It is anticipated that the program will not likely ever generate the grant numbers as originally projected so it was felt that an increase to the grant amount itself may encourage more people to apply.

Stakeholder Communications or Engagement

- Various departments within City Administration and the Community Village have worked closely together to develop and run the program.

Implications of Recommendation(s)

a) Financial:
   - A total of $166,487 is available from the original budget committed from the Stabilization fund. It is anticipated that this remaining funding will be adequate to support the extension of this pilot program to August 31, 2017.

b) Legal / Risk:
   - None at this time

c) Program or Service:
   - None at this time

d) Organizational:

- The workload generated by this program in Utilities finance and accounts payable is currently being absorbed within current staffing. This will need to be monitored as the program grows in size.

Alternatives and Implications Considered

If Council does not wish to support the recommendation, the following alternatives could be considered:

a) Alternative 1. Council could convert the Utility Relief Grant into an ongoing permanent program. Should this be desired, a permanent funding level and funding source would need to be established.
b) Alternative 2. Do not approve the extension of the pilot program and cese offering this grant

Strategic Connections

a) City of St. Albert Strategic Plan (Policy C-CG-02)

Pillars of Sustainability

SOCIAL – We are a friendly and inclusive community of passionate equals, where everyone feels a sense of belonging. We believe that community starts with the person next door.

Governance Strategy

Council is committed to ensuring that the City of St. Albert is a responsive, accountable government that delivers value to the community.

b) Long Term Plans (e.g. MDP, Social Master Plan, Cultural Master Plan, etc.)
- N/A

c) Corporate Objectives (See Corporate Business Plan)
- Deliver programs and services that meet or exceed our standards
- Exercise strong fiscal management
- Ensure our customers are very satisfied

d) Council Policies, Bylaws or Federal/Provincial statutes
- N/A

e) Other Plans or Initiatives (Business Plans, Implementation Strategies, etc.)

Attachment(s)

Utility Relief Grant Statistics
Financial Summary

Originating Department(s):	*Financial Services*
Author(s):	*Diane McMordie, Director of Finance & Utilities*
General Manager Approval:	*Greg Dahlen, Acting GM*
City Manager Signature:	Date:

Utility Relief Grant Pilot Program
October 2015 - September 2016
Financial Summary

Total dollars allocated	200,000
Community Village program administration	($13,275)
Advertizing/Promotion	($1,588)
Grants Issued	($18,650)
Remaining Funds Available	166,487

Utility Grant Program Statistics For The Period 2015/06/01 Through 2016/09/09

	Amount	Value / Percent
Applications Processed	144	
Applications Not Qualified - Total	4	
Not Qualified - Income	4	
Not Qualified - Citizenship	0	
Not Qualified - Residency	0	
Applications Approved - Total	135	
Grant Amount $50	16	$ 800
Grant Amount $150	119	$ 17,850
Home Owner	103	$ 14,950
Renter	32	$ 3,700
Single Family / Duplex	106	$ 15,800
Townhouse / Apartment	29	$ 2,850
Adult Only Household	88	$ 12,500
Family With Children	47	$ 6,150
Paid By Cheque	15	$ 950
Paid By Electronic Funds Transfer	4	$ 300
Paid By Utility Account Credit	116	$ 17,400
Total Average Annual Household Income	$ 22,226	
Canadian Citizen	128	95%
Permanent Resident	7	5%
For Adult Households:		
Average Age of Adults	67	
Average Annual Household Income	$ 22,080	
For Families With Children:		
Avearge Age of Adults	38	
Average Age of Children	9	
Average Number of Children	1.9	
Average Annual Household Income	$ 22,499	