



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Digital Innovation and Strategic Partnerships and Government
Relations & Community Engagement Divisions

TO:	Chair and Members Grants Sub-Committee
COMMITTEE DATE:	July 3, 2024
SUBJECT/REPORT NO:	City Enrichment Fund – Digital Pilot Program (GRA24003)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jasleen Arora (613) 449-8765 Andrea Carvalho (289) 260-8119
SUBMITTED BY:	Cyrus Tehrani Chief Information Officer (Acting)
SIGNATURE:	
SUBMITTED BY:	Jessica Chase Director, Government Relations & Community Engagement (Acting)
SIGNATURE:	

RECOMMENDATIONS

- (a) That the two-year Digital Pilot Program of the City Enrichment Fund, launched in 2022, with the objective to support organizations, events and activities that increase efforts to achieve digital equity, promote digital inclusion and spur greater adoption of broadband amongst underserved populations, be established within the City Enrichment Fund as a permanent component of the program, and;
- (b) That funding for this initiative be referred to the 2025 budget cycle in the amount of \$100,000, and;
- (c) That the item respecting the City Enrichment Fund - Digital Pilot Program be removed from the outstanding business list.

EXECUTIVE SUMMARY

Since 2015, the City of Hamilton's (City) municipal investment program, the City Enrichment Fund (CEF) has made annual investments within the not-for-profit sector that deliver a wide range of programs and services to residents that support the City's Strategic Plan and 25-year Community Vision priorities. Beginning with four program areas, Arts, Communities Culture and Heritage, Community Services, and Sport and Active Lifestyles, CEF expanded in the 2016 to include Agriculture, and Environment.

On August 11, 2022, Council approved a CEF two-year pilot, Digital Pilot Program (Report CM22015/GRA22003) as the need to invest in community focused digital access and awareness became better understood through the COVID-19 pandemic. Access to affordable, reliable high-speed internet connectivity is critical in accessing services and information, work remotely, access on-line learning, or operate a business. The disparities in digital access increase barriers faced by equity seeking groups and systemically underserved communities.

The two-year CEF Digital Pilot Program objective is to fund events and activities that support efforts to achieve digital equity, promote digital inclusion, literacy, and support digital infrastructure. A \$150,000 one-time commitment from the CEF reserve was approved over two years, allocating \$75,000 in each year to qualifying applications.

Staff secured a partner in the R.R. McCann Family Foundation (the Foundation), who has committed additional funding to successful CEF Digital programs. To complement the CEF Digital Pilot Program, a total \$100,000 commitment is to be disbursed at the discretion of the Foundation over the two-year pilot. Any funding from the Foundation to CEF Digital Program grantees is in addition to the 2023-2024 CEF funding recommendations.

The pilot program experienced growth from year 1 to year 2 with a 160% increase in applications and 108% increase in funding allocated to successful Digital grantees. The pilot program has funded 13 successful applications a total of \$104,099 in funding. With the two-year success, it is recommended that the Digital Program be established within the CEF as a permanent program area, with dedicated funding, beginning in the 2025 funding year.

Alternatives for Consideration – See Page 6

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: N/A

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

The City recognizes that internet connectivity is essential for many residents and institutions in our communities. High speed broadband availability is a key economic and social driver and is central to job creation and social economic growth across Hamilton.

On August 11, 2022, a new two-year Digital Pilot Program was approved as part of the CEF (Report CM22015/GRA22003). Funding of \$150,000 was approved from the CEF reserve, with \$75,000 allocated for each pilot year.

Staff from the Digital Innovation and Strategic Partnerships office joined the corporate-wide CEF team in 2022 to collectively design, launch, and evaluate the Digital Pilot Program. If approved, the Digital Program Manager would continue overseeing this program and continue in their role within the CEF team.

The City entered a partnership Memorandum of Understanding with the R.R. McCann Family Foundation, whereby successful Digital Program grantees receive additional funding from the Foundation in addition to their 2023 CEF grant. The investment in digital equity by the City and Foundation is in support of the City's priority to enhance digital infrastructure and services by collaborating with local organizations to design and implement programs to increase the digital capacity and capabilities of Hamiltonians and bridge the digital divides relating to infrastructure, equipment, access, equity, inclusion and ability as listed in Economic Development Action Plan 2021-2025.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

- City Manager's Office – Government Relations and Community Engagement Division
- Corporate Services Department – Finance and Administration Division

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The study "Getting Connected: Funders and Digital Equity in Canada" by the Canadian Internet Registration Authority (CIRA) revealed that digital development in Canada is underfunded, fragmented, and unorganized, despite shared goals of connecting Canadians affordably and reliably to the internet. The COVID-19 pandemic worsened

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funding challenges, highlighting significant digital inequity, largely in underserved communities. As a result, there is a community need to support digital equity initiatives.

The two-year CEF Digital Pilot Program has played an important role in community-led internet initiatives that focus on solving problems related to digital equity. The pilot program offered funding through the Digital Equity Initiatives stream, with the objective “to support organizations, events and activities that support efforts to achieve digital equity, promote digital inclusion, and spur greater adoption of broadband among underserved population.”

Through the two-year pilot the City has invested in community organizations that delivered impactful programs aimed at building resident digital literacy skills as well as facilitating access to existing opportunities related to internet service, technological devices, and digital programming. Thirteen (13) projects have been funded that provide citizens the opportunity and skills needed to thrive in an increasingly digital realm.

Results

The two-year Digital Pilot Program successfully invested in 13 programs, with a total of \$104,099 in funding. In 2024 the Digital Pilot Program applied the same funding formula as the broader CEF program. This resulted in a funding allocation of \$70,290. The majority of these applications were new to CEF and as a result the funding represented 56% - 36% of their request. It is recognized that the needs continue to exceed the available funding. In both years, the digital applicants received a high rate of success, with the majority of programs achieving an A rating and qualifying for funding. The program saw significant growth in year 2, with 3 returning and 10 new programs.

The following table presents two-year results with further details provided in Appendix “A” attached to report GRA24003.

Measure	2023	2024	Increase
Total Number of Applicants	5	13	160%
Total Number of Successful Applicants	4	9	125%
Total CEF Funding	\$33,809	\$70,290	108%
Foundation Funding	\$22,500	Pending assessment	N/A

In 2023, successful CEF applicants were able to leverage the City’s support and secure additional program funding through the Foundation. Staff are currently working with the Foundation and successful 2024 applicants to assess additional funding levels for the 2024 year. It should be noted that in the first year of the program there was a shorter lead time for applicants to apply as it related to the new program stream, but 2024 has

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exhibited significant application growth with broader community awareness of the CEF Digital program.

Overall, the program funded a wide range of initiatives that bridge the digital gap ensuring residents have access to the resources, opportunities and skills needed to thrive in the digital realm. The programs included workshops, courses, literary programs, digital infrastructure upgrades and skills development across a wide range of groups. The funded programs ranged across a variety of communities served including:

- Seniors
- Senior Immigrant Newcomer Women Aged 55+
- Black and Indigenous Older Adults Aged 55+
- Youth
- French Speaking Youth
- Immigrant and Low-Income Artists
- Not-For-Profit Organizations
- Business and Organizations in the North End
- Creative Industry
- Students Grade 4-12

Evaluation and Next Steps

It was learned there is an overwhelming need for digital equity-related funding sources. As a result of the COVID-19 pandemic, an unexpected and immediate need for digital service solutions became apparent. The applications received over the two-year pilot program displayed a wide range of initiatives that bridge the digital gap ensuring residents have access to the resources, opportunities and skills needed to thrive in an increasingly digital realm.

The pilot program was able to demonstrate collaboration, foster innovation, and a sense of shared purpose through a unique partnership between the City and the R.R McCann Family Foundation, representing a model for future strategic investments and alignment with the City's long-term goals.

The Digital Program has exceeded expectations with considerable two-year growth and through the range of communities served. The CEF Digital Program is anticipated to grow with an anticipated \$100,000 in funding required to support the growing interest in the Digital realm. A permanent CEF Digital Program will require enhanced funding to the CEF envelope to continue investing and supporting the community's access. The Digital program will continue to be supported by the corporate team. Through a permanent CEF Digital Program, the City will be able to better address digital barriers, allow staff to scale efforts, solidify partnerships, and make a greater impact for residents.

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ALTERNATIVES FOR CONSIDERATION

Council may consider extending the Digital Pilot Program for another two-years to measure the continued applicant interest and program impact over a longer period.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report GRA24003: Summary of City Enrichment Fund Digital Pilot Program

Appendix “B” to Report GRA24003: City Enrichment Fund Digital Pilot Program Presentation