

OTF Investment Summary Report 2018/2019 Capital Cycle



Prepared for the Board of Directors, January 10, 2019
2018-2019 CAPITAL Cycle
OTF Granting Investments

OTF Investment Summary Report

2018/2019 Capital Cycle

Introduction

This is a summary of the Grant Review Team recommendations for Capital Stream investments for the 2018-2019 Fiscal Year. In this report, comparisons are made against Capital Stream investments in FY2015-16, and FY2017-18, as the stream was suspended in FY2016-17. The one-time Ontario 150 Community Capital program administered in FY2016-17 is excluded from historical comparisons, to facilitate like-to-like comparisons.

For the first time in this Investment Strategy, we also report on completed capital projects to date.

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

Schedule 1: Executive Summary

1.1 Cycle Summary: Capital Investment Stream

We received **744 applications** requesting **\$72.6M**. Of these applications, a total of **263 projects for \$25.4M** are **recommended for approval**. These recommended investments are expected to increase access to and **enhance over 2.4 million square feet** of community spaces.

At \$72.6M requested, demand is at a historical high, and 15% higher than the next highest cycle in 2017-2018. The **demand ratio is \$2.86** requested for every dollar recommended, lower than OTF's average of \$3.65. This is because **an additional \$5.5M in funding** is available this cycle, which allowed OTF to ensure even more of the record demand is able to be met.

Recommendations for Prosperous People projects continue to increase since 2015, making up 16% of recommendations this cycle. At the same time, recommendations to Connected People continue to decline relative to the last 3 Capital cycles, making up 13% of recommendations this cycle. More recommended funding will benefit Seniors (8.6%), People with Disabilities (15.7%), and Diverse Cultural Communities (7.3%), than the previous cycle.

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Finally, 435 Capital and ON150 grants have closed in the last three years. Combined, these completed projects **created over 2.6M square feet of community spaces for the people of Ontario.**

1.2 At a glance

We continue to track indicators of understanding and engagement with the Investment Strategy:

- **Technical Declines** – Understanding of the Investment Strategy continues to improve, with **82% of applications being eligible** for funding, up from 75% in the previous Capital cycle. This trend is consistent with lower technical declines across all Streams of the Investment Strategy
- **Volunteer Scoring** – Volunteers were highly engaged in the assessment process, with a **98.7% completion rate of scoring activities** for the cycle, a trend seen across all Streams this fiscal year.

1.3 Action Area Noteworthy Grants

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

Active People

\$10.45M has been recommended to make **2.0M square feet of space for the people of Ontario to engage in physical activity, increasing access to facilities by 18,600 hours.**

With \$121,600, **The City of Kawartha Lakes Family Health Team** will construct the **first Seniors Play Park in Ontario** – specifically designed for Seniors and focusing on agility, mobility and flexibility. Ensuring infrastructure is accessible and available for physical activity, this project will be **built in the small town of Fenelon Falls, where 50% of the population is over 55**, there is only one option for working out, no public transit and many live on restricted incomes.

Connected People

\$3.37M of Connected People projects to **create 67,322 square feet of community spaces for diverse groups to work together to improve community life, and to reduce social isolation for the people of Ontario.**

OTF's investment of \$147,600 to **The Canadian National Institute for the Blind's Lake Joseph Centre** will support the **renovation of acoustics** in the camp's Dining Hall and Lounge so that **over 1,200 people of all ages can comfortably socialize and participate in activities designed to reduce the social isolation that often follows hearing and sight loss.**

Green People

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\$438,400 of investments in Green People, primarily to **purchase equipment to facilitate sustainable conservation and restoration efforts.**

The Nature Conservancy of Canada is a key environmental steward of the Long Point Wetlands in Norfolk County in the endangered Carolinian region, Canada's smallest ecoregion supporting the greatest number of rare and at-risk species in Canada. Conservation and restoration efforts have been historically hindered by lack of access to remote properties in the area only accessible by water; a **\$90,000 investment in a specialized boat** will **bolster environmental sustainability**, ensuring conservation and restoration efforts are better planned through enhanced ease of access to conservation experts.

Inspired People

\$5.84M of projects in Inspired People, improving **112,987 square feet of arts, culture, and heritage spaces.** An **additional 53,246 hours** will be made available through these recommended investments.

With \$67,900 in OTF funding, the **Pic Mobert First Nation community** will purchase **portable event infrastructure to be used in traditional ceremonies and events.** The grant will have an **impact on 1,100 off-reserve and 350 on-reserve band members.**

Promising Young People

\$1.27M of recommended investments to create or improve **37,355 square feet of space to build emotional and social skills in children and youth, and to involve youth in creating solutions for challenges facing their communities.**

Through \$150,000, **Ska:na Family Learning Centre** will renovate parts of a newly purchased building in West Windsor. The site will **host a new Early Years child care program**, providing 73 additional Indigenous and non-Indigenous children access to deeper and more inclusive programming. The Centre will **include interior and exterior classrooms, and a Ceremony Room to enhance children's physical, mental, emotional and spiritual connection with the land, our community and each other.**

Prosperous People

In Prosperous People, \$4.02M are recommended for infrastructure projects to improve **166,525 square feet of space to support economically vulnerable Ontarians to meet their basic needs.**

With a \$150,000 grant over 4 months, **The East Scarborough Boys and Girls Club** will **renovate their existing space into an industrial kitchen and interactive classroom** to equip the community with the skills and knowledge to **improve their food security.** Youth from 15 to 29 years, lone

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parents and families residing in East Scarborough and facing barriers to employment will access training in food preparation while providing healthy, prepared meals to the agency's network for distribution to the community.

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.

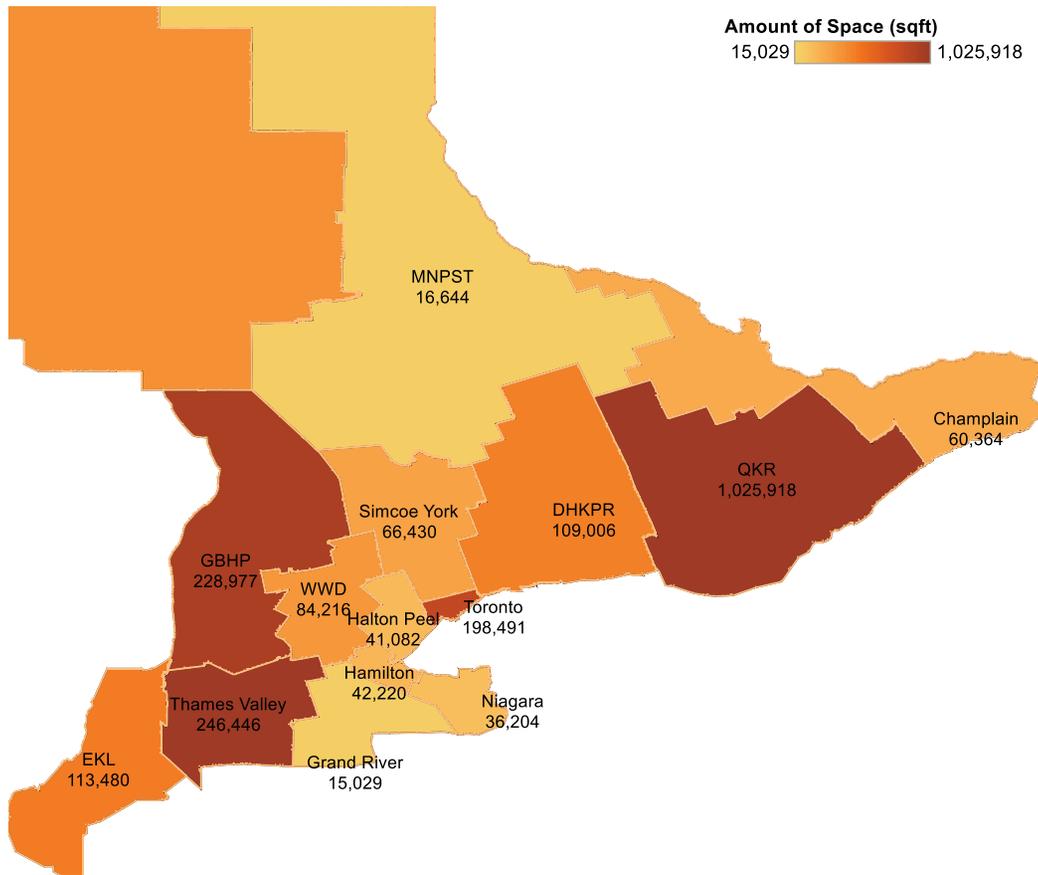
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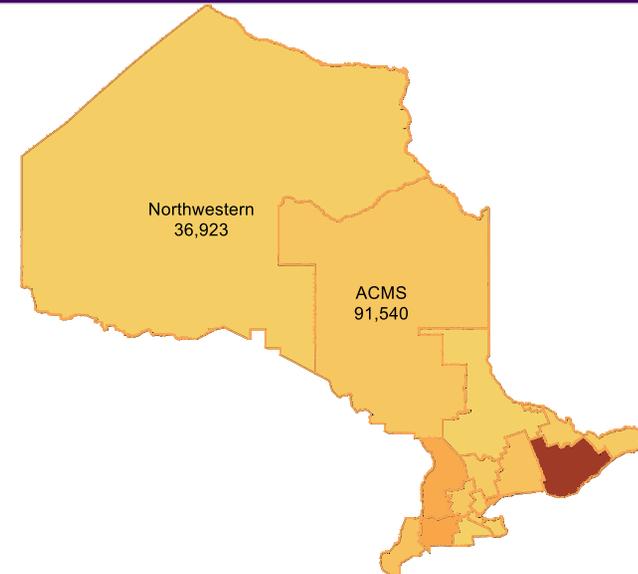
Schedule 2: Community Investments Granting Overview

2.1 Improved infrastructure

The 263 projects recommended this cycle will enable the people of Ontario to benefit from **2.41 million square feet of additional and improved community spaces**. Many of these infrastructure improvements will foster more active lifestyles and support over 18,600 additional hours of physical activity. More than 53,000 hours of exhibitions, performances and heritage experiences will also be made possible through these investments. The impact also has a regional focus, with more than 1 million square feet of projects taking place in Quinte, Kingston, Rideau.



Action Area	Additional hours	Space (sqft)
Active People	18,575	2,028,781
Connected People		67,322
Inspired People	53,247	112,987
Promising Young People		37,355
Prosperous People		166,525
Total	71,822	2,412,970

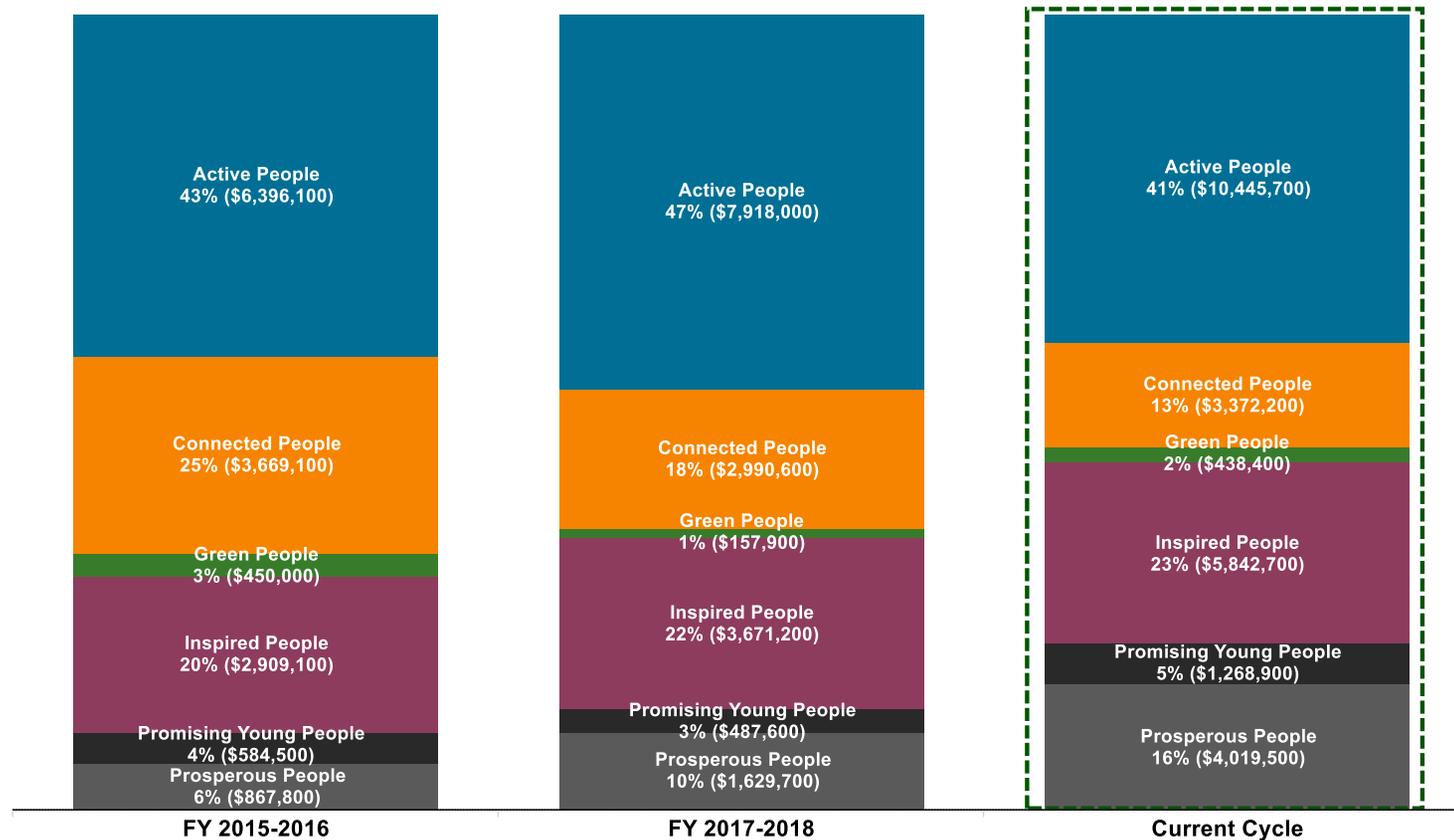


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2.2 Capital Action Area Overview

At 41% of overall, Active People continue to hold the largest share of recommended investments. The 6-percentage point decrease from last fiscal reflects lower demand in the Active People this cycle. Connected People saw a continued decrease in share of overall recommendations, from 18% to 13%, a result of lower quality applications this cycle. Higher quality applications in Prosperous People resulted in a 6-percentage point increase in share of overall investments. This increase reflects a continuation of an upward trend over the last 2 cycles for this Action Area.



No funding in the Capital Investment Stream in the FY 2016-2017

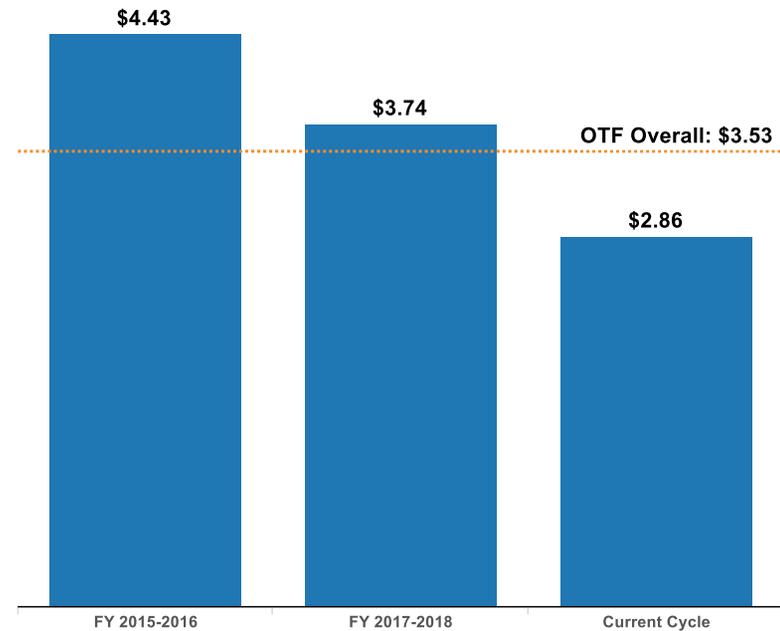
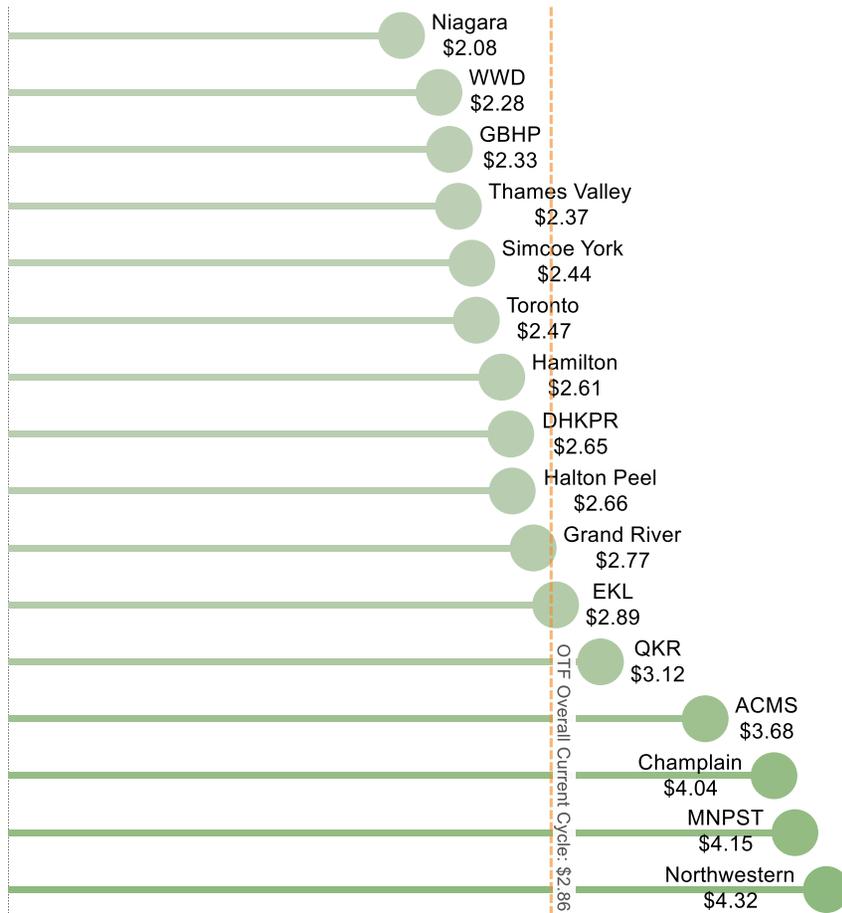
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2.3 Capital Application Demand

The demand rate reflects the total dollars requested for every dollar recommended. This cycle, the demand rate is \$2.86, which is 24% lower than the 2017-18 fiscal year. This rate is a result of a \$5.5M infusion of additional investments, as absolute demand for Capital funds, at \$72.6M requested, is at a historical high. As in previous cycles, Northern catchments continue to see greater demand for Capital Investments than other areas of the province, with Champlain also having a high demand this cycle.

Dollars Requested vs. Dollars Recommended Current Cycle



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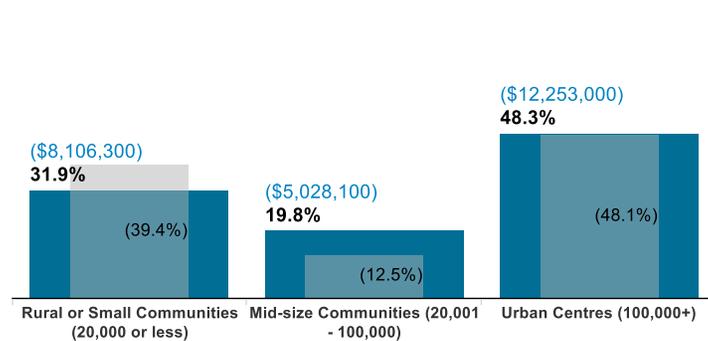
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2.4.1 Capital Investment Equity – Populations

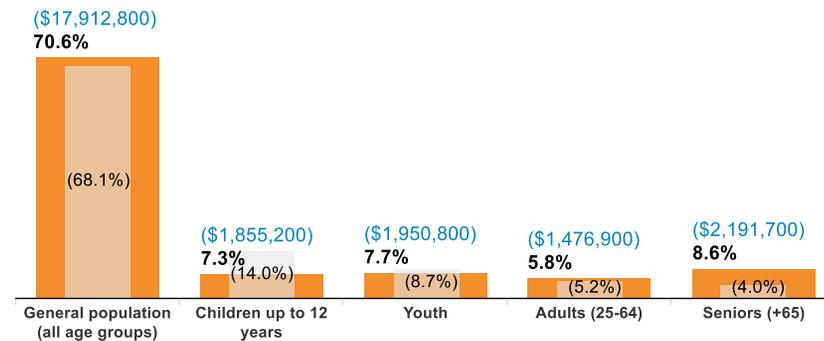
For the first time since OTF created an LGBTTTQ+ affinity group, recommended investments benefitting primarily LGBTTTQ+ communities have declined. This decline was partly offset through provisional recommendations made by GRT's to the Community Investments Committee that were ultimately approved. Recommendations to Diverse Cultural Communities and to People with Disabilities are higher this cycle, reflecting a 62% and 34% increase in share of overall recommendations.

An 8-percentage point increase in share of recommendations to mid-sized communities is matched by an almost equal decline in recommendations benefitting rural communities. The decline in recommended dollars to rural communities are on par with demand, therefore likely due to fewer proposals than previous cycles. In terms of age groups, an increase in recommended funding to Seniors (115% increase) is accompanied by a sizeable decline in recommended funding to Children (48% decrease).

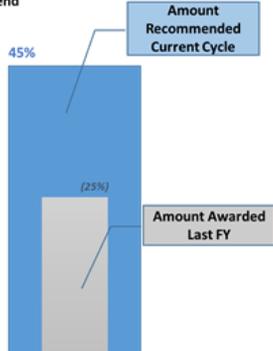
Recommended Dollars By Community Size Current Cycle



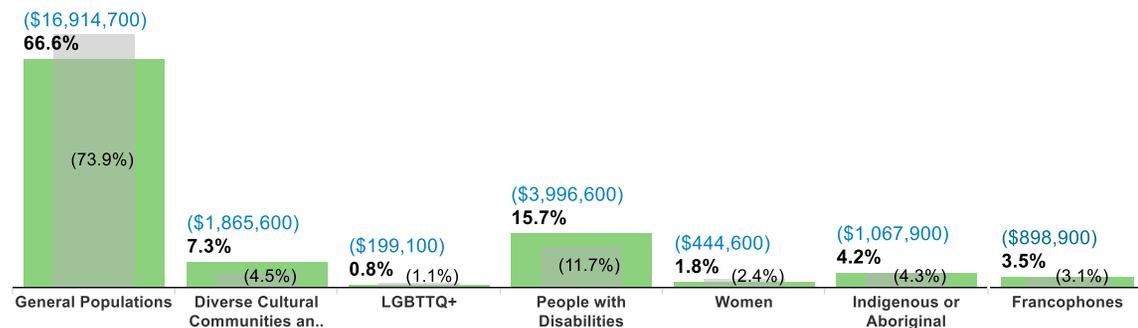
Recommended Dollars By Age Group



Legend



Recommended Dollars By Population Served

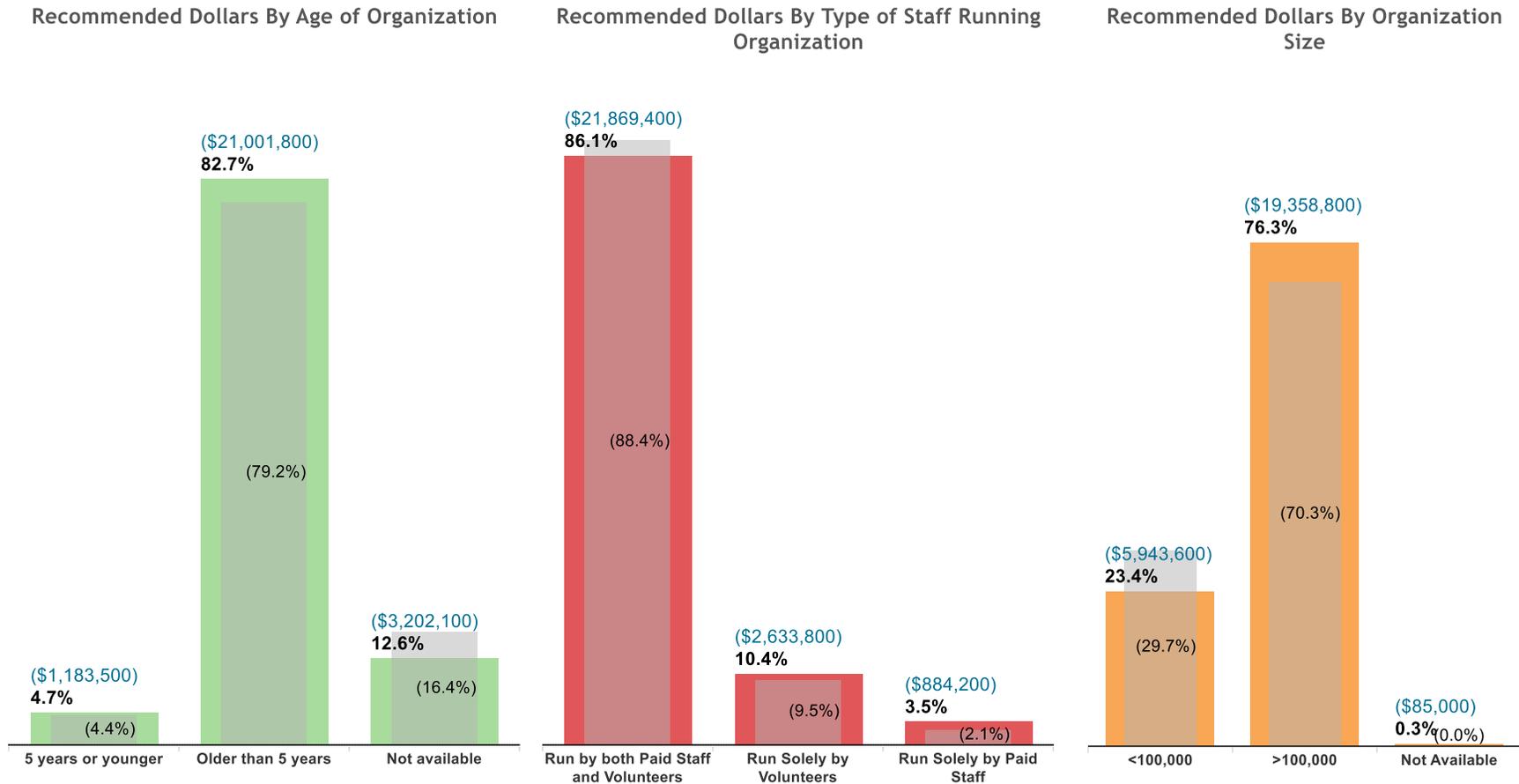


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2.4.2 Capital Investment Equity – Organizations

As in previous cycles, larger and more established organizations will receive a greater share of recommended funds for Capital investment. Over 76% of recommendations are going to large organizations (6-percentage point increase), 83% is going to organizations older than 5 years (4-percentage point increase), and nearly 86% is earmarked for organizations with at least 1 staff person (2-percentage point decrease). The decrease in recommendations to smaller and younger organizations reflect lower demand, rather than higher decline rates.



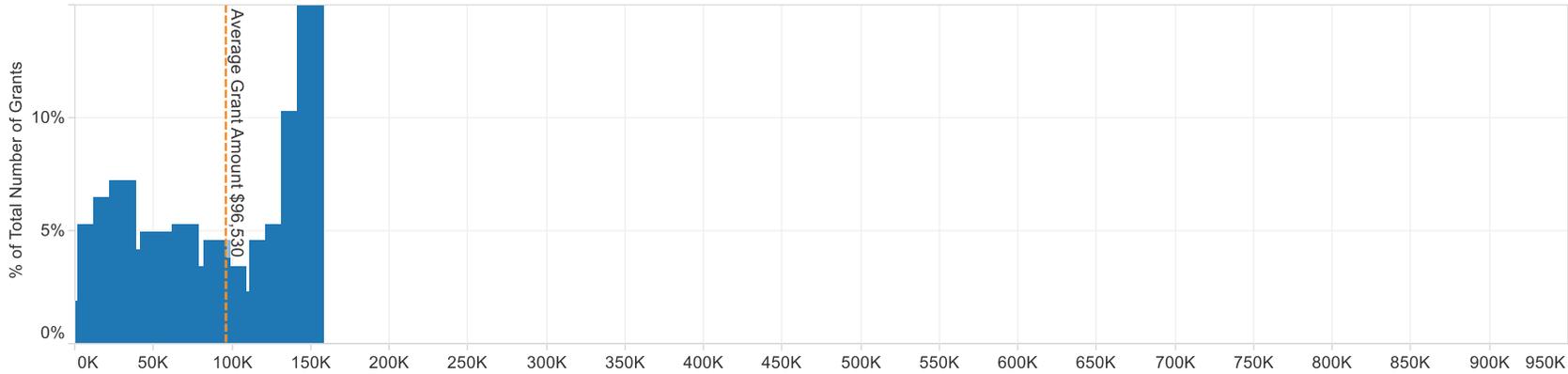
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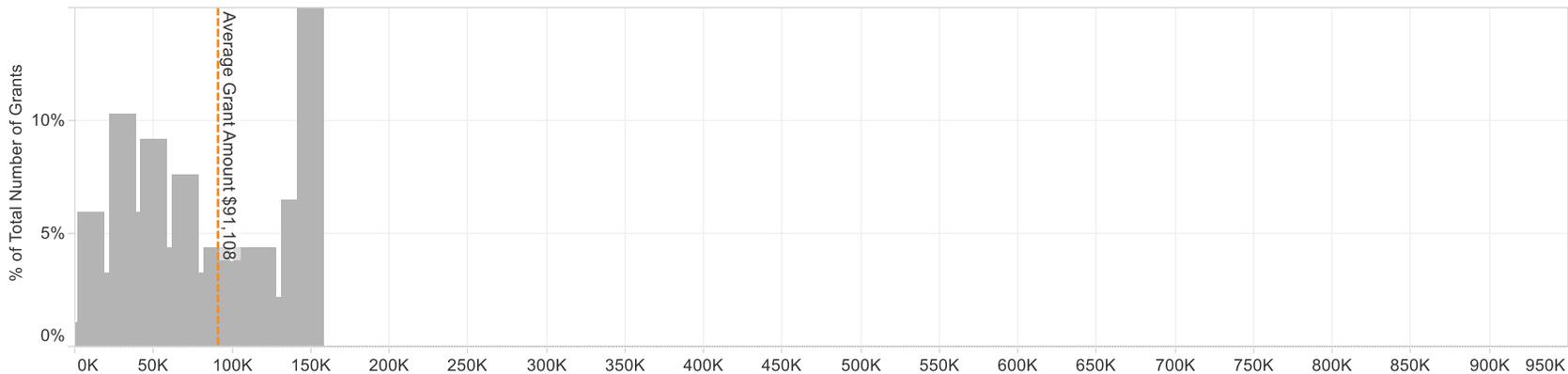
2.5 Grant Size Distribution

As in previous cycles, we continue to see recommendations for larger and deeper grants. The average grant size this cycle is \$96,530, up 6% from last fiscal year. Compared to the previous Capital cycle, 4% more of this cycle's recommendations are for projects \$140,000 or larger.

Amount Recommended for Approval - Size Distribution Current Round



Amount Awarded - Size Distribution Last FY



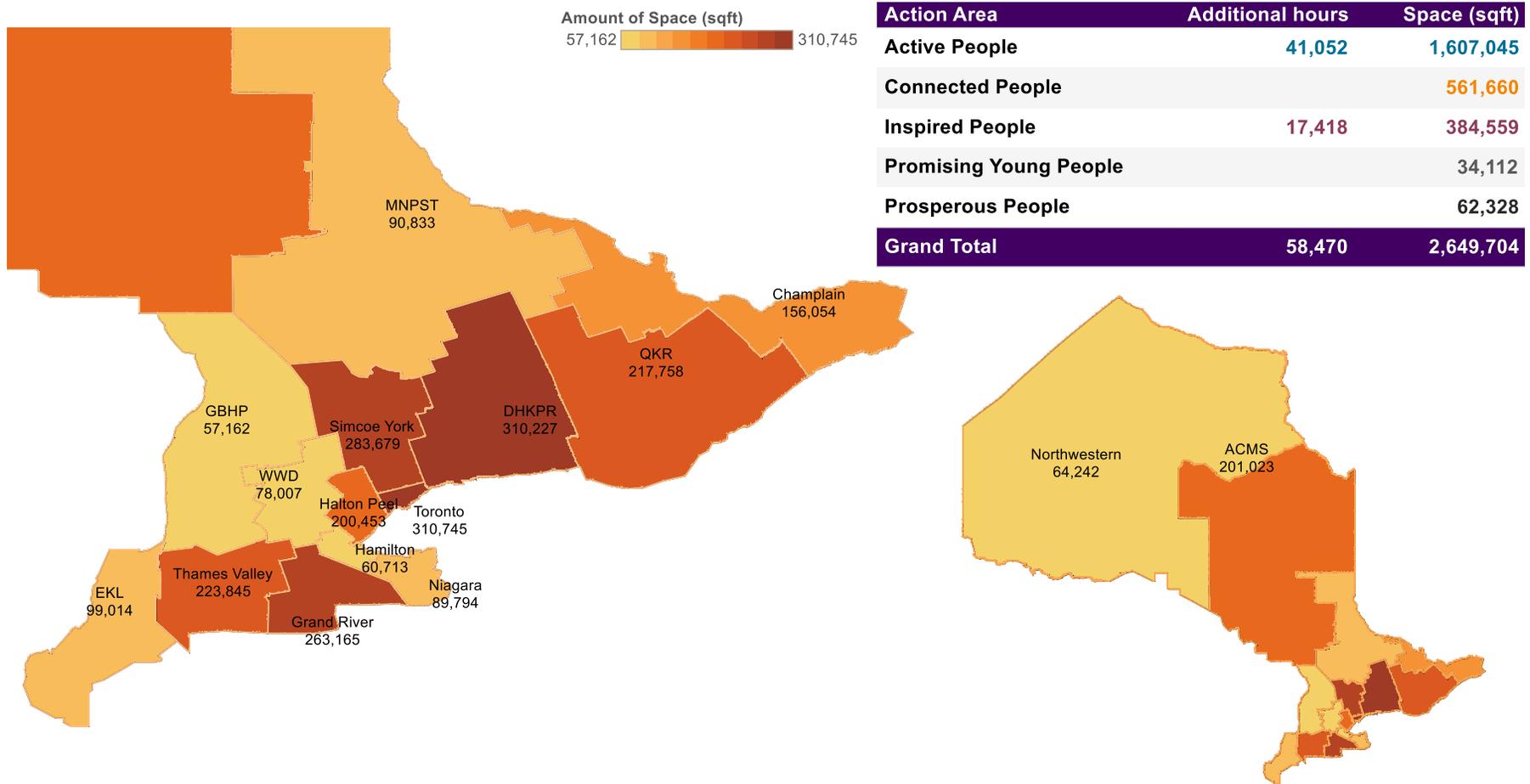
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Schedule 3: Closed Grants

3.1 Impact of Closed Capital Grants

As of November 16, 2018, 234 Capital and 201 ON150 projects have closed. Combined, **these 435 completed projects have created over 2.6M square feet of essential community spaces for the people of Ontario.** This has translated into 41,000 of additional hours of space to live out more active lifestyles, and over 17,000 hours of space to 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 the skills necessary to build a better life.



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Schedule 4: Concluding Remarks

This Investment Summary Report outlines details of 263 recommended Capital Stream investments. This cycle saw marked decreases in recommended funding to younger, smaller organizations, as well as organizations serving rural communities; trends that will be monitored over the coming cycles.

Through \$25.4M in recommended investments, the projects included in this report are expected to create nearly 72,000 hours of access, and 2.4M square feet of improved community spaces across the Foundation's six Action Areas. With a record \$72.6M in capital funding requests, the work of the Foundation in investing in communities remains ever vital to the health and vibrancy of the lives of Ontarians.

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