

# OTF Investment Summary Report 2022/2023 Capital Cycle



Prepared for the Board of Directors, November 03, 2022  
2022-2023 Capital Cycle  
OTF Granting Investments

# OTF Investment Summary Report

2022/2023 Capital Cycle



## Introduction

Safe, accessible and welcoming spaces to connect, be active, learn, and grow are vital to healthy and vibrant communities. Having appropriate spaces and equipment ensures that the nonprofit sector can deliver high quality programming to the communities it serves. This round of funding is OTF's first Capital round since 2019. After two years of uncertainty, organizations are once again looking to the future and re-evaluating their infrastructure and equipment. This Capital round responds to an accumulation of demand for capital project funding. While the Community Building Fund – Capital stream in 2021 invested in repair, renovation and retrofitting of existing sports and recreation facilities, OTF's Capital stream is available to organizations that align with any one of OTF's six Action Areas.

The Capital funding stream awards grants between \$10,000 and \$150,000 to eligible organizations for up to one year to facilitate purchasing equipment, building new spaces, or completing renovations, retrofits or repairs. Investments support projects that:

- Improve access to community spaces, facilities, programs, activities and services, and facilitate participation in the community
- Improve and build community spaces
- Make programs and services better and more efficient
- Make better use of technology

This report will provide an overview of the Capital funding round for the 2022/2023 fiscal year.

This report includes:

*Schedule 1: Executive Summary*

*Schedule 2: Community Investments Granting Overview*

*Schedule 3: Closed Grants*

*Schedule 4: Concluding Remarks*

*Appendix A: List of Recommended Applications for Board Approval*

*Appendix B: List of Declined Applications for Board Approval*

*Appendix C: List of Technically Declined Applications*

# OTF Investment Summary Report

2022/2023 Capital Cycle

## Schedule 1: Executive Summary

### 1.1 Cycle Summary: Capital Investment Stream

- This cycle, OTF received **1333 applications** requesting **\$124.8 million**, more than double the amount from the previous Capital funding round in 2019.
- A total of **417 projects (a 31% approval rate) for \$37.5 million** are **recommended for approval**, which are expected to increase access to and **enhance over 4.5 million square feet** of community spaces, for over **3.8 million Ontarians**.
- The **overall demand ratio is \$3.33 requested for every dollar recommended**, consistent with the higher absolute demand seen this cycle.
- Catchments in **northern Ontario** tended to have **higher demand ratios** than other catchments in the province, consistent with past cycles.
- Combined, projects aligned with the **Active People and Connected People Action Areas account for 66% of dollars recommended** for approval.
- **Promising Young People Capital projects** make up **8% of recommendations** this cycle, matching the all-time high from the previous round.
- Recommendations to **Green People Capital projects** are once again the lowest, at \$591,800, representing **2% of recommended investments**.
- **33% of dollars requested** were for projects aligned with the **Connected People Action Area**, but only **29% of dollars recommended** for approval went to projects aligned with that Action Area.
- **Urban communities** are receiving the **majority of recommended investments** at 52% of dollars recommended. **Rural communities** have the next highest share at 32%.
- **Black-serving and 2SLGBTQIA+ -serving organizations had the highest demand rates**, at \$7.09 and \$12.26, respectively, indicating low approval rates. Requests for construction and renovations projects have higher decline rates at the Project Eligibility stage of assessment for these organizations.
- To date, **1423 Capital and ON150 grants have closed**. Combined, these completed projects have **created or improved nearly 8.25 million square feet of community spaces for the people of Ontario**.

# OTF Investment Summary Report

2022/2023 Capital Cycle



## 1.3 Action Area Noteworthy Grants

Below, we highlight noteworthy recommendations, to demonstrate the expected impact of this cycle's recommended projects.

### Active People

In the Active People Action Area, **137 grants** totaling **\$13.8 million** have been recommended for approval.

One notable grant recommended for approval in the Active People Action Area is an **\$86,200 grant to the Norwood Curling Club**. With OTF support, the Norwood Curling Club **will extend the life of their building** by replacing the aging roof, ensuring that the facility remains available to the community. The building provides opportunities for sports and recreation in the rural village of Norwood, **servicing the general community, seniors, youth and people with disabilities**. The Capital grant will support the Club's efforts to maintain the facility as a community hub.

### Inspired People

In the Inspired People Action Area, **59 grants** totaling **\$5 million** have been recommended for approval.

On the verge of their 40-year anniversary owning and operating the **historic Livery Theatre in Huron County, The Goderich Little Theatre will double the capacity of their rural performance space** by adding 320 sq. ft. of stage extensions, allowing for more diverse types of presentations and multiple audience configurations. This **\$25,000 Capital grant** investment from the Ontario Trillium Foundation to acquire these weatherproof extensions will also enable the Theatre and other community groups to utilize them in outdoor settings including music festivals, providing added community value and **extending the life of The Livery's performance space by an anticipated 30 years**.

### Connected People

In the Connected People Action Area, **121 grants** totalling **\$10.8 million** have been recommended for approval.

A **12-month Capital grant for \$23,700** grant will enable **Ukrainian Canadian Social Services (Toronto) Inc.** to extend the life of their existing facility by **repairing and refreshing program and communal spaces, enhancing safety of staff and participants, and supporting programming needs through purchasing technological infrastructure**. The communal spaces which are used for programs and services, as well as hallways and other highly used spaces, have not been upgraded or enhanced for decades due to limited available funds. As demand for programs and services continues to rise, and as the organization is a **key support for refugees from the war in Ukraine arriving in Toronto**, the improvements to the existing facility will allow the organization to serve both the existing community and Ukrainian newcomers safely and effectively.

# OTF Investment Summary Report

2022/2023 Capital Cycle



## Green People

In the Green People Action Area, 6 projects totaling **\$591,800** have been recommended for approval to conserve and improve Ontario's green spaces.

With **OTF support of \$140,300**, **ReForest London** will address a community need for **inclusive safe spaces** by installing one barrier-free universal washroom, three gender-neutral stalls, and a showering facility at the **Westminster Ponds Centre for Environment & Sustainability**. This community hub **promotes environmental excellence, sustainability, health, and wellbeing across the greater London region**. The project increases the desirability, functionality and use of the space, while improving the facility to make it accessible to all people, particularly **those living with physical disabilities, are transgendered, or who have gender fluid identities**. The project is expected to impact 9 nature-based programs **benefitting 6400 people**.

## Promising Young People

In the Promising Young People Action Area, **39 grants** totaling **\$3 million** have been recommended for approval to enable more **children and youth to develop emotional and social strengths**, and to be meaningfully engaged in their communities.

**Hamilton Music Collective** will enhance their electronic music production program for **at-risk youth with a \$75,500 Capital grant**. By creating a state-of-the-art workstation that includes a beat station, an arrangement station, and a recording station, students will have a **unique space to create music**. Youth will have the opportunity to engage in interest-driven arts programming and to **build emotional and social wellness through creativity and collaboration**. The purchase of equipment will be accompanied by a redesigned electronic music production program that has **evolved from the MusicTech classes that have been running since 2016**.

## Prosperous People

In the Prosperous People Action Area, **55 grants** totaling **\$4.2 million** have been recommended for approval **to enable economically vulnerable people to meet their basic needs**.

**The Regional Food Distribution Association of Northwestern Ontario** with a **Capital grant of \$133,400** will help address a community need by completing renovations and improvements to **increase the functionality and efficiency of their produce processing room**. This room is used by staff and volunteers process, cook, and pack produce as part of their daily operations to **supply meals to 28 soup kitchens, food banks, schools, and shelter houses** in the city of **Thunder Bay as well as to 24+ community food banks across the region**. This service is critical to providing **food security to 9,500 low-income youth and adults and 318 households**, including those experiencing homelessness. In addition, the project's renovations and improvements will extend life of their facility through electrical and plumbing upgrades, improved ventilation and ceiling repairs. OTF's support will enable the organization with greater capabilities to enhance their capacity to support food security in Northwestern Ontario.

# OTF Investment Summary Report

2022/2023 Capital Cycle

## 1.4 Sign-Offs

Sign-Off from Chairs: Each GRT Chair or Acting Chair has signed off on the recommendations of their GRT.

Compliance with OTF Policy: The Vice-President, Community Investments has reviewed granting policy compliance. The VP, Community Investments confirms that all recommended grants are within the granting policies of the Foundation.

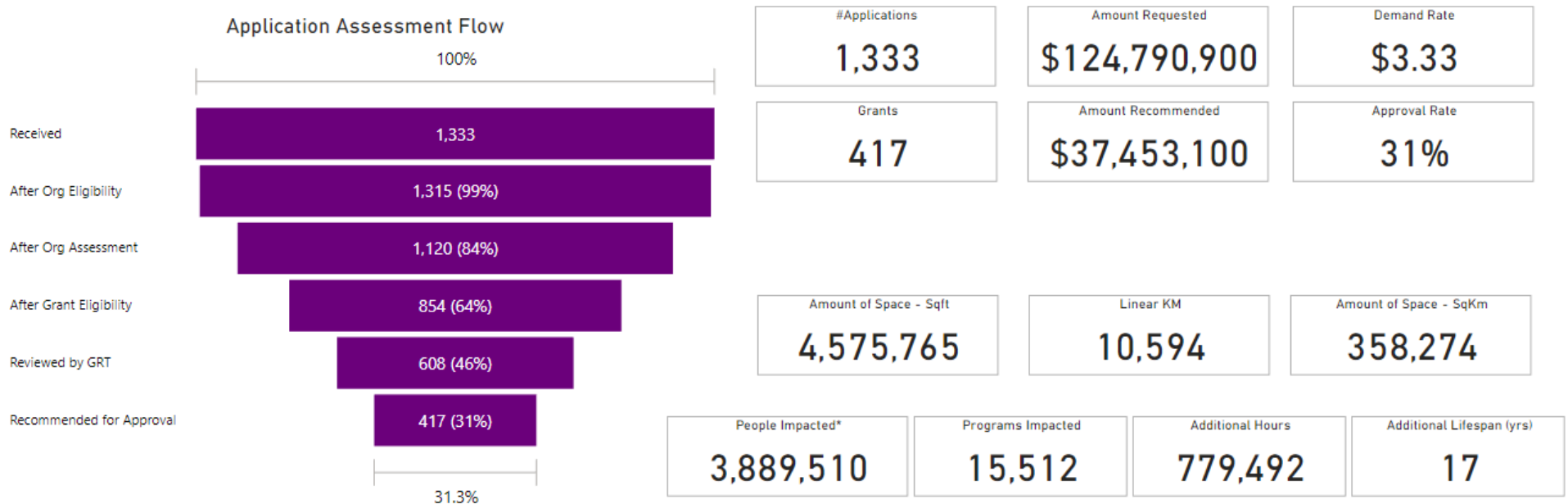
# OTF Investment Summary Report

2022/2023 Capital Cycle

## Schedule 2: Community Investments Granting Overview

### 2.1 Approval Rates and Impact

Of the **1333 applications** submitted, **417 projects** are being recommended for approval this cycle, which corresponds to a **31% approval rate**. The projects being recommended for approval will enable more than **3.8 million Ontarians** to benefit from over **4.5 million square feet of additional and improved community spaces**. Those infrastructure projects related to fostering more active lifestyles will contribute to an **additional 780,000 hours of physical activity for Ontarians**. Over 15,000 programs will be impacted by these grants, which will add an average of 17 additional years to the lifespan of buildings and equipment.



\*Data on People Impacted from CP122910 and CP123125 was excluded due to the fact that the numbers provided could not be confirmed with the applicant

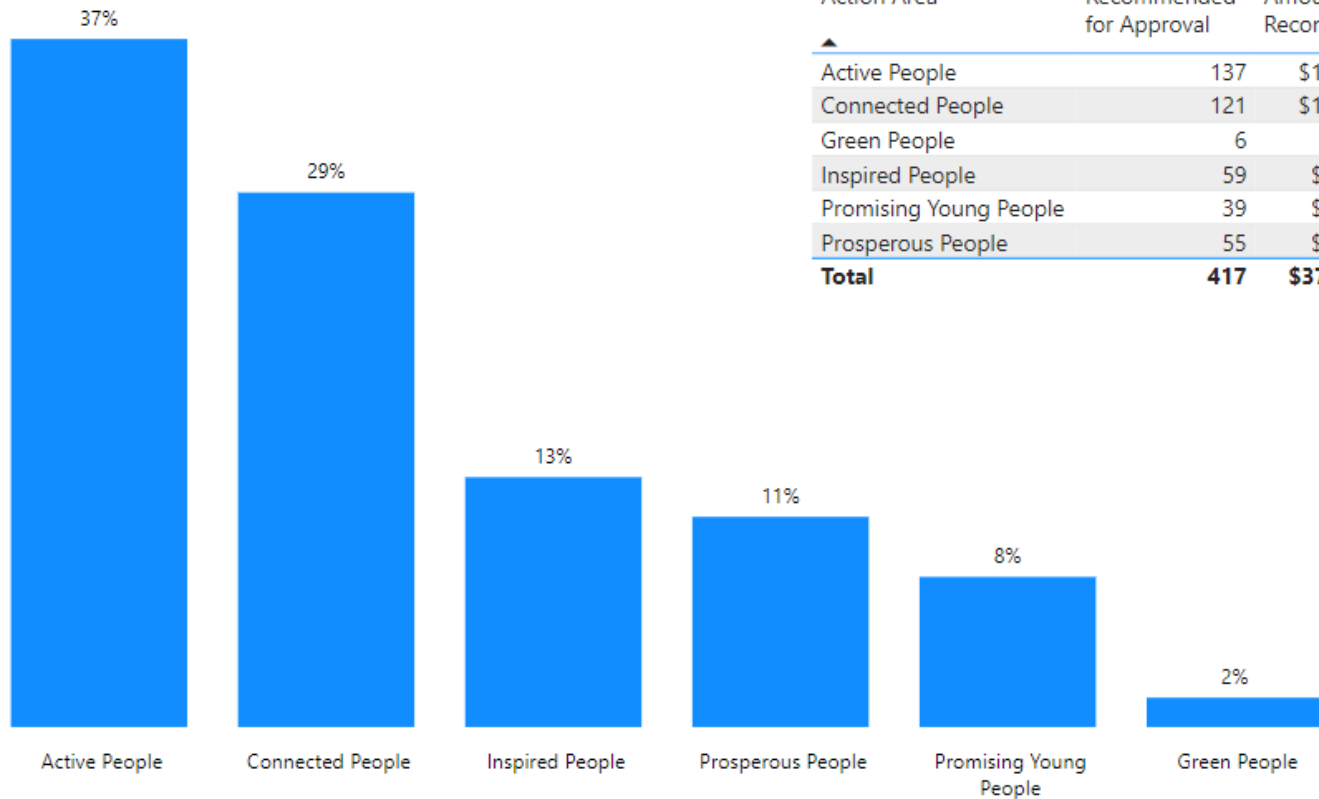
# OTF Investment Summary Report

2022/2023 Capital Cycle

## 2.2 Capital Action Area Overview

Similar to the previous Capital funding round, the Active People Action Area continues to hold the largest share of recommended investments (37% this round vs 39% the previous round). Connected People continues its upwards trend from the previous round, accounting for 29% of recommended dollars (up from 20% the previous round). The Inspired People Action Area accounts for the next highest share of recommended investments at 13%. Like the previous round, the Green People Action Area has the lowest share of recommended investments, reflecting a low approval rate of 15% (compared to a 31% approval rate overall).

Dollars Recommend for Approval by Action Area



Action Area	Recommended for Approval	Amount Recommended
Active People	137	\$13,838,700
Connected People	121	\$10,750,900
Green People	6	\$591,800
Inspired People	59	\$5,024,300
Promising Young People	39	\$3,020,000
Prosperous People	55	\$4,227,400
<b>Total</b>	<b>417</b>	<b>\$37,453,100</b>



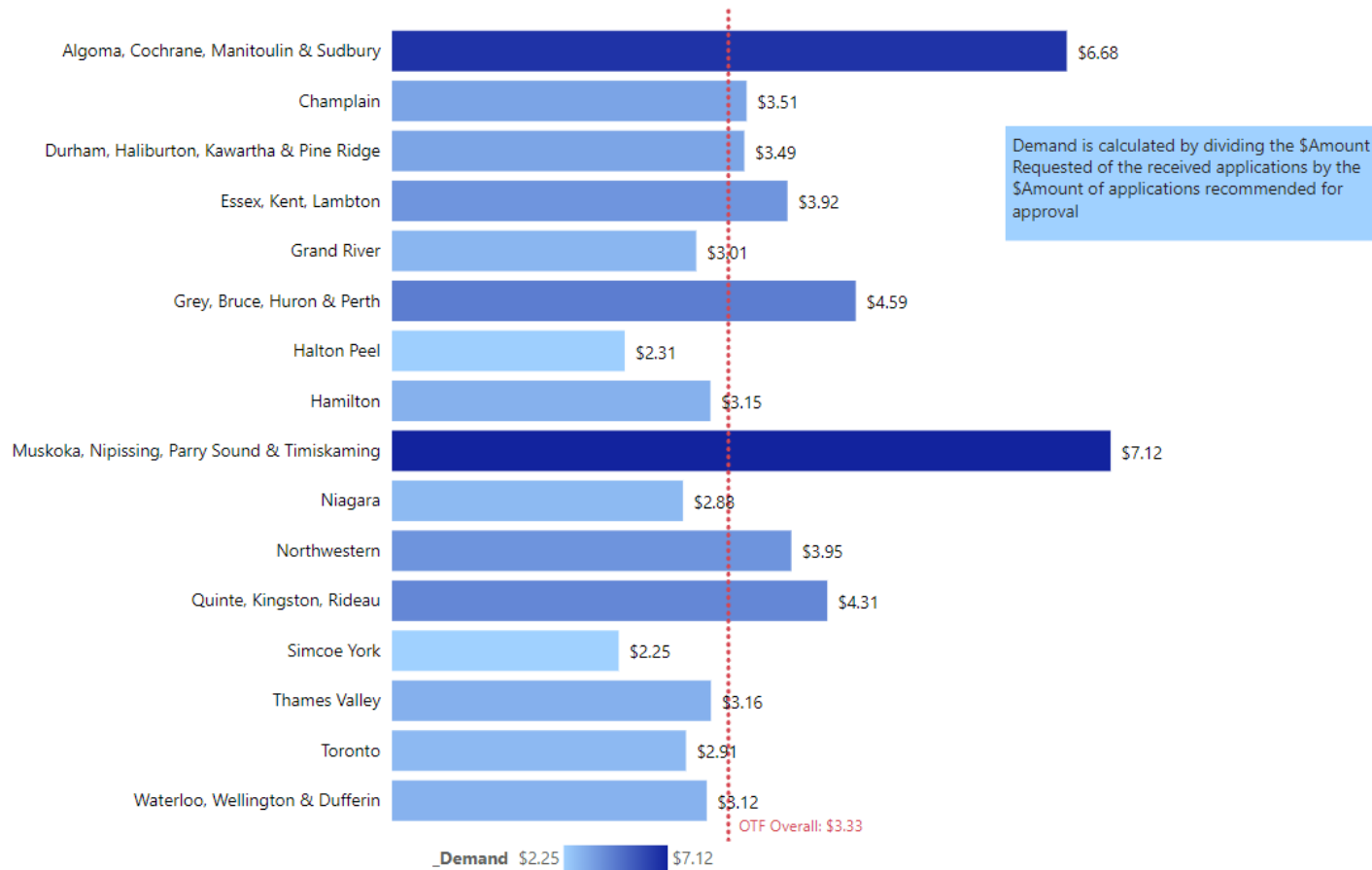
# OTF Investment Summary Report

2022/2023 Capital Cycle

## 2.3 Capital Application Demand

The demand rate reflects the total dollars requested for every dollar recommended. This cycle, the overall demand rate is \$3.33, which is 46% higher than the \$2.23 rate in the previous round. This rate is a result of higher absolute demand across the province, particularly in the ACMS and MNPST catchments. As in previous cycles, northern catchments continue to see greater demand for Capital Investments than other areas of the province.

Dollars Requested vs Dollars Recommended for Approval



# OTF Investment Summary Report

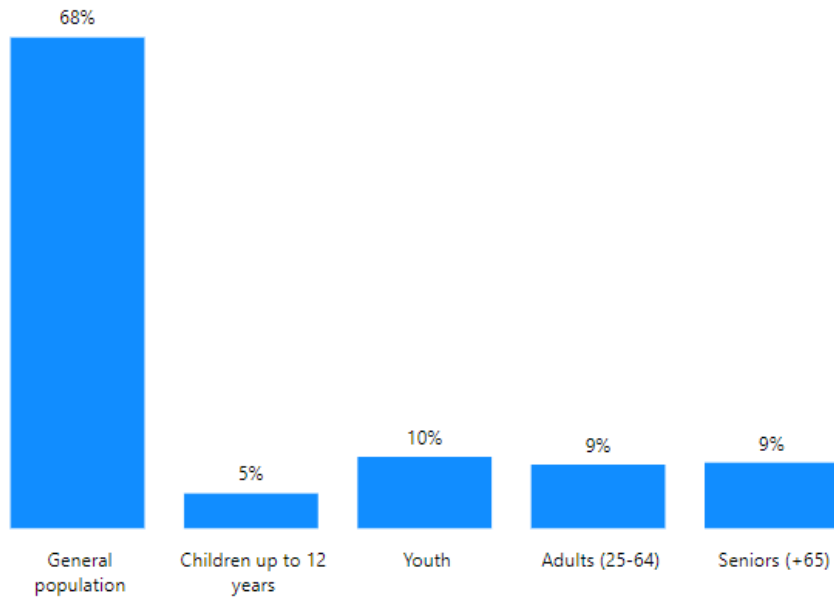
2022/2023 Capital Cycle

## 2.4.1 Capital Investment Equity – Populations

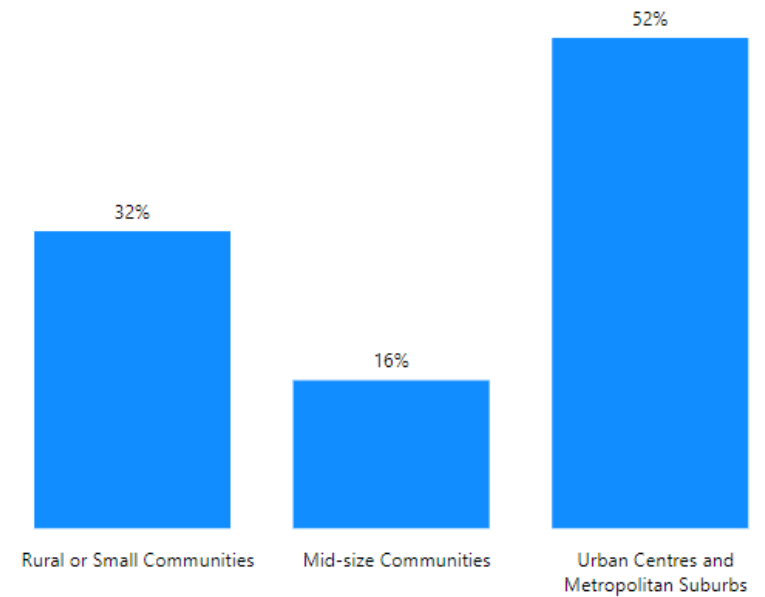
The majority of recommended dollars will be for capital projects that benefit the general population, consistent with historical trends. These projects make up 89% of requests and 89% of recommendations. Five percent of recommended investments will create dedicated spaces and programming for women and girls, an increase from past cycles.

Projects serving 2SLGBTQIA+, Francophone, Indigenous and Black communities had disproportionately low approval rates. These applications tended to be submitted by younger, lower revenue organizations that do not own the spaces from which they operate. These applications tended to be declined for Eligibility reasons, particularly missing lease or ownership documents for renovation/retrofit projects, or missing quotes.

Dollars Recommended for Approval by Age Group Served by the Project



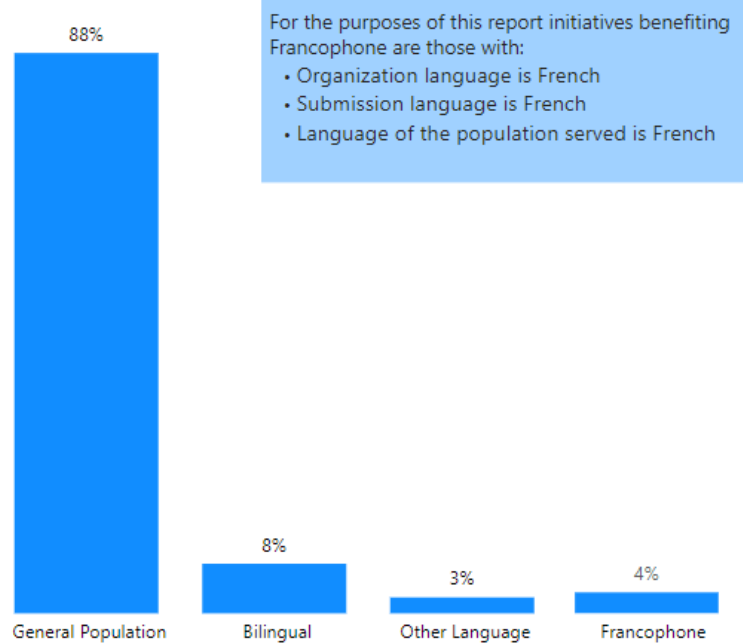
Dollars Recommended for Approval by Community Size Served by the Project



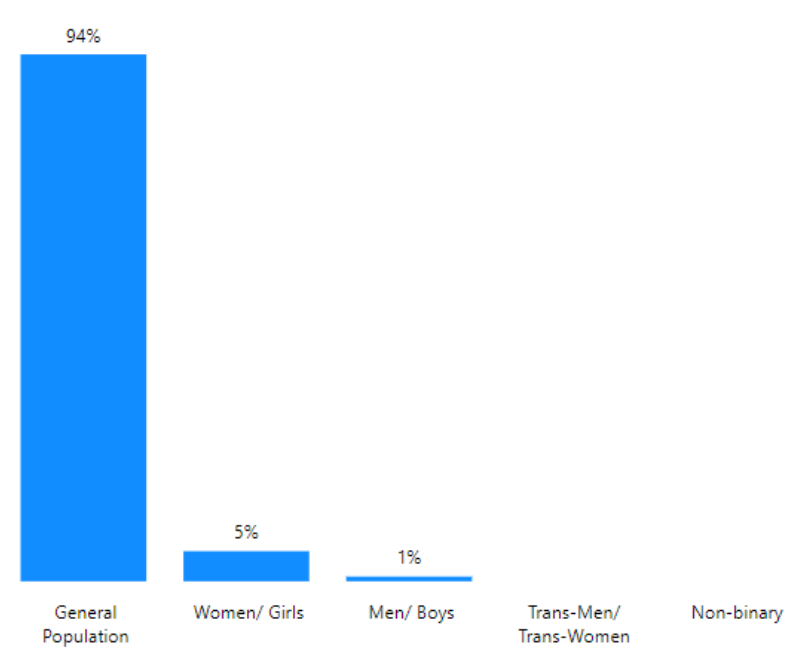
# OTF Investment Summary Report

2022/2023 Capital Cycle

Dollars Recommended for Approval by Language of the Population Served by the Project



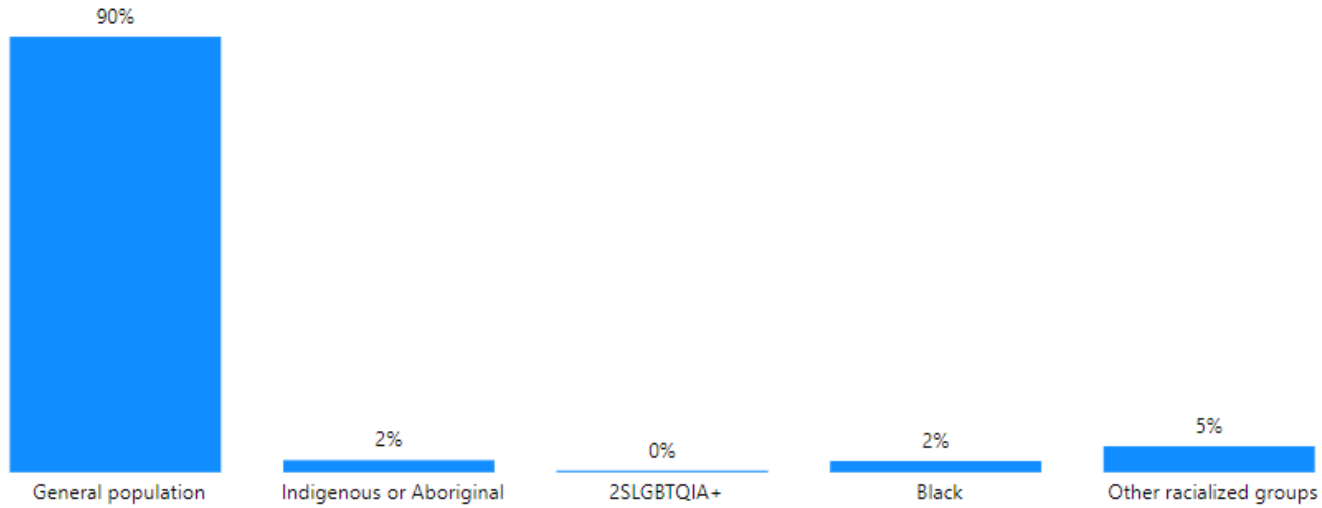
Dollars Recommended for Approval by Gender of the Population Served by the Project



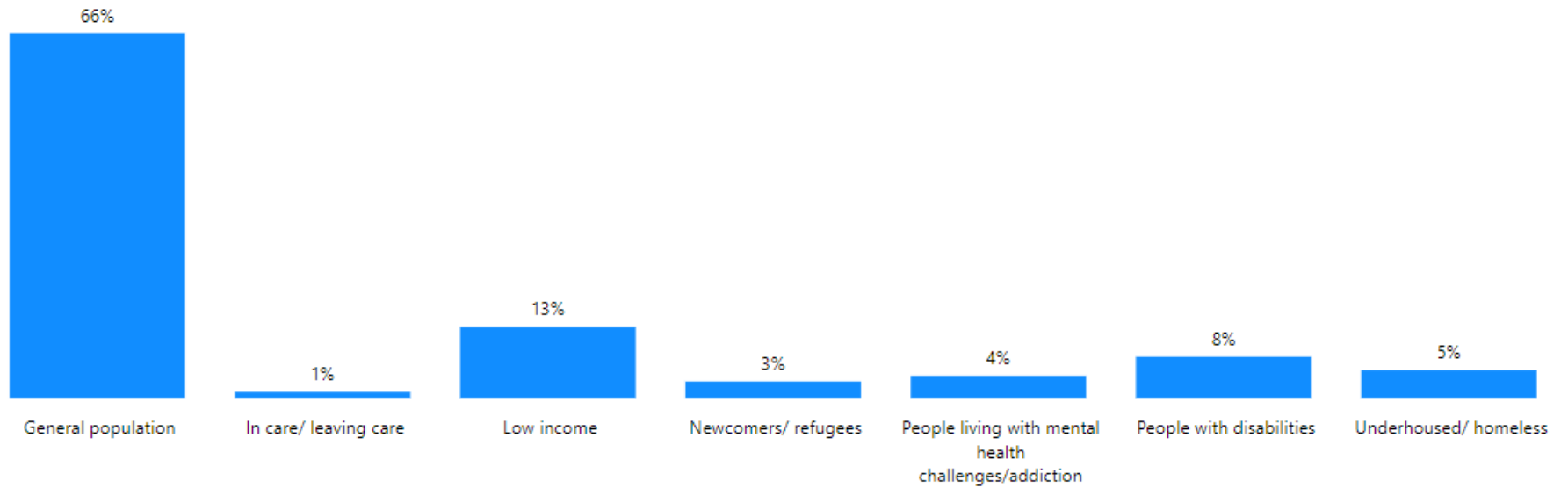
# OTF Investment Summary Report

2022/2023 Capital Cycle

Dollars Recommended for Approval by Identity of the Population Served by the Project



Dollars Recommended for Approval by Lived Experience of the Population Served by the Project



# OTF Investment Summary Report

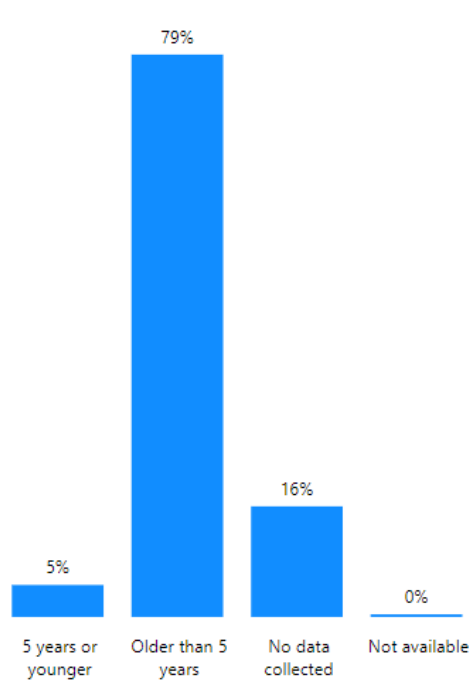
2022/2023 Capital Cycle

## 2.4.2 Capital Investment Equity – Organizations

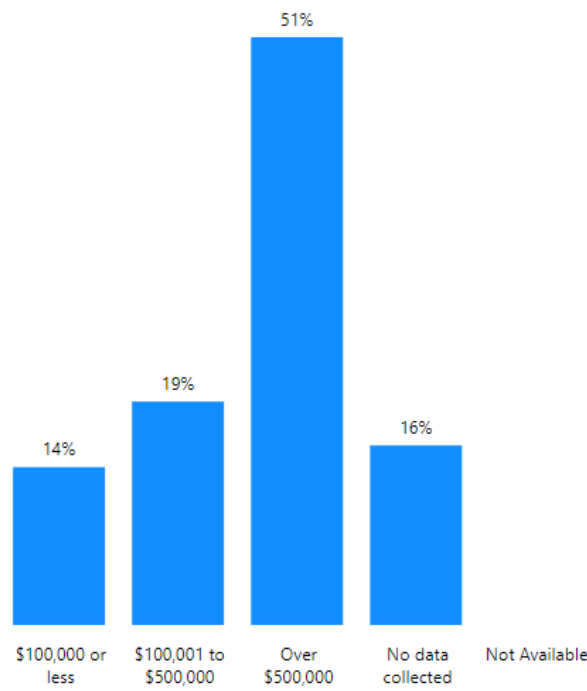
As mentioned in the previous section, older organizations are being recommended to receive the largest share of Capital investments. Organizations that are less than five years old have an approval rate of 18%, well below the overall rate of 31%. 79% of recommended dollars will go to organizations older than 5 years. This is in line with demand, as 79% of dollars requested for approval came from organizations older than five years. Organizations with no data collected, representing municipalities under 20,000 people and First Nations, saw similar levels of success as organizations older than 5 years, with approvals on par with demand.

Just 14% of recommended dollars will go to organizations with less than \$100,000 in revenue, significantly lower than in the 2019/2020 Capital round, where they received 26% of recommended investments. Additionally, these organizations had a lower-than-average approval rate of 26%. Organizations run solely by volunteers experienced greater challenges in receiving funding than those with at least some paid staff, with an approval rate of 24%.

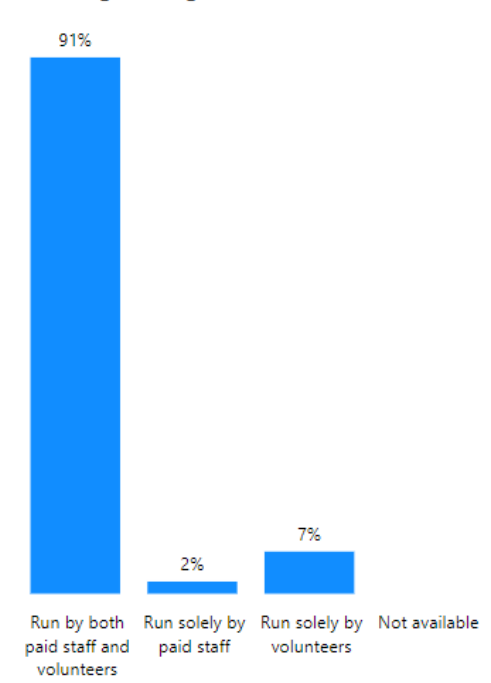
Dollars Recommended for Approval by Age of Organization



Dollars Recommended for Approval by Organization Size



Dollars Recommended for Approval by Type of Staff Running the Organization



# OTF Investment Summary Report

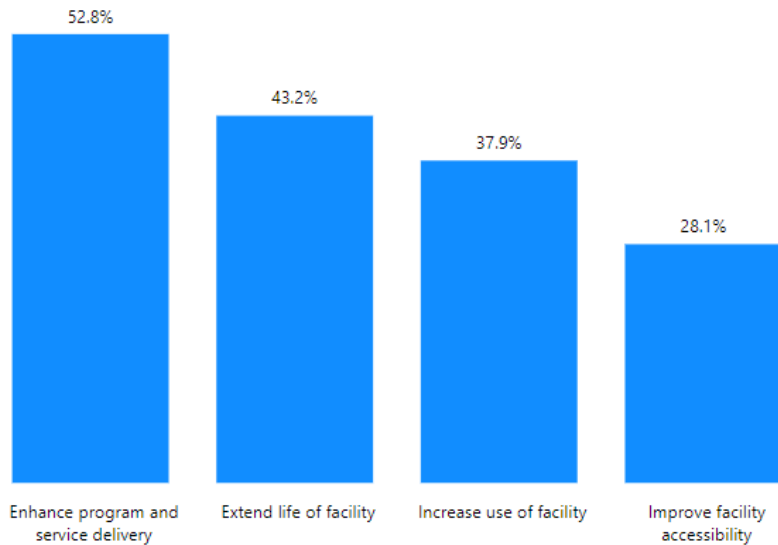
2022/2023 Capital Cycle

## 2.5 Grant Outcomes and Budget Categories

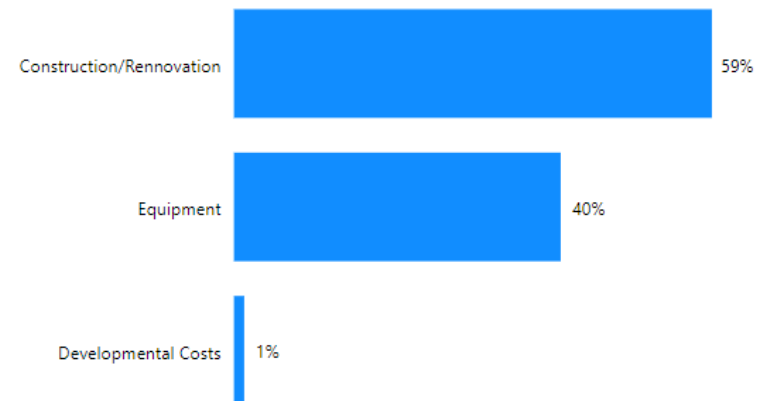
The majority of dollars recommended for approval are for construction and renovation costs, which is line with demand from organizations. The high percentage of requests and recommendations for approval for construction and renovation costs may be due to both the rising costs of material and labour and the lack of fundraising opportunities organizations have faced in the past two years.

For the 12 recommended grants benefitting Black populations, 90% of the dollars recommended for approval are for the purchase of equipment. However, only 49% of dollars requested from 53 applications were for that budget category. Additionally, only 9% of dollars recommended for approval are for renovation or construction, even though 47% of dollars requested were for that budget category. This misalignment goes back to the applicant organizations being more likely to be declined at the Project Eligibility stage due to missing ownership and lease documents – a barrier faced by younger and smaller organizations.

Type of Outcomes



Dollars Recommended for Approval by Budget Category



Budget Category	Amount Recommended
Construction/Renovation	\$21,965,200
Developmental Costs	\$470,500
Equipment	\$15,017,400
<b>Total</b>	<b>\$37,453,100</b>

# OTF Investment Summary Report

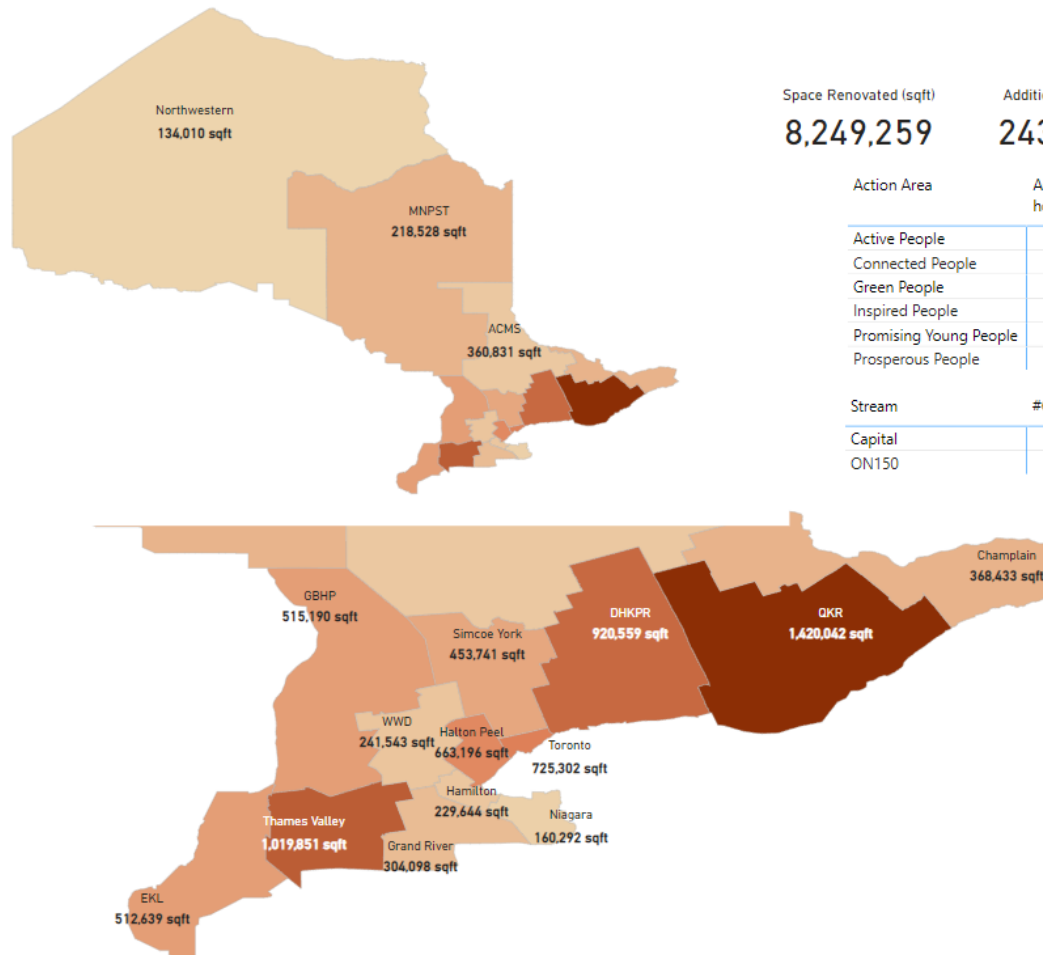
2022/2023 Capital Cycle

## Schedule 3: Closed Grants

### 3.1 Impact of Closed Capital Grants

As of November 03, 2022, **1141 Capital and 282 ON150 projects have closed**. Combined, **these 1423 completed projects have created or improved nearly 8.25 million square feet of essential community spaces for the people of Ontario**. This has translated into nearly 244,000 of additional hours of space to live out more active lifestyles and enjoy arts and heritage experiences. Moreover, safer, more accessible, and suitable spaces are available for vulnerable children, adults, and seniors to create and maintain social connections, and learn necessary skills to build a better life.

Amount of Space Renovated by Catchment Area



Space Renovated (sqft)	Additional Hours	Area Impacted (km2)
<b>8,249,259</b>	<b>243,745</b>	<b>5,764</b>

Action Area	Additional hours	Area (km2)	Space (sqft)
Active People	113,805		5,698,041
Connected People			1,267,224
Green People		5,764	
Inspired People	129,940		764,746
Promising Young People			144,028
Prosperous People			375,220

Stream	#Grants	Space (sqft)	Additional Hours	Area (km2)
Capital	1141	6,745,181	200,067	5,764
ON150	282	1,504,078	43,678	0

# OTF Investment Summary Report

2022/2023 Capital Cycle

## Schedule 4: Concluding Remarks

This Investment Summary Report provides an overview of the 417 recommended Capital Stream investments for the 2022/2023 fiscal year.

This Capital round saw more than twice as many applications than in the previous round (1,333 applications this round compared to 530 in 2019). Once again, northern Ontario catchments had the highest demand, with the MNPST catchment requesting \$7.12 for each dollar recommended for approval. Older and more established organizations have the highest share of recommended investments, while the share of recommended investments for organizations with less than \$100,000 in revenue decreased from the previous round. This differential appears to be due to less established organizations having lower rates of ownership of capital infrastructure from which they operate.

Projects aligned with OTF's Active People Action Area received the highest share of recommended investments (37% of dollars recommended for approval), while projects aligned with the Green People Action Area received the lowest share of recommended investments (2% of dollars recommended for approval).

The expected impact of this cycle's \$37.5 million of recommended investments is broad, both in scope and in reach. The projects are expected to impact over 3.8 million Ontarians by creating 780,000 hours of access to spaces, and over 4.5 million square feet of new or improved community spaces across the Foundation's six Action Areas. Their impact will benefit various populations across the province, from at-risk youths in Hamilton to sport clubs in rural areas to marginalized people in London.

A list of the recommended grants can be found in Appendix A.