



**TOWN OF LOS GATOS
FINANCE COMMISSION SPECIAL MEETING
AGENDA
SEPTEMBER 30, 2026
110 EAST MAIN STREET
TOWN COUNCIL CHAMBERS
6:00 PM**

*Ashby Monk, Chair
Adam Fischer, Vice Chair
Phil Koen, Commissioner
Jay McGowan, Commissioner
Joseph Rodgers, Commissioner
Maria Ristow, Vice Mayor
Matthew Hudes, Council Member*

IMPORTANT NOTICE

This is a hybrid meeting and will be held in-person at the Town Council Chambers at 110 E. Main Street and virtually through Zoom Webinar (log-in information provided below). Members of the public may provide public comments for agenda items in-person or virtually by following the instructions listed below or at the end of the agenda.

To watch and participate via Zoom, please go to:

<https://losgatosca-gov.zoom.us/j/84834011781?pwd=rHVGvPbwjNaaM6U6ZB5AbaZUF1ToV9.1>

Enter passcode: 998589

CALL MEETING TO ORDER

ROLL CALL

CONSENT ITEMS *(Items appearing on the Consent are considered routine Town business and may be approved by one motion. Members of the public may provide input on any Consent Item(s) when the Chair asks for public comment on the Consent Items. Each speaker is limited to no more than three (3) minutes or such time as authorized by the Chair.)*

VERBAL COMMUNICATIONS *(Members of the public are welcome to address the Commission on any matter that is not listed on the agenda and is within the subject matter jurisdiction of the Commission. During special meetings, members of the public are welcome to address the Commission only on items listed on the agenda. Town resources may not be used to facilitate audio or visual presentations. To ensure all agenda items are heard, this portion of the agenda is limited to 30 minutes. In the event additional speakers were not able to be heard during the initial Verbal Communications portion of the agenda, an additional Verbal Communications will be opened prior to adjournment. Each speaker is limited to no more than three (3) minutes or such time as authorized by the Chair.)*

OTHER BUSINESS *(Each speaker is limited to no more than three (3) minutes or such time as authorized by the Chair.)*

1. Review the Community Grants Program

ADJOURNMENT

ADA NOTICE - In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Clerk's Office at (408) 354-6834. Please notify the Clerk's Office at least two (2) business days prior to the meeting so that reasonable arrangements can be made to ensure accessibility in compliance with 28 CFR §35.102-35.104 and related provisions.

NOTICE REGARDING SUPPLEMENTAL MATERIALS - Materials related to an item on this agenda submitted to the Commission after initial distribution of the agenda packets are available for public inspection in the Clerk's Office at Town Hall, 110 E. Main Street, Los Gatos and on the Town's website at www.losgatosca.gov. Town Commission agendas and related materials can be viewed online at <https://losgatos-ca.municodemeetings.com/>.

HOW TO PARTICIPATE

The public is welcome to provide oral comments in real-time during the meeting in three ways:

Zoom Webinar (Online): Join from a PC, Mac, iPad, iPhone or Android device. Please click this URL to join: [https://losgatosca-](https://losgatosca.gov.zoom.us/j/84834011781?pwd=rHVGvPbwjNaaM6U6ZB5AbaZUF1ToV9.1)

[gov.zoom.us/j/84834011781?pwd=rHVGvPbwjNaaM6U6ZB5AbaZUF1ToV9.1](https://losgatosca.gov.zoom.us/j/84834011781?pwd=rHVGvPbwjNaaM6U6ZB5AbaZUF1ToV9.1)

Passcode: **998589** You can also type in **848 3401 1781** in the "Join a Meeting" page on the Zoom website at zoom.com and use passcode **998589**.

When the Chair announces the item for which you wish to speak, click the "raise hand" feature in Zoom. If you are participating by phone on the Zoom app, press *9 on your telephone keypad to raise your hand.

Telephone: Please dial 1 (855) 758-1310 for US Toll-free or 1 (408) 961-3927 for US Toll. (Meeting ID: 848 3401 1781)

If you are participating by calling in, press *9 on your telephone keypad to raise your hand.

In-Person: Please complete a "speaker's card" located on the back of the chamber benches and return it to the Town Clerk before the meeting or when the Chair announces the item for which you wish to speak.

NOTES: Comments will be limited to three (3) minutes or less at the Chair's discretion.

If you are unable to participate in real-time, you may email to Clerk@losgatosca.gov the subject line "Public Comment Item #__" (insert the item number relevant to your comment). All comments received will become part of the record.

Deadlines to submit written comments are:

-3:00 p.m. the business day before the Commission meeting for inclusion in an addendum.

-11:00 a.m. on the day of the Commission meeting for inclusion in a desk item.



TOWN OF LOS GATOS
FINANCE COMMISSION REPORT

MEETING DATE: 09/30/2026

ITEM NO: 1

Item 1.

DATE: September 30, 2026
TO: Finance Commission
FROM: Chris Contantin, Town Manager
SUBJECT: Review the Community Grants Program

RECOMMENDATION:

Review the Community Grants Program

BACKGROUND:

At the August 10, 2026, Finance Commission meeting, the Commission approved the Community Grant Program Review Scoping Memorandum as the Commission's roadmap through the review of the Town's Community Grant Program.

DISCUSSION:

The attached scoping memorandum (attachment 1), also received as a desk item at the August 10, 2026, Commission meeting, outlines the proposed three-phase review of the Town's Community Grant Program as approved by the Commission. At the August 10, 2026, Finance Commission requested that a special meeting be held to resume and complete the community grant program review continued from August 10, 2026, so the Commission can provide recommendations to the Town Council for the grant program.

Phase 1 proposes establishing clear baseline standards for all grant applicants and applying them consistently to both sustaining and competitive grants.

Phase 2 recommends a full evaluation of the rental assistance program, including the number of households served, cost-effectiveness, use of multiple providers versus a single provider, and clarity of reporting.

PREPARED BY: Kristina Alfaro
Administrative Services Director

Reviewed by: Town Manager

PAGE 2 OF 2

SUBJECT: Community Grants Review

DATE: September 18, 2026

Phase 3 calls for a review of Policy 2-04 to restore or strengthen guidance on recusals when conflicts arise.

These phases would result in recommendations for the Town Council's consideration and are expected to be reviewed over at least three Commission meetings.

Attachments:

As provided in commissioner comments from the August 10, 2026, meeting:

1. Scoping Memorandum
2. Community Grant Program Review Phase 1 – The duty to know your applicants
3. Proposed eligibility standard memo - Rough framework
4. Proposed new scoring card to be applied to all Community Grants - Sustaining and one-time awards
5. Commissioner's Communication - Community Grant Program
6. Commissioner's Communication - Rental Assistant Program
7. Commissioner's Communication - Conflict Disclosure Briefing

SCOPING MEMORANDUM

To: Los Gatos Finance Commission
From: Phil Koen, Member
Date: August 5, 2026
Subject: Community Grant Program Review — Three-Phase Structure

Purpose. This is a proposal for how the Community Grant Program should be reviewed. It is a starting point, not a finished plan. The Commission and staff should review it and make any changes that would improve the review process.

Work product. Each phase will produce a set of specific written recommendations for the Town's consideration — nothing more than that. The Commission is purely a recommending body. Every recommendation in this review goes to the Town Council, and the Council alone decides which to adopt, which to change, and which to set aside. The Council is accountable for those decisions.

Phase 1 — The duty to know your applicant

Focus. Identifying the organizations that meet the Town's standards, so that every organization the Town funds is known to be run well enough to be trusted with public money.

Phase 1 rests on a duty the Town owes the people whose money it is spending: know your applicant. Everything that comes after — scoring, ranking, awarding, contracting — assumes the Town already knows who it is dealing with. If that is not established first, the rest of the process is only a form of words. This is fundamental to the grant process, not an add-on to it. The object is to identify the organizations that meet the Town's standards and are ready to receive public money, so the Council can fund them with confidence.

Look at the scoring rubric the Town uses today and add criteria that establish four things: how open an organization is about itself, how it is governed, how it handles conflicts of interest, and whether its required federal and state filings are current and in good standing. Together these show whether an applicant meets the standards the Town expects of anyone it funds.

What the Town asks for should fit the size of the grant and the size of the organization. A small volunteer group asking for a one-time award should not have to produce what a larger organization on a recurring grant produces. A requirement that no small nonprofit can meet does not identify the organizations that meet the Town's standards — it excludes capable ones that do. But fitting the requirement to the applicant is not the same as waiving it. There is a floor that applies at any dollar amount. The Town should know who sits on the board, that the organization's filings are current and complete, and that the same person does not both approve a payment and write the check. Holding that floor is what looking after the public's money means.

The scoring has to apply to both kinds of applications — sustaining grants and competitive grants alike. Vetting the sustaining organizations carries a one-time cost, because most of what we ask for has to be gathered once and then only confirmed each year after that. It is worth paying. These organizations receive the largest and steadiest support the Town gives, and none has ever been confirmed against a standard of this kind. Exempting them would leave the biggest dollars unexamined.

Once the rubric is final, every organization staff recommends for a grant should be run through it before the FY 27 grants are finalized. A standard that is written but not applied to the cycle in front of us accomplishes nothing.

The last thing for the Commission to settle in this phase is whether the final grant allocations ought to go back to the Town Council, so the Council can confirm that what staff produced matches the direction the Council gave. There is a reason to raise it. In the FY 26 cycle, the allocation of the rental assistance money and the contracts that carried it out were never brought back for review and approval, and it is fair to debate whether what staff did fully complied with the Council's funding resolution. Sending the final allocations back for confirmation is simply good process. It costs one agenda item and it settles, at the time, any later question about whether the money went where the Council said it should. This belongs in Phase 1 because it governs how the FY 27 cycle is closed out.

Phase 2 — The rental assistance program

Focus. Whether the rental assistance program is built to deliver the best result for the money, how much the Town should set aside for it each year, and whether a single provider would do the job better than three.

Review the rental assistance program from top to bottom and find where it can be improved — better results, lower cost, less waste. The question to answer is this: why should the Town not pick one organization to deliver rental assistance, the way it already does for the senior nutrition program? On June 18, 2024 the Council gave nutrition to a single provider and, in the same action, directed that rent relief be divided equally among as many as three organizations. Two programs, opposite designs, decided the same night. The Commission should find out which design works better.

Phase 2 should also end with a number — a recommendation on how much the Town sets aside for rental assistance each year. That number has to be built on top of what the Town already buys. In June 2025 the Town signed a five-year agreement with West Valley Community Services running from July 1, 2025 through June 30, 2030, paying up to \$15,000 a year, \$75,000 over the term, for emergency rental and utility assistance, with a committed output of twelve Los Gatos households a year. Two months later the Council created a separate \$20,000 grant track for rental assistance, and West Valley also holds a \$20,000 sustaining grant for human services support. The Commission should first establish how many households the Town is actually reaching across all of these and at what cost per household, then recommend a total annual figure and how it should be divided between contract and grant.

The review should also weigh the prime-and-subcontractor arrangement now in place, where one organization holds the grant and passes part of the money to a second organization to deliver. The case for it: a single point of contact for the Town, a local organization that can reach people who would not walk into a county agency, and less administrative work for staff. The case against it: the Town has no agreement with the organization actually spending part of the money, gets no reporting directly from it, and has no way to enforce terms against it; the grant agreement itself bars a grantee from delegating performance to anyone else without written Town consent; and running a small program through two sets of books makes cost per household almost impossible to compare. The Commission should decide whether to keep the structure, keep it only where the subcontract is documented and consented to in writing, or drop it.

None of this can be settled without the record. The Commission should review the annual reports the organizations filed for the FY 24, FY 25, and FY 26 cycles — households served, dollars actually disbursed, money left unspent or returned, and whether each report was filed on time and on the required form. Three years side by side will show whether the programs delivered what was promised, and whether the reports the Town receives are good enough to tell.

Phase 3 — The duty to recuse when conflicts arise: a deep review of Policy 2-04

Focus. Whether the Town tells Council members clearly enough when the duty to recuse applies, and whether the standard it holds them to is high enough.

Phase 1 rests on the duty to know your applicant. Phase 3 rests on the matching duty on the Town's side of the table: when a conflict arises, the member steps aside. That duty is worth as little as the guidance behind it, which is why this phase calls for a deep review of Policy 2-04 rather than a glance at it — what the policy says now, what it said before, what was taken out, and what other cities put in its place.

There are several reasons a Council member can be required to step aside. State law bars a public official from taking part in a contract in which the official has a financial interest — that is Government Code section 1090. A separate line of court decisions bars an official from deciding a matter where the official's impartiality is in real doubt. And there are ethical reasons that have nothing to do with either. Policy 2-04 used to carry guidance on this. It was taken out in the revision the Council adopted on August 19, 2025, and nothing was put in its place.

The law is only a floor. Statutes tell you where conduct becomes illegal. They do not tell you how the people who decide where public money goes ought to behave. Policy 2-04 says this itself: its opening paragraph states that the Council adopted rules holding Council members to standards above and beyond what the law requires. The provision that was deleted was one of those higher standards. The same revision also removed the sentence applying those expectations to the Town's boards, committees, and commissions — the bodies that score grant applications. So the Town did not lower its standard. It stopped having one.

The Commission should recommend a standard high enough that a resident reading the record could not find even a hint of impropriety in an award of public money. In practical terms:

- **Say it before the vote.** A member who has a connection to an applicant tells the Council what that connection is before the item is decided.
- **Include the family.** That covers what the member knows of a spouse's or child's connections, and any other relationship that gives the appearance of bias.
- **Write it down.** What was said goes into the Town's records — including for items on the consent calendar.
- **Say it out loud when stepping aside.** If the member sits an item out, that is stated at the meeting and recorded.
- **Stepping aside is always allowed.** A member may sit an item out to avoid the appearance of impropriety, even where the law would let him or her vote.

Palo Alto's council handbook requires all of these. Los Gatos requires none of them. Public confidence in the grant program does not rest on whether an award was legal. It rests on whether someone reading the file can see that the decision was made fairly.

Sequencing

This will probably take three meetings, one for each phase. Only the Phase 1 material is going out now. The Phase 2 and Phase 3 material will follow before those meetings.

REVISED — SUPERSEDES THE AGENDA PREVIOUSLY CIRCULATED**TOWN OF LOS GATOS — FINANCE COMMISSION****Community Grant Program Review****Phase 1 — The duty to know your applicant**

Discussion agenda · August 10, 2026 · 100 minutes

Purpose. To settle the scope of the Commission's review of the Community Grant Program and adopt it as the work plan; to hear from staff how the program is administered today; and to take up the first phase of the review — whether the Town knows enough about an applicant, before any money is awarded, to judge that the organization is run to a standard the public would expect of anyone receiving public funds.

Materials. Scoping Memorandum dated August 5, 2026; draft motion adopting the scoping memo as the work plan; Application Eligibility and Scoring Card (Proposed) — Form A-1, Form A-2, and Form B; staff Attachment 1 (FY 27 Community Grant rules and eligibility) and Attachment 2 (Sustaining Grant rules and eligibility). Form B is included so the Commission can see the whole of what an applicant faces; it is issued as it stands and is not proposed for amendment at this meeting.

#	Item	Min.
1	Public comment — Comment from members of the public on the Community Grant Program review.	10
2	Scope and authority — Review the Scoping Memorandum dated August 5, 2026. Discuss it and amend it in any way that would improve the review. — Review and discuss the separate draft motion — Motion to Approve a Work Plan to Review the Town's Community Grant Program — and act on it.	15
3	The Community Grant Program as it stands today — staff overview — Staff overview of the Community Grant Program as it is currently administered. — Update of the August 19, 2025 Council allocation — which lists both sustaining and competitive grants — brought forward to show the grants awarded for FY 26 and FY 27. — Attachment 1 (staff) — rules and eligibility for the FY 27 Community Grants. Walk the Commission through it. — Attachment 2 (staff) — rules and eligibility for Sustaining Grants. Walk the Commission through it. — How the scoring rubric is used in practice — who scores, what the score decides, and what it does not. — Who makes the final determination of grant awards, and what the approval process is today from application through award and contract.	20
4	The duty to know your applicant — Why eligibility comes before scoring: every step that follows — scoring, ranking, awarding, contracting — assumes the Town already knows who it is dealing with. — What the proposed forms are for, and how the three of them fit together.	5

#	Item	Min.
5	Form A-1 — the applicant's certification — One process for both grant types. Every applicant completes Form A-1 — sustaining and competitive alike. An award may be made without competition; eligibility is not established without it. — Section 1 legally able to receive the money; Section 2 governed by a real board; Section 3 can handle the money and account for it; Section 4 disclosures. — Whether the certification is proportionate — calibrated to the size of the grant and the size of the organization, with a floor that holds at any dollar amount. — Whether A-1 goes out with the application packet or is requested after filing, and whether a sustaining recipient files a full A-1 the first year and confirms it thereafter — the vetting is largely a one-time cost, gathered once and confirmed each year after.	20
6	Form A-2 — the staff determination and the disqualifying findings — What staff verify, and what ends an application. — Review the disqualifying findings item by item, and the distinction between what is curable within five business days and what is not curable within the cycle. — Who signs as second reviewer, and the Town Manager reconsideration window. — The same determination is made for sustaining applicants. These are the largest and steadiest awards the Town makes, and none has been confirmed against a standard of this kind — exempting them would leave the biggest dollars unexamined. — Point to put to staff on the sustaining side: Form B Criterion 2 scores a continuing established program at zero, which cuts against the steady service providers sustaining grants exist to fund.	20
7	What Phase 1 does not cover, and the open items — Form B is issued as it stands and is not proposed for amendment. — Blanks to be filled: version and adoption date, program cap, the Part 5 funding threshold, and the Council Strategic Priorities list. — Action — ask the Town Attorney to advise whether each community grant must be individually approved by the Town Council in order to conform to state law, and what the Town must do to establish that each grant serves a public purpose before public funds are awarded.	5
8	Actions requested, and the scope of Phase 2 — Direct that Forms A-1 and A-2, as amended by the Commission, come back for adoption at the next session. — Recommend that every organization staff recommends for an FY 27 grant be run through the eligibility forms before the FY 27 awards are finalized. — Identify what staff are asked to bring back, and by when. — Phase 2 — the rental assistance program. Materials to follow before that meeting.	5
	Total	100

Note on time. The times are a guide, not a limit. If items 2 and 3 run long, items 5 and 6 carry over rather than being cut short — the review is expected to take three sessions and can take more if the work requires it.

COMMUNITY GRANT PROGRAM
Grantee Eligibility Standard (Proposed)
Town of Los Gatos

To be eligible for a Community Grant award, an applicant organization must satisfy each of the following criteria. The criteria are objective and compliance-based; they do not evaluate the merit of an organization's mission or viewpoint.

1. Legal existence and good standing. The applicant holds a current IRS determination letter under section 501(c)(3); its status with the California Secretary of State is active; and it is registered and current — not delinquent, suspended, or revoked — with the Attorney General's Registry of Charities and Fundraisers, including timely RRF-1 and CT-TR-1 (or Form 990-series) filings.

2. Filing consistency. The financial information in the application reconciles with the organization's own most recent sworn filings (IRS and Attorney General). The applicant shall submit its most recent Form 990-series return and CT-TR-1 or RRF-1 with the application. Material contradictions among the applicant's filings are disqualifying until resolved in writing.

3. Governance minimums. The applicant has an adopted written conflict-of-interest policy and a governing board of at least three voting directors, a majority of whom are independent. This requirement applies to every application filed on or after the effective date of this standard; there is no phase-in period and an applicant that does not meet it on the date its application is filed is not eligible.

A director is independent only if the director:

- (a) is not an officer or employee of the applicant;
- (b) receives no compensation from the applicant in any capacity, whether as an officer, employee, or independent contractor;
- (c) is not a party to, and has no financial interest in, a material transaction with the applicant; and
- (d) is not a member of the household of, and is not related by blood, marriage, or domestic partnership to, any officer or employee of the applicant.

A director who holds an officer title is never independent, whether or not the title is compensated.

The applicant further certifies that no single individual both prepares and certifies its grant reports and solely controls disbursement of grant funds, and that no expenditure of grant funds is approved and disbursed by the same individual. The applicant shall submit with its application a current roster of directors and officers that identifies each director claimed as independent.

4. Conflict-of-interest certification. The applicant certifies under penalty of perjury whether any of its officers, directors, employees, or agents — or any member of such a person's household — is a Town of Los Gatos official, officer, employee, or commissioner. An affirmative answer does not disqualify the applicant; it triggers the disclosure, recusal, and record-entry requirements of Government Code sections 1090 and 1091 before any Council action on the award.

5. Mission fit. The funded activity falls within the exempt purpose stated in the applicant's IRS application and organizing documents. Activities materially outside the stated purpose require an amended statement of purpose before award.

6. Prior grant compliance. If previously funded, the applicant filed all required reports on time, expended funds within the grant period and for the approved purpose, and returned any unspent funds. Unresolved defaults on prior Town grants are disqualifying.

7. Inspection and clawback consent. The applicant agrees in the grant agreement to the Town's right to inspect books and records related to the grant, and to repayment of funds spent outside the approved purpose or period.

Administration. Items 1, 2, 5, and 6 are verified by staff against public records. Items 3, 4, and 7 are certified by the applicant on a one-page form signed under penalty of perjury by two officers. The board roster required by item 3 is reconciled by staff against the applicant's most recent Statement of Information and Form 990-series return; a director listed as an officer in either filing is not counted as independent. Any certification later shown to be false is grounds for termination and repayment.

TOWN OF LOS GATOS — COMMUNITY GRANT PROGRAM Application Eligibility and Scoring Card (Proposed)

Applies to all Community Grants — Sustaining and Competitive One-Time

Draft for Finance Commission consideration · August 2026

Item 1.

What these forms are for. Eligibility exists to identify organizations that are run well enough to be trusted with public money. It does not exist to screen out organizations that are small, informal, or imperfectly documented. A charity with no paid staff, no audit, and a plain set of board-approved internal financial statements can pass every item. An organization that cannot say who its directors are, has let its state registration lapse, lets one person both approve and pay its own bills, or never accounted for the Town's last grant, cannot. Where a deficiency is the absence of a document that exists, it is curable; where it reflects how the organization operates, it is not.

How they fit together. Form A-1 is completed by the applicant and returned with the application, signed by two officers under penalty of perjury. Form A-2 is completed by staff, once per applicant, before any application is released for scoring; an applicant that does not pass is not scored, and an item found not met after scoring begins withdraws the application from the cycle. These forms apply to every Community Grant applicant — sustaining and competitive one-time alike. A sustaining recipient completes Form A-1 and is determined on Form A-2 each cycle, and is scored on Form B, even though its award is not competed. Neither Form A-1 nor Form A-2 is distributed to scorers. A false certification disqualifies the application at any point in the cycle and is grounds for termination of any agreement and repayment. Form B is completed separately by each scorer for each eligible applicant and is the only instrument that evaluates merit. Inspection of records, repayment of misspent funds, and the bar on assignment without prior written Town consent are provisions of the grant agreement and are not certified here.

FORM A-1 — APPLICANT ELIGIBILITY CERTIFICATION

Completed by the applicant and returned with the application. Signed by two officers under penalty of perjury.

FY: _____ Organization: _____ EIN: _____ Amount: \$ _____ Grant type: Sustaining ☐ Competitive ☐

What you are certifying	Your entry
SECTION 1 — LEGALLY ABLE TO RECEIVE THE MONEY	
• IRS. Attach your current determination letter under section 501(c)(3), or state another exempt classification. • Secretary of State. Active status, with a current Statement of Information on file. Nonprofit corporations file Form SI-100 biennially. • Registry of Charities and Fundraisers. Registered, status Current — the only accepted status. Delinquent, suspended, revoked, and not appearing at all are each disqualifying. • Annual filings. Every charity files an RRF-1 each year. Attach it and the return for your size: under \$50,000 — 990-N and CT-TR-1; \$50,000 to under \$200,000 — 990-EZ; \$200,000 or more, or assets of \$500,000 or more — 990; a private foundation — 990-PF. • The 990-N postcard is not sufficient on its own. It reports no revenue, expense, or asset figures, so the CT-TR-1 is the financial disclosure the Town relies on and must accompany it. Nor is 990-N the correct return at \$50,000 or more in gross revenue — attach the 990-EZ or the 990. A 990-N filed alongside reported revenue of \$50,000 or more is treated as a filing not made. • CT-TR-1, where it applies. Complete and signed — no line blank or zeroed without explanation, Part B schedules attached, signed under penalty of perjury by an officer — and shown on the Registry as Accepted. Filing is not enough: a Not Accepted status does not count as filed and is disqualifying until an amended form is accepted. • Purpose. The activity you are asking the Town to fund falls within the exempt purpose stated in your organizing documents.	Determination letter attached ☐ Classification: _____ SOS entity no.: _____ Statement of Information filed: _____ through: _____ Registry CT #: _____ Status: _____ Gross revenue, last FY: \$ _____ Filing class: 990-N ☐ 990-EZ ☐ 990 ☐ 990-PF ☐ If 990-N: CT-TR-1 attached ☐ Revenue matches class ☐ RRF-1 for FY _____ attached ☐ Return attached ☐ Type: _____ FY: _____ CT-TR-1: N/A ☐ Complete and signed ☐ Accepted ☐ Funded activity is within our exempt purpose ☐
SECTION 2 — GOVERNED BY A REAL BOARD	
• Roster. Attach a roster of every voting director and officer — full name, office held if any,	Roster attached, independents marked ☐

What you are certifying	Your entry
date the current term began. Mark each independent director with an asterisk. • Independence. Independent means: (a) not an officer or employee; (b) no compensation in any capacity, including as a contractor; (c) no financial interest in a material transaction with the organization; (d) not a household member of, or related to, any officer or employee. An officer is never independent. • Composition. At least three voting directors, a majority of them independent. A director not marked with an asterisk is not counted. • Conflict of interest. Attach the adopted written policy itself; certifying that one exists is not enough. Each director makes an annual written disclosure under it. No policy, or a policy not submitted, is disqualifying.	Item 1. Voting directors: _____ Officers: _____ Independent (marked): _____ Majority independent: Yes ☐ No ☐ Conflict-of-interest policy attached ☐ Date adopted: _____ Most recent annual director disclosures: _____
SECTION 3 — CAN HANDLE THE MONEY AND ACCOUNT FOR IT	
• Separation of duties. No expenditure is approved and disbursed by the same individual, and no one person both prepares and certifies your grant reports. • Reconciliation. Bank statements are reconciled, and the reconciliation is reviewed by someone who neither signs checks nor initiates transfers. • Fiscal policies and tracking. Written adopted fiscal policies, and Town funds tracked separately from other funds. • Financial statements. Attach your most recent statements and state the level. An audit is not required. • Reporting. Name the individual accountable for the final report and expenditure record. Receipts and invoices retained; five-year retention obligation met. • Prior Town grants. If previously funded: reports on time, funds spent within the period and for the approved purpose, unspent funds returned.	Approval and disbursement are separated ☐ Report preparation and certification are separated ☐ Reconciliation reviewed independently ☐ Written fiscal policies ☐ Town funds tracked separately ☐ Statements attached — level: Audit ☐ Review ☐ Compilation ☐ Board-approved internal ☐ None ☐ FY: _____ Responsible individual: _____ Title: _____ Receipts retained; five-year retention ☐ Prior Town grant: None ☐ FY _____ All prior obligations met ☐
SECTION 4 — DISCLOSURES	
• Passthrough. State whether any other entity will receive, hold, or disburse any portion of the funds, or exercise discretion over how it is distributed. If so, name it, give the amount and the basis, and have it complete Sections 1 and 2 for itself. • Town relationships. State whether any officer, director, employee, or agent — or a household member — is a Town official, officer, employee, or commissioner. An affirmative answer does not disqualify you and is not shown to scorers.	Passthrough: None ☐ Disclosed ☐ Entity: _____ Amount: \$ _____ Basis: _____ Entity Sections 1 and 2 attached ☐ Town relationship: None ☐ Yes ☐ Person: _____ Role with us: _____ Town position: _____

WHAT WILL NOT DISQUALIFY YOU. *Recorded and disclosed to the Council with the recommendation. None is a bar.*

- **No audit, and no paid staff.** Board-approved internal financial statements satisfy Section 3, and an all-volunteer organization can pass every item.
- **A small budget, or a first-time applicant with no Town grant history.** (Section 3)
- **A Town relationship disclosed under Section 4.** This triggers disclosure and recusal on the Town's side; it is not a defect in the applicant.
- **A missing document produced within five business days of written notice.** The application is held, not withdrawn.
- **A disclosed passthrough.** Disclosure is required and is not itself adverse; the arrangement needs written Town consent before execution.

CERTIFICATION. We certify under penalty of perjury under California law that this form and its attachments are true, complete, and correct.

Officer 1 — name and signature: _____ Officer 2 — name and signature: _____ Date: _____

FORM A-2 — STAFF ELIGIBILITY DETERMINATION

One per applicant. Completed by staff before applications are released for scoring. Not distributed to scorers.

Item 1.

Applicant: _____ Grant type: Sustaining ☐ Competitive one-time ☐ Application number: _____ Date received: _____
 Form A-1 received and complete: Yes ☐ No ☐
 Amount requested: \$ _____ Program cap this cycle: \$ _____ A request exceeding the cap must be conformed in writing before scoring; an
 unconformed request is not released for scoring. Conformed ☐ N/A ☐

#	What staff verify — and what ends the application	Finding
1	Legally able to receive the money. Confirm the applicant appears on the Attorney General's Registry of Charities and Fundraisers and that its status is Current; check filing history there; entity status and the Statement of Information against the Secretary of State; that the RRF-1 and the return for the applicant's size are attached and current; that the figures in the application match the most recent filings; and that the funded activity is within the stated exempt purpose. A 990-N postcard is not sufficient documentation on its own: it carries no financial figures, and it is the correct return only below \$50,000 in gross revenue. Where a CT-TR-1 applies, confirm the Registry shows it as Accepted. Disqualifying: not appearing on the Registry of Charities and Fundraisers, or any Registry status other than Current — delinquent, suspended, and revoked are not accepted; a missing or delinquent filing; a 990-N submitted without a complete, signed CT-TR-1; a 990-N where reported gross revenue is \$50,000 or more, which is a filing not made; a CT-TR-1 that is incomplete, unsigned, inconsistent with the application, or shown on the Registry as Not Accepted, until an amended form is accepted; a contradiction with a sworn filing that the applicant does not resolve in writing; a funded activity outside the stated exempt purpose, unless an amended statement of purpose is adopted before award.	Met ☐ Not met ☐ Registry status: Current ☐ Other ☐ Not listed ☐ Status recorded: _____ Filings current ☐ Delinquent ☐ Return matches revenue reported ☐ If 990-N: CT-TR-1 attached ☐ CT-TR-1: Accepted ☐ Not Accepted ☐ N/A ☐ Reconciles ☐ Contradiction ☐ Date checked: _____
2	Governed by a real board. Reconcile the roster against the Statement of Information and the most recent Form 990-series return. Count only directors marked independent on the roster. Confirm the conflict-of-interest policy is attached and read it. Disqualifying: fewer than three voting directors; no independent majority on the filing date; or no adopted written conflict-of-interest policy, or a policy the applicant does not submit with the application. None of these is curable within the cycle — not by explanation, by a resolution adopted after filing, or by a commitment to act before the agreement is executed.	Met ☐ Not met ☐ Directors: _____ Independent: _____ Majority independent: Yes ☐ No ☐ COI policy attached ☐ Not attached ☐ Roster reconciles ☐ Discrepancy ☐
3	Can handle the money and account for it. Read the certification on its face, review the financial statements submitted, and check prior grant compliance against Town records. Disqualifying: approval and disbursement of an expenditure by the same individual; one individual both preparing and certifying grant reports; or an unresolved default on a prior Town grant. The absence of an audit is not disqualifying.	Met ☐ Not met ☐ Statements: Audit ☐ Review ☐ Compilation ☐ Internal ☐ None ☐ Prior compliance: Met ☐ Not met ☐ First-time applicant ☐
4	Disclosures. Verify any named passthrough entity against items 1 and 2 of this sheet. Refer an affirmative Town relationship to the Town Attorney before the recommendation goes to Council. Disqualifying: a passthrough to an unnamed entity, or to one that cannot itself satisfy items 1 and 2.	Met ☐ Not met ☐ Passthrough: None ☐ Disclosed ☐ Entity items 1 and 2 verified ☐ Town relationship: Negative ☐ Affirmative ☐ Referred to Town Attorney: _____

ELIGIBILITY DETERMINATION	Eligible — release for scoring ☐	Eligible subject to written resolution of item(s) _____ ☐	Not eligible — not scored ☐
Reason (required if other than “release for scoring”): _____			
Determined by: _____ Title: _____ Signature: _____ Date: _____ Second reviewer (required for any determination other than “release for scoring”): _____ Date: _____			
<i>Reconsideration by the Town Manager may be sought in writing within five business days. Determinations are records of the award proceeding.</i>			

Item 1.

FORM B — SCORER'S CARD

One per scorer, per eligible applicant. Complete Part 1 before reading the application.

Item 1.

Applicant: _____ Scorer: _____ Fiscal year: _____

PART 1 — SCORER'S DECLARATION (complete before scoring)

I have reviewed the applicant organizations in this cycle. Except as noted below, I have no relationship with this applicant — including service as an officer, director, employee, or agent of the applicant, or such a role held by a member of my household — that requires disclosure or recusal under Council Policy 2-04, Government Code sections 1090 and 1091, or the Political Reform Act. I have not conferred with any other scorer about the scores on this card.

Relationship declared (state the applicant and the relationship; attach a sheet if needed):

A declared relationship must be stated publicly and entered in the Town's official records before any action on the award. I abstain from scoring and from any vote on this applicant unless the Town Attorney advises otherwise.

None to declare ☐ Relationship declared above ☐ Signature: _____ Date: _____

PART 2 — MERIT SCORING

Award one whole number from 0 to 5 for each of the eight criteria. All eight are weighted equally. Where a band spans two points, the italic note states the condition for awarding the higher of the two. Score each criterion independently of the others and independently of the amount requested.

Criterion	5 — Exemplary	4-3 — Good	2-1 — Passable	0 — Not demonstrated or adverse	Score
1. Project overview	Proposal clearly explains the project and its scope, steps, methods, and intended results with logical and systematic detail.	Proposal adequately explains the scope, steps, methods, and intended results in general terms. <i>Award the higher point when all four elements are present and only the level of detail is general.</i>	Proposal explains the general scope and intended results but lacks detail of the project steps and methods. <i>Award the higher point when steps or methods are partially described rather than absent.</i>	Proposal lacks sufficient detail to convey the scope or intended results of the project.	____ / 5
2. Advancing new ideas or surmounting new (non-financial) challenges	The project clearly represents implementation of a new insight or idea that has not been piloted previously, or surmounts a new (non-financial) challenge facing the organization.	The project clearly represents implementation of an emerging innovation or trend that has been piloted in other communities but will be new to the Los Gatos community. <i>Award the higher point when the applicant identifies the source community and states what it will adapt.</i>	The project represents the adoption of a change, addition, or variation to an already established program for the Los Gatos community. <i>Award the higher point when the change is substantive and specifically described rather than incremental.</i>	The project continues an already established program or service verbatim, or the proposal lacks information or evidence to suggest that it is a new project or service.	____ / 5
3. Community impact	Target audience or population clearly and specifically defined. Strong presentation of meaningful positive impact, supported by specific local evidence or data establishing	Target audience or population reasonably well defined. Sufficient presentation of meaningful positive impact, supported by general evidence	Target audience or population very broadly defined. Presentation of positive impact rests on realistic assumptions despite gaps in evidence.	Target audience or population not sufficiently defined or too broadly defined. Proposal lacks demonstration of meaningful impact.	____ / 5

Criterion	5 — Exemplary	4-3 — Good	2-1 — Passable	0 — Not demonstrated or adverse	Score Item 1.
	the need.	or data establishing the need. <i>Award the higher point when the evidence is the applicant's own service data rather than general or third-party sources.</i>	<i>Award the higher point when the assumptions are stated explicitly and are testable.</i>		
4. Direct benefit to Los Gatos	Project is highly local and specifically targets the incorporated Los Gatos community, whether or not the organization is based in Los Gatos.	Project is regional but specifically targets expansion into the incorporated Los Gatos community, or shows significant benefit to it. <i>Award the higher point when a Los Gatos service level, participant count, or comparable commitment is stated rather than intent alone.</i>	Project is regional. Evidence is offered for how the incorporated Los Gatos community will benefit, or the wide regional audience indicates only indirect benefit. <i>Award the higher point when the benefit to incorporated Los Gatos is direct and evidenced rather than indirect.</i>	No identifiable benefit to the incorporated Los Gatos community, or the proposal does not address Los Gatos benefit.	____ / 5
5. Budget analysis	Strongly detailed and realistic budget with sound use of funds. Any funding necessary above the limit of the grant is both accounted for and secured through commitments from other means.	Realistic budget with general detail showing responsible use of funds. Any funding necessary above the limit of the grant is accounted for with reasonable certainty or commitment. <i>Award the higher point when other funding sources are identified by name rather than by category.</i>	Budget generally appears to support the project activities as described, although there are gaps in detail. Applicant has a realistic opportunity to secure funding above the limit of the grant even if commitment is not certain. <i>Award the higher point when the gaps are in line-item detail rather than in the funding plan.</i>	The described proposal is not supported by the budget, or no reliable source of funding is presented for any necessary funding beyond the limit of the grant.	____ / 5
6. Feasibility and organizational capacity	Superior experience or knowledge in the field as it relates to completing the project. Project, personnel, resources, and timeline are realistic and congruent with the description and outcomes. Staff or volunteer capacity is sufficient for the scale proposed.	Adequate experience or knowledge in the field, or transferable expertise in a related field. Deficiencies or overestimations in project, personnel, resources, or timeline fall within a tolerable range. Outcome appears achievable despite some gaps. <i>Award the higher point when personnel are named and assigned rather than described by role alone.</i>	Gaps in experience or knowledge, but the applicant demonstrates it can reasonably bridge them. Project, personnel, timeline, or resources expose weaknesses that will leave gaps. Achievement is questionable at the level proposed but likely at a smaller level. <i>Award the higher point when the applicant itself identifies the reduced scope at which the project is achievable.</i>	Applicant does not demonstrate the experience or knowledge to complete the project, or there is insufficient information about personnel, resources, project, or timeline to gauge feasibility.	____ / 5
7. Assessment and evaluation	Clear definition of the success of the program. Clear picture of	Good understanding of the anticipated specific results of	Success is difficult to ascertain — flawed by untestable	Evaluation plan missing or	____ / 5

Criterion	5 — Exemplary	4-3 — Good	2-1 — Passable	0 — Not demonstrated or adverse	Score
	how data will be collected to demonstrate the degree to which outcomes are met.	success, but the plan lacks detail about data or methods. <i>Award the higher point when the anticipated results are stated in measurable terms.</i>	outcomes, inappropriate methods, or lack of useful data collection. <i>Award the higher point when at least one measurable outcome is identified.</i>	unusable.	Item 1.
8. Commitment to diversity, equity, and inclusion	Efforts are specifically demonstrated and articulated both at the organizational level and within the scope of the proposal, with identified practices rather than statements of principle.	Efforts are specifically demonstrated and articulated at the organizational level, although not within the scope of the proposed project. <i>Award the higher point when organizational practice is documented — an adopted policy, board or staff composition, or an outreach record — rather than described narratively.</i>	Impacts or commitments are expressed in general terms at either level. <i>Award the higher point when the proposal identifies the populations intended to benefit.</i>	The proposal does not address a commitment to diversity, equity, and inclusion at either the project level or the organizational level.	____ / 5

PART 3 — BONUS: ALIGNMENT WITH COUNCIL STRATEGIC PRIORITIES

Two bonus points are awarded to a project that specifically meets one or more of the Council Strategic Priorities in effect for this grant cycle. A maximum of two points can be awarded regardless of how many priorities the project meets. Name the priority relied on in Part 4; a bonus awarded without a named priority is not counted.

Item 1.

Council Strategic Priorities in effect for this cycle [replace this list with the priorities adopted for the applicable cycle before the card is issued]:

Emergency Preparedness ☐ Fire Protection ☐ Community Where Older Adults Thrive ☐ Events or Town-Wide Efforts ☐ Community Engagement ☐
Environmental Sustainability ☐ Support the Needs of Unhoused Residents ☐

Note. Diversity, equity, and inclusion is scored as Criterion 8 and is not separately eligible for a bonus. Under the prior rubric the same subject could earn points twice on one dimension.

PART 4 — SCORE SUMMARY AND BASIS

Enter each score below and state the basis for any 5, any 0, and any bonus awarded. A required entry left blank returns the card to the scorer.

Criterion	Score	Basis for the score — required for any 5 or 0, and for any bonus awarded
1. Project overview		
2. Advancing new ideas		
3. Community impact		
4. Direct benefit to Los Gatos		
5. Budget analysis		
6. Feasibility and capacity		
7. Assessment and evaluation		
8. Diversity, equity, and inclusion		
Bonus — Council Strategic Priority		Priority relied on (name it; a bonus with no priority named is not counted): _____

MERIT SUBTOTAL _____ / 40 BONUS _____ / 2 TOTAL _____ / 42 Scorer signature: _____ Date: _____

PART 5 — RULES FOR USING THE SCORES

- Each application is scored independently by each scorer. Scorer do not confer before submitting their cards.
- The final score for an application is the mean of the submitted scorer totals, carried to one decimal place. Cards from a scorer who declared a disqualifying relationship are not included.
- A score of 0 on a single criterion does not by itself disqualify an application. An application scoring 0 on Criterion 4 (Direct benefit to Los Gatos) is not recommended for funding.
- Recommended funding threshold: _____ points out of 42. Applications below the threshold are not recommended. The threshold is set by the Council or the reviewing body before applications are scored, not after.
- Ties are broken first by the mean score on Criterion 4 (Direct benefit to Los Gatos), then by the mean score on Criterion 3 (Community impact).
- Use of the score. The ranked list produced by these cards is the basis for the funding recommendation forwarded to the Council. Where the Council has adopted an allocation structure that distributes funds by formula rather than by rank — for example, an equal division among a fixed number of providers — staff shall state that in the recommendation and identify which awards are set by formula and are therefore not determined by these scores.
- Award amounts. A score does not by itself set an award amount. Where the recommendation is for less than the amount requested, staff shall state the basis for the reduction.
- Records. Completed Form A determinations and Form B cards, including Part 1 declarations, are retained as records of the award proceeding and are subject to disclosure under the Public Records Act to the extent required by law.

The Los Gatos Community Grant Program

Thirty-four years of grants, what the 2026-27 cycle showed, and seven recommendations

Phil Koen, Member, Los Gatos Finance Commission

Presented in his individual capacity. This presentation states no position of the Commission.

Thirty-four years of community grants

The Town has made community grants since at least 1992. The last comprehensive framework is from 1993.

When	What happened
1992	Resolution 1992-123 sets the first rules for community grants.
1993	Resolution 1993-173 adopts Rules and Regulations and a standard grant agreement for all community grants from that point forward.
2020	Council updates the program and directs that the scoring rubric come back before it is used. That return has not been located.
2021–25	\$725,000 in ARPA grants and two \$100,000 direct grants, each voted on individually by the Council.
2024–25	Council motions set today’s shape: sustaining grants, a \$10,000 competitive cap, the every-other-year and in-Town rules, and the commissioner reading pool.
2026	The 2026-27 awards are published in August. In September the Town Manager pauses the cycle and commits to bringing the awards to the Council.

The Council has voted on every six-figure grant in the record. It has never voted on the list of competitive awards.

Six years of community grant funding

General Fund grants by category, plus ARPA replacement grants. 2026-27 is awarded, not yet paid.

Fiscal year	Competitive	Sustaining	Other budget lines	General Fund total	ARPA
2021-22	\$78,013	\$57,000	\$19,500	\$154,513	\$500,000
2022-23	\$81,100	\$62,000	\$21,000	\$164,100	—
2023-24	\$229,000	\$66,000	\$121,000	\$416,000	\$225,000
2024-25	\$230,000	\$70,000	\$128,800	\$428,800	—
2025-26	\$55,700	\$99,300	—	\$155,000	—
2026-27	\$85,700	\$110,500	—	\$196,200	—
Total	\$759,513	\$464,800	\$290,300	\$1,514,613	\$725,000

Grand total, 2021-22 to 2026-27: \$2,239,613

\$1,514,613 from the General Fund and \$725,000 in ARPA replacement grants.

“Other budget lines” covers Innovation Grants, departmental lines and direct requests to the Council. The \$15,000 a year service contract is not included. The \$759,513 competitive column is the only part the Council has never approved grant by grant.

FY 2026-27: how the awards were made

As Town staff described it in writing on September 8, 2026, and as the published rules state.

- 1**

Council adopts a total in the budget.
- 2**

Staff prepare the rules and an eight-criterion rubric (42 points).
- 3**

Each commission picks its own readers from its members.
- 4**

Each reader scores alone, from a 21-question online form.
- 5**

Staff average the scores.
- 6**

Top scorers funded in order until the money runs out. The rules call this “final.”
- 7**

The Town Manager signs the agreements.
- 8**

The awards are published on the Town website.

The Town Council never approves a competitive grant. It sets the total at step 1 and takes no further part. Steps 2 through 8 happen with no agenda, no meeting, no staff report and no vote.

FY 2026-27: who was funded, and who was not

Twenty-two competitive applications, average scores out of 42. Sustaining awards appear with Problem 5.

Funded, in score order

Score	Funded	Request	Award
41.6	Los Gatos Museum Association (NUMU)	15,000	15,000
41.2	Los Gatos Education Foundation	20,000	20,000
40.2	Marine Science Institute	5,000	5,000
39.6	Girls on the Run of Silicon Valley	10,000	10,000
39.2	Jewish Silicon Valley	16,107	16,107
39.2	Congregation Shir Hadash	5,000	5,000
39.2	Alta Vista Elementary (Union SD)	3,180	3,180
39.0	FTC Team 31788	5,000	5,000
38.8	Asian Law Alliance	20,000	6,413*
Total			85,700

* Partial award, based on remaining funding.

Not funded

Score	Not funded	Request
37.2	Homenetmen Santa Clara Ani Chapter	2,830
37.0	Yavneh Day School	5,000
36.8	Veterans Memorial & Support Fdn.	11,700
36.25	Rotary Club of Los Gatos	10,000
36.2	Billy Jones Wildcat Railroad & Carousel	11,700
35.8	Grassroots Ecology	8,540
35.8	Los Gatos Public Media / KCAT TV	12,000
35.8	Unplugged Collective	8,800
35.2	Art Docents of Los Gatos	2,500
34.4	Eat Happy Now	10,000
31.8	India Community Center	5,000
28.4	Senior Veteran Home Solutions	5,000
19.4	Petals N Plush Society	none stated
Total		93,070

\$192,357 was requested against \$85,700 available. The top nine were funded in order, the ninth in part. Eight of the thirteen not funded scored within 3 points of the last award (in red); 1.6 points separated funded from not funded.

None of these scores has been published. With margins this narrow, that is the case for scoring in public.

Feeds Recommendations 4 and 5

Problem 1: the award is decided out of public view

Every step of the 2026-27 decision happened in private, on the strength of one online form.

No public meeting

No agenda, staff report, discussion or vote between the deadline and the published list.

Scores not published

No score appears in any Council material or on the Town website.

No one appears

No applicant presents or answers a question. Readers never meet the organizations they fund.

One online form

Twenty-one questions, completed in one sitting, with nothing attached.

No one accountable

The rules say the readers decide. Staff say no one does. The Council never votes.

The award turns on how well an application is written, read by commissioners the public is not told the names of.

Whether the reading panel is subject to the Brown Act is with the Town Attorney. Whatever the answer, the remedy is the same: score in public, and approve in public.

Feeds Recommendation 4

Problem 2: the scores are unreliable

From the Town’s FY 2024-25 scoring sheet. Five readers each scored every application alone; the scores were then averaged.

One application, five readers

19	30	30	47	10
Reader 1	Reader 2	Reader 3	Reader 4	Reader 5

Scored 10 by one reader and 47 by another. Its average, 27.2, is what was ranked.

The disagreement is bigger than the differences

18.4 points

Average gap between readers on the same application

13.6 points

Gap between the best and worst application in the pool

Readers had steady habits: one averaged 35.7 across every file, another 21.8. Change one reader and the top ten changes.

In FY 2024-25 the scores did not even decide: the top-scored application got nothing, one at 26.8 lost to one at 26.25, and \$45,000 went to organizations never scored. FY 2026-27 followed its scores, by margins no one outside can test.

Feeds Recommendation 2

Problem 3: the Town knows the name, not the organization

Should know	Today	Proposed: all must be met
Nonprofit status	"Registered non-profit," as stated	Its own 501(c)(3), in force and not revoked; staff verify
Federal filings	Not asked	Latest annual return filed and accepted; a 990-N is not enough above \$5,000; staff verify
State Registry	Current or exempt, as stated	Current, or a confirmed statutory exemption; staff verify
Prior Town grants	None last cycle, as stated	Also no report outstanding and no funds unreturned; staff verify
The board	Not asked	Named roster; majority independent; no board member or family paid by the organization
Conflicts policy	Not asked	Adopted written policy requiring disclosure and abstention, attached
Town relationships	Not asked	Every relationship with Town officials, commissioners and staff disclosed
Size	Not asked	Annual budget, paid staff and volunteers
Location	Affirmed; settled by average score	Address stated and decided as a fact, not scored

The application asks for a name, an address and a tax ID. The Town knows whom to pay, not whether it should. Proposed Form A-1, in Appendix A, closes the gap.

Feeds Recommendation 3

Problem 4: grants need not serve any Council priority

Los Gatos today

Council priorities are an optional question worth 2 bonus points, and “Other” is allowed.

Santa Clara

Three published focus areas, including Youth. An application must fit one to be eligible.

Proposed focus area	What it rests on	FY 2026-27 awards
Residents in need	Priorities: unhoused residents; older adults; housing	\$95,500 (seven)
Youth	Not yet a Council priority; Santa Clara has one	\$45,000 (five)
A welcoming community	Priority: a welcoming, family-oriented, inclusive community	\$36,107 (three)
Safety and preparedness	Priorities: emergency preparedness; transportation safety	\$19,593 (three)
Place, environment and economy	Priorities: charm; natural environment; local businesses	none this cycle

Every 2026-27 grant fits one of these five, so the requirement excludes none of this year’s grantees. What it adds is a stated purpose and a measurable outcome for each.

Feeds Recommendation 6

Problem 5: sustaining grants are contracts in all but name

FY 2026-27 sustaining awards

Live Oak Senior Nutrition	33,000
LG Anti-Racism Coalition, rental	20,000
West Valley Comm. Services, CARE	20,000
Next Door Solutions	10,000
LG United Methodist, showers	7,800
St. Luke’s Episcopal, food pantry	6,000
CASSY, student mental health	5,000
St. Vincent de Paul, rental	5,000
St. Vincent de Paul, laundry	3,700
Total	110,500

What a sustaining grant is

Core operating support for “select human services non-profits with long partnership histories with the Town.” Not competed, chosen by Council motion, funded every year.

What it lacks

Criteria beyond that one sentence. No term, no defined output, no review. The grant rules even forbid the operating costs it exists to pay.

Fiscal year	Lines	Amount
2021-22 to 2024-25	Four	\$57,000 rising to \$70,000
2025-26	Eight	\$99,300
2026-27	Nine	\$110,500

They are larger (averaging \$12,278 against \$9,522 for competitive awards), they recur, and they pay for the core of a service the Town wants delivered. That is a contract for services.

The Town already buys one such service by a five-year contract, from a sustaining recipient that now receives up to \$35,000 a year under two instruments.

Supports Recommendations 1, 4 and 5

How comparable cities run the same program

	Los Gatos	Santa Clara	Solana Beach	Mountain View
Governing document	1993 Rules, Council motions, annual staff rules	Council Policy 049, adopted 2018, revised 2022 and 2024	Annual Council guidelines	Council-approved program
Who decides awards	Commissioner readers; rules say “final”	City Manager, under express Council policy	City Council, at two public meetings	Staff
Largest award	\$20,000 request	\$10,000	\$5,000	\$10,000
How applications are judged	Eight-criterion rubric, averaged scores	Published criteria, no scoring	Stated preferences, no scoring	Program goals
Eligibility checked?	Self-certified	Reviewed for compliance	Documents required at application	Reviewed by staff
Other City funding	Permitted (2024 motion)	Barred	Not addressed	Not addressed
Conflicts	Not addressed	May reject on appearance of conflict; requests to Council referred to staff	Not addressed	Not addressed
Closeout	Report and video; paid up front	Receipts in 30 days; unspent returned	Receipts required or funds repaid	Reimbursement only

Every comparison city has an identifiable decision-maker. None scores through a commissioner panel, and none calls that scoring final.

Recommendation 1 in detail

A proposed Community Grant Policy

Built from Santa Clara’s Policy 049 and Solana Beach’s decision route, scaled to Los Gatos.

Section	What it would provide
Scope	One-time competitive grants and direct requests. Sustaining support becomes service contracts in the operating budget, listed alongside so the full picture of Town funding is visible.
Eligibility	Own 501(c)(3); Registry current or a confirmed statutory exemption; activity in Los Gatos; no outstanding prior-grant reports; independent board majority; conflict-of-interest policy; a named focus area from a list the Council adopts. Verified by staff before any application is read, with a five-day document cure.
Decision	Applications scored at a noticed public meeting of the reviewing committee, where applicants present and every score is recorded. The Council then approves recipient, amount and purpose by resolution.
Amounts	Request, total project cost, and what a partial award would do, on the application. A written rule for when and how amounts are reduced.
Conflicts	Disclosure of every relationship with Town officials, commissioners and staff. Requests made to Council members referred to staff. Recusal to follow from the Policy 2-04 review.
Money	Paid in advance on execution. Spending proved at closeout by receipts reconciled to the award and certified by two people. Unsupported funds repaid. Five-year Town audit right. An unresolved prior grant bars a new award. Annual report to the Council.
Review	Reviewed every two years. Amends or replaces Resolution 1993-173.

Feeds Recommendation 7

How the money would flow

Paid in advance, proved afterwards: the Town's past practice, with the back end made real.

1 Approve

Council approves recipient, amount and purpose. Agreement within 30 days; nothing spent before it counts.

2 Pay

One payment on execution up to \$10,000. Above that, half now and half on an accepted interim report.

3 Spend

Grant spending on its own ledger line. No transfer to another organization without written consent.

4 Prove

Receipts mapped to the budget; award equals spent plus returned; certified by two people.

5 Close

Staff accept or reject in writing. Unsupported funds repaid in 30 days. Town may audit for five years.

A departure from Resolution 1993-173

The 1993 Rules pay only against invoices and supporting data, with quarterly reports attached. Advance payment requires the Council to amend them.

A departure from most comparison cities

Mountain View and San Francisco pay only against receipts; Santa Clara verifies reimbursement requests. Solana Beach, closest to our scale, pays a lump sum up front, and requires receipts or repayment.

Advance payment moves the control from the front of the process to the back. Once the money is out the Town is an unsecured creditor, so reporting and auditing carry the whole weight. A report nobody reconciles, or an audit right nobody uses, is no control at all.

The real sanction is the next cycle: an unresolved prior grant bars a new award.

Proposed motion

The Finance Commission recommends that the Town Council:

Change	What the Council would do
1. Adopt a policy	Adopt a Community Grant Policy by Council action, amending or replacing Resolution 1993-173, and review it every two years.
2. Know the grantee	Require a staff-verified eligibility screen before any application is read: legal standing, filings, board independence, a conflict-of-interest policy, disclosure of Town relationships, prior grants and location, with a five-day document cure. Refer requests made to Council members to staff; Council and commissioner recusal will follow from the Policy 2-04 review.
3. Tie grants to priorities	Require every grant to fit a focus area from a Council-adopted list, including youth, with a measurable outcome reported at closeout.
4. Score in public	Score applications at a noticed public meeting of the reviewing committee, where applicants present their case and every score is recorded and published. Use anchored, calibrated criteria and a written rule for setting amounts, including partial awards. This is where the real work is done.
5. Approve in public	Approve every grant (recipient, amount and purpose) by resolution at a noticed Council meeting, acting on the recommendation of staff or the reviewing committee. This closes the process: no applicant presentations, only the public comment the law requires. Begin with the paused 2026-27 awards.
6. Contract for core services	Convert sustaining grants into service contracts in the operating budget, with firm written criteria for which services qualify, defined outputs and three-year terms reopened to competition. First examine their growth from four lines and \$57,000 in 2021-22 to nine lines and \$110,500 in 2026-27.
7. Control the money	Pay in advance; prove spending at closeout with reconciled receipts certified by two people; recover unsupported funds; keep a five-year audit right; bar new awards while a prior grant is unresolved; report to the Council annually.

What this would change

For an applicant

It would know before applying what qualifies it, and afterwards how it was judged and why it was or was not funded.

For a resident

The scoring and the award would both happen in public, where anyone can follow them and be heard.

For the Council

It would be answerable for decisions made in its name, the same standard it already applies to every six-figure grant.

None of this is novel. Three California cities already do most of it, one of them with a program smaller than ours.
Thank you.

Appendices

Appendix A: Proposed Form A-1: Applicant Eligibility Screen

The eligibility screen in Recommendation 2. Seven items, checked by staff before any application is read; items the current application does not ask for are marked in red.

Appendix B: FY 2024-25 scoring detail

Every score given by each reader to all 38 applications, the Town's averages, and what each applicant was awarded.

Appendix C: FY 2026-27 Community Grant Rules and Eligibility

The Town's rules, eligibility requirements, application questions and scoring rubric for the 2026-27 cycle, attached as issued.

APPENDIX A · PROPOSED FORM, NOT TOWN POLICY

Town of Los Gatos Community Grant Program

Form A-1: Applicant Eligibility Screen

Proposed for the Finance Commission's consideration as part of the Community Grant Program review. It has not been adopted and is not Town policy.

Authority

On December 6, 1993 the Town Council adopted Resolution 1993-173, which adopted Rules and Regulations Governing Community Grants and a standard form of Community Grant Agreement. The resolution superseded Resolution 1992-123 and states that it applies to all agreements regarding community grants made by the Town from that point forward. The Rules are incorporated by reference into every grant agreement, and the Agreement requires the recipient to warrant that it has read them and is bound by them.

Most of this form is not new. Three of the seven items in Part 3 restate a requirement the Rules or the standard Assurances already impose. What the form changes is timing: the Rules require these documents within fifteen days after the grant agreement is executed, which is after the award decision has been made and the money committed. The form asks for the same documents before an application is scored.

Items that go beyond the Rules say so in their Source line. They are proposed on their own merits. A 1993 resolution cannot have anticipated the California Registry of Charities and Fundraisers or electronic postcard filings, and treating it as the outer limit of what may be asked would freeze the program at the standards of 1993. If any item conflicts with the resolution, the resolution governs and the item should be dropped or the resolution amended, which is a decision for the Council and not for a form.

How this form is meant to work

- Every applicant completes it. Staff verify it before any application is read or scored.
- Three of the seven items are matters of public record. Staff check those themselves; the applicant attaches nothing for them.
- Each numbered item is pass or fail. There are no points and nothing here is weighed against anything else.
- An applicant that fails any item is not scored, and the application does not go forward.
- Cure period: an applicant that fails is told which item and has five calendar days to supply or correct a document. The cure is limited to documents. No narrative, budget or work plan may be revised after the deadline.
- The completed screen is published with the award list.

Burden. The applicant attaches one document, its conflict-of-interest policy, completes the board table, and answers five short questions. Everything else is checked by staff against public records.

Part 1: The applicant

Full legal name of the organization _____	Any name under which it does business _____
Employer Identification Number _____	Website _____
Mailing address _____	
Name and title of the person submitting this form _____	Telephone and email _____
The applicant must hold its own 501(c)(3) determination in its own name. Applications submitted through a fiscal sponsor, or by a group applying under another organization's nonprofit status, are not accepted.	

Part 2: The board and the organization

New: the current application asks nothing about the board or the size of the organization.

A board member is independent if the organization does not pay them as an employee, agent or subcontractor, and they are not related to anyone it pays. Continue on a second sheet if the board has more than ten members.

Total annual budget of the organization _____	Most recent fiscal year ended _____	Paid staff (full-time equivalents) _____
Active volunteers _____	Total members of the board _____	Of those, how many are independent _____

Name	Position on the board	Year joined	Paid by the organization as an employee, agent or subcontractor?	Related to anyone the organization pays?
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No

Part 3: Eligibility items

Any single failure ends the application, subject to the cure period above. Red marks what the Town's current FY 2026-27 application does not ask for.

	Requirement	Applicant	Staff determination
E1	Federal tax-exempt status under section 501(c)(3) is in force, the organization does not appear on the IRS Automatic Revocation List, and the most recent required annual return has been filed and accepted. For requests above \$5,000 a Form 990-N postcard alone does not satisfy this item. Staff verify on IRS Tax Exempt Organization Search. Nothing to attach. Source: Rules IV.A.3; the filing test goes beyond them Current application: New. The current rules require only a "registered non-profit" and nothing is checked.	Staff verify	☐ Pass ☐ Fail
E2	Registration with the California Registry of Charities and Fundraisers is listed as Current. Staff verify on the Registry search page. Nothing to attach. Source: Beyond the 1993 Rules: the Registry post-dates them Current application: Already a stated rule, but self-certified. New: staff verify it, and the "stated exempt" alternative is dropped.	Staff verify	☐ Pass ☐ Fail
E3	No report is outstanding and no funds are unreturned from any prior Town grant. Staff verify against Town records. Nothing to attach. Source: Rules X.C; Exhibit C, II Current application: New.	Staff verify	☐ Pass ☐ Fail
E4	No member of the Board of Directors, and no member of a Director's family, is a paid employee, agent or subcontractor of the applicant. Completed in Part 2. No separate attachment. Source: Rules III.B Current application: New.	☐ Yes ☐ No	☐ Pass ☐ Fail

	Requirement	Applicant	Staff determination
E5	The board has adopted a written conflict-of-interest policy that applies to directors and officers, requires disclosure of a financial interest in any matter before the board, and requires the interested person to abstain from voting on it. Attach: the policy, with the date the board adopted it. A policy missing any of the three elements above does not satisfy this item. <i>Source: Beyond the 1993 Rules; supports Assurances 5 and 6</i> Current application: New.	☐ Yes ☐ No	☐ Pass ☐ Fail
E6	One hundred percent of the activity to be funded takes place within the municipal boundaries of incorporated Los Gatos. State the address or addresses of the activity. <i>Source: Council direction, August 19, 2025</i> Current application: Already a rule, and affirmed in Question 1. New only in that staff determine it as a fact, instead of readers averaging a score.	☐ Yes ☐ No	☐ Pass ☐ Fail
E7	The application names one focus area from the Council's adopted list and states a measurable Los Gatos outcome. Staff check only that both are given; how well the project fits is scored later. Complete the focus-area box below the table. <i>Source: Council Strategic Priorities 2025-27, plus a proposed youth area; Santa Clara Council Policy 049 model</i> Current application: New as a requirement. Today it is optional Question 21, worth up to 2 bonus points, and "Other" is allowed.	☐ Yes ☐ No	☐ Pass ☐ Fail

E7. Focus area: tick one, and state the outcome

- ☐ Youth: young people's health, learning and development (proposed; not yet a Council priority)
- ☐ Residents in need: unhoused residents; older adults; housing opportunities
- ☐ A welcoming community: a welcoming, family-oriented and inclusive community
- ☐ Safety and preparedness: emergency preparedness; transportation safety; a safe community
- ☐ Place, environment and economy: preserving charm; the natural environment; local businesses

The measurable Los Gatos outcome this grant will achieve, and how it will be counted

Part 4: Relationships with the Town

New: the current application asks nothing about relationships with Town officials.

The standard Assurances already require an applicant to comply with the Political Reform Act of 1974 (Government Code section 87100 and following), to promptly advise the Town of the facts and circumstances concerning any disclosure relating to conflicts of interest, and to establish safeguards against the use of position for private gain, particularly by those with whom an official has family, business or other ties. This part gives those assurances effect at the point they matter.

D1. Does any member of the applicant's board, any officer, or any paid employee have a relationship with a Town of Los Gatos elected official, appointed official, commissioner, or Town employee?

Relationship is to be read broadly. It includes, without limitation:

- Being that person, or their spouse, domestic partner, parent, child, sibling, grandparent, grandchild, or the equivalent by marriage, adoption or step-relation.
- Sharing a household with that person.
- A business relationship: partner, co-owner, employer, employee, co-investor, landlord or tenant, lender or borrower.
- A professional relationship, current or within the last two years, including as adviser, consultant, contractor or client.
- Serving together on the board or a committee of any other organization.
- Any financial interest held in common.
- Any other connection that a reasonable member of the public might think could affect the impartiality of a Town decision on this application.

☐ No such relationship exists ☐ Yes, and every one is listed below

Board member, officer or employee	Town official, commissioner or employee	Nature of the relationship

Board member, officer or employee	Town official, commissioner or employee	Nature of the relationship

D2. If any relationship of the kind described above arises, or comes to the applicant's attention, after this form is submitted and before the Town decides the award, the applicant will notify the Town in writing within five calendar days.

A disclosed relationship does not by itself disqualify an applicant. Failure to disclose one does.

Part 5: Funding information

F1 and F2 are asked now (Questions 12 and 18). F3 is new.

Not pass or fail. These answers are recorded, published with the award list, and used when the award amount is set.

F1. Amount requested from the Town

F2. Total cost of the project or program, including all other sources

F3. If the Town awards less than the amount requested, will the project still go ahead? If so, what would be reduced or removed, and is there a minimum amount below which it cannot proceed? (New. The FY 2026-27 rules already allow partial awards above \$10,000.)

Part 6: Certification

New: the current application has two yes/no affirmations and no signed certification.

I am authorized to submit this form on behalf of the applicant. The answers are accurate and complete to the best of my knowledge, and the attached documents are true copies. I understand that under the Rules and Regulations a material misrepresentation of any nature with respect to information furnished to the Town is grounds for corrective action, up to and including termination of the grant agreement.

Signature _____	Date _____
Printed name _____	Title _____

Part 7: For staff use

Verified by _____	Date of initial determination _____	Items failed _____
Cure notice issued _____	Cure deadline _____	Final determination: ☐ Eligible ☐ Ineligible _____

Reporting after award (proposed)

The Rules adopted in 1993 also govern what happens once a grant is made. They were written for service agreements with established agencies, and applied literally they are disproportionate to a \$4,500 grant to an organization run by volunteers. Under Exhibit A, a \$12,000 grant to an organization with a \$100,000 budget triggers an accountant's report, which can cost a meaningful fraction of the grant. The Rules also require prior written Town approval for any purchase over \$100, worth roughly \$220 today, and a board Treasurer's signature on all receipts, disbursements and balances every month.

What follows is a proportionate alternative for the Commission to consider. It keeps the controls that matter and removes the ones that cost the recipient more than they protect.

How the money flows

Awards are paid in advance, on execution of the agreement: one payment up to \$10,000, and above that half on execution and half on acceptance of an interim report. Nothing spent before the agreement is executed may be charged to the grant, and no grant funds may be passed to another organization without the Town's prior written consent.

This departs from Resolution 1993-173 and from most comparison cities. The 1993 Rules pay only against invoices with quarterly reports attached, and Mountain View and San Francisco pay only against receipts. Solana Beach, the closest in scale, pays a lump sum up front as proposed here. Advance payment moves the control to the back of the process: once the money is out the Town is an unsecured creditor, so reporting and auditing carry the whole weight. The Town retains the right to examine the recipient's books and records for five years after final payment, and an unresolved prior grant bars any further award.

Proposed reporting, scaled to the award

Award	Reporting	Financial evidence
Up to \$10,000	One final report.	Paid receipts and invoices for the full grant amount, and a statement of revenue and expenditures for the grant approved by the board.
\$10,001 to \$30,000	One interim report at the midpoint, and one final report.	The above, plus the organization's own balance sheet and revenue and expenditure statement.
Over \$30,000	Two interim reports, and one final report.	The above, plus reviewed or audited statements if the organization already prepares them; if it does not, a schedule of grant expenditures certified by two officers.

Every final report states what was delivered against what was promised, the number of Los Gatos residents served, and the outcomes achieved. Due within 60 days of completion.

What should not be relaxed

- Every dollar proved at closeout by paid receipts and invoices, reconciled so that the award equals the amount spent plus the amount returned, and certified by two people: the preparer and an officer who did not prepare it. No standing waiver of the backup documentation requirement.
- Funds for which receipts are not produced, or which were spent outside the approved budget, are repaid to the Town.

- Records kept for five years after final payment, the period already in the Town's grant agreement, and the Town, or its agent, may examine and audit them.
- Staff report to the Council once a year on the prior year's completed grants.

What a small organization should not be asked to do

- Commission an accountant's report or an audit it does not already produce. Where an organization already has reviewed or audited statements, it should provide them; where it does not, board-certified statements and a schedule of grant expenditures should suffice.
- Obtain prior written Town approval for every purchase over \$100. A threshold of \$1,000 for equipment, and prior approval for subcontracting a material part of the funded work, achieves the same control.
- Have a board Treasurer sign off on all receipts, disbursements and bank balances monthly. The board approving the grant expenditure report before it is submitted gives the Town the same assurance for the grant funds.

These are relaxations of requirements the Council adopted. They cannot be made by staff or by a form. If the Commission agrees they are sensible, the recommendation is that the Council amend Resolution 1993-173 to say so. The same principle that applies to adding requirements applies to removing them.

Sources: Town of Los Gatos Resolution 1993-173, adopted December 6, 1993, and its attached Rules and Regulations Governing Community Grants, standard Community Grant Agreement, Assurances, and Exhibits A, B and C; Council agenda report of August 19, 2025, Item 13.

APPENDIX B

FY 2024-25 scoring detail: competitive applications

Every score given by each of the five readers, the Town's average, and the amount each applicant was awarded in FY 2024-25. Applicants in the order of the Town's sheet.

Competitive one-time applications (32)

Applicant	R1	R2	R3	R4	R5	Average	Awarded
Art Docents of Los Gatos	31	28	34	40	23	31.2	\$4,500
AWO (Africa at Your Fingertips)	28	20	31	29	23	26.2	none
Billy Jones Wildcat Railroad	20	33	33	44	24	30.8	\$10,000
Boldly Me	17	27	28	23	8	20.6	none
Catalyze SV	19	24	25	43	14	25.0	none
Chabad of San Jose	21	22	37	29	17	25.2	none
CADRE	19	30	30	47	10	27.2	\$10,000
Girls on the Run of Silicon Valley	32	21	35	44	30	32.4	\$10,000
Jewish Silicon Valley	24	30	28	40	24	29.2	\$10,000
KPCR 92.9FM	22	23	35	28	19	25.4	none
Kyle J. Taylor Foundation	31	21	39	27	31	29.8	\$10,000
LG Community Concert Association	26	30	30	31	21	27.6	\$7,500
LG Foundation for Older Adults	26 · 29 · 47 · 23 *					31.25	\$1,500
LG Museum Association (NUMU)	28	30	34	42	34	33.6	\$10,000
Los Gatos Music and Arts	27	27	35	27	19	27.0	\$10,000
Los Gatos Public Media	22	36	35	36	18	29.4	\$10,000
Los Gatos Union School District	32	35	33	38	33	34.2	none
Los Gatos Youth Park	28	32	33	28	22	28.6	\$10,000
Louise Van Meter Home & School	22	25	35	30	23	27.0	\$10,000
Omniware Networks	16	25	37	19	14	22.2	none
Parents Helping Parents	29	30	38	29	20	29.2	\$10,000
Rebuilding Together Silicon Valley	27 · 26 · 38 · 21 *					28.0	\$7,500
SASCC	29 · 31 · 29 · 15 *					26.0	none
Screaming Horse Ranch	19	21	29	28	10	21.4	none
Silicon Valley Jewish Film Festival	28	27	35	41	26	31.4	\$10,000
Special Olympics Northern California	17	26	37	30	16	25.2	none
St. Vincent de Paul Society	26	27	39	42	27	32.2	\$4,000
The Yay Foundation	19	22	37	35	9	24.4	none
Tianmu Education Foundation	23	26	39	47	15	30.0	\$10,000
Veterans Memorial & Support Fdn.	22 · 31 · 31 · 21 *					26.25	\$5,000
West Valley Muslim Association	21	26	32	29	13	24.2	none
West Valley Youth Theater	23	26	30	39	16	26.8	none

* Scored by four readers, not five. Which reader did not score is not recorded on the Town's sheet.

APPENDIX B

FY 2024-25 scoring detail: rental assistance and sustaining

The same readers scored the rental assistance and sustaining applications on the same rubric.

Rental assistance (2)

Applicant	R1	R2	R3	R4	R5	Average	Awarded
LG Anti-Racism Coalition, rental	31	29	43	45	37	37.0	\$12,500
St. Vincent de Paul, rental	28	27	37	47	27	33.2	\$12,500

Sustaining (4)

Applicant	R1	R2	R3	R4	R5	Average	Awarded
CASSY	30	32	33	47	32	34.8	\$13,000
Live Oak Senior Nutrition	31	34	32	30	27	30.8	\$23,000
Next Door Solutions	29	25	36	34	28	30.4	\$13,000
West Valley Community Services	26	28	35	47	30	33.2	\$21,000

Notes on the data

- Scores and averages are copied exactly from the Town's FY 2024-25 scoring totals. Each average is the mean of the scores given; every one has been checked.
- Readers are shown as R1 to R5 in the column order of the Town's sheet. Their names appear on the sheet.
- Awards are from the FY 2024-25 columns of Attachment 1 to the August 19, 2025 Council agenda report, Item 13.
- Three one-time awards that year went to organizations that do not appear on this sheet: Los Gatos Education Foundation, \$10,000; West Valley Community Services, \$10,000; and Live Oak Senior Nutrition, \$25,000, which the Town's footnote describes as Council-earmarked and not competed.
- Of the 32 competitive applications, 19 were funded. The highest average, 34.2, received no award.

APPENDIX C

FY 2026-27 Community Grant Rules and Eligibility

The Town's rules, eligibility requirements, application questions and scoring rubric for the 2026-27 competitive grant cycle, attached exactly as issued. Deadline for applications: July 10, 2026. The rubric is on the three landscape pages at the end.

Where the presentation relies on it

Eligibility requirements

In-Town use of funds, one grant every two years, registered nonprofit current with the Registry or stated exempt. Stated, but self-certified (Problem 3).

"The decisions of the grant readers are final"

The rules name the readers as the decision-makers (Problem 1).

Requests up to \$20,000; partial funding above \$10,000

Explains the three awards above \$10,000 and the partial award in 2026-27 (slide 5).

Twenty-one application questions

Name, address and tax ID; nothing on governance, conflicts or size (Problem 3).

Scoring rubric

Eight criteria of 5 points plus 2 bonus points, 42 in all. "Direct Benefit" is enforced by averaged score (Problems 1 and 3). Council priorities earn bonus points only (Problem 4).

2026-27 Town of Los Gatos Community Grant Rules for Non-profit Organizations

General Information

- Deadline for submission: Friday, July 10, 2026, at 11:59 p.m. Applications received after this date and time will not be considered.
- Community Grants are one-time grants for a project, program, service, or event. One-time Community Grants are highly competitive. The decisions of the grant readers are final. No organization is guaranteed funding. We recommend you review the scoring rubric found at the end of this document prior to beginning your application to assist you in crafting a strong application.
- You must complete your application in one sitting. There is no option to save an unfinished application to complete later. We recommend reviewing the list of questions at the end of this document, writing your responses beforehand, and copy/pasting into the application fields when you are ready to submit.
- The Community Grants funding pool is limited, and awards are made with the goal of maximizing overall community impact by supporting multiple applicants. Applicants may request up to \$20,000; however, requests over \$10,000 must score with competitively high rankings and may be awarded only partial funding depending on the number of qualified applications and the amount of funding remaining. Applicants are encouraged to request only the amount necessary to carry out their proposed project, event, or service. In recent years, most awarded grants ranged from \$4,000 to \$12,000.

Eligibility Requirements

- Organizations are not required to be headquartered or physically located in the Town of Los Gatos to be eligible for funding. However, all grant funds awarded through the Town of Los Gatos Community Grants program must be used exclusively to support events, projects, programs, initiatives, or services that take place within the incorporated boundaries of the Town of Los Gatos. Organizations operating regional services, programs, or initiatives must clearly demonstrate that Town of Los Gatos grant funds will be used exclusively for the Los Gatos portion of the work and not be used to supplement the cost of activities or services provided to areas outside the incorporated boundaries of the Town of Los Gatos.

- Organizations are only eligible to receive a Town of Los Gatos One-time Community Grant once every two years. Only organizations that did *not* receive a Town of Los Gatos Community Grant in last year's grant cycle are eligible to apply this year. If you received a Town of Los Gatos Community Grant in last year's grant cycle (Fiscal Year July 2025 through June 2026) you are NOT eligible to apply this year, however, you will be eligible to apply again in next year's grant cycle.
- Your organization must be a registered non-profit organization at the time of application to be eligible. Your organization must be current (or stated exempt) in its filings with the California Office of the Attorney General's Registry of Charitable Trusts.

General Rules

- If your organization is selected to receive a Community Grant, your organization will be required to obtain/renew a Town of Los Gatos Business License prior to distribution of grant funds.
- Grants cannot be used to fund scholarships for activities or institutions outside of the incorporated boundaries of Los Gatos.
- Record-keeping requirements of grant recipients include copies of all invoices, receipts, and expenditures of grant funds with supporting documentation showing that the expenditures were used directly for the grant project as proposed and conforming with all other rules of the grant.
- In the case of grant funds used for staff costs for the project, payroll records must be submitted showing the payment of funds to the assigned staff persons clearly coded with the time spent working on the grant project at an hourly rate not exceeding the staff person's regular hourly pay rate.
- Records of grant expenditure must be included with your organization's final report and additionally must be kept by your organization for five years if needed for further Town review or audit.
- Grant funds may not be used for indirect expenses incurred by your organization.

- Grant funds may not be used for general operational purposes of your organization.
- Grant funds may not be used for lobbying or for endorsing political candidates or parties.
- Grant funds may not be used for purchases of alcohol.
- Equipment and supplies purchased must be used for the project in the manner described in the grant application, with no cross-purpose for general operational use by your organization.
- Grant funds must be spent by June 30, 2027 regardless of the date of receipt of the grant funds. Grant funds awarded that remain unspent by June 30, 2027, must be returned to the Town. Grant funds may be used for reimbursing project expenditure prior to receipt of grant funds so long as the expenditure takes place after July 1, 2026 and the expenditure fits directly within your project as described in your application.
- Grant funds spent by the organization that are found to be either outside the scope of the proposal in the application or not in compliance with the rules stated here, must be returned to the Town.
- All applications are judged based on a standardized rubric, rated by a panel of selected Town Commissioners. The scoring produced and decisions for awards are final.
- Limit one application per organization.
- Grantees are required to submit a final report consisting of a narrative section, expenditure details, and a 90 second video presentation by July 31, 2027.

The following questions will be found in the application:

1. Do you acknowledge and affirm that, if awarded grant funding from the Town of Los Gatos, those grant funds will be used only to support the portion of your service, event, project, or program that takes place within the incorporated boundaries of the Town of Los Gatos?
2. Do you affirm that your organization did NOT receive a Town of Los Gatos Community Grant during last year's grant cycle (Fiscal Year July 2025 through June 2026)
- 3.Name of Organization
- 4.Address of Organization
- 5.Name of Coordinator for this Application/Project
- 6.Contact Phone Number for Project Coordinator
- 7.Contact Email for Project Coordinator
- 8.Name of Organization's Executive Director/President
- 9.Contact Email for Organization's Executive Director/President
- 10.Organization's EIN
- 11.Title of Project/Proposal
- 12.Amount of funding requested (refer to the rules listed above)
- 13.Provide a concise one sentence overview of your project/proposal (maximum 120 characters).
14. Briefly describe how this project fits within the goals and mission of your organization.
- 15.Fully describe your proposed project, what you intend to deliver, and how you plan to accomplish it.
- 16.Please describe how the program need was identified, the target audience, the number of people that will participate, and the direct benefit to the Los Gatos community.
- 17.Please describe your project timeline.
- 18.Please give a breakdown of your project budget. If additional funding is needed to cover the full cost of the project, please briefly identify what sources of funding will be covering those additional costs.
- 19.How will you evaluate the success of the project?

20. Please articulate how your proposal and/or the mission of your organization aligns with the Town of Los Gatos commitment to Equity, Diversity, and Inclusion.

21. Optional - Please select if one of the following Council Priorities is supported by this project:

- Emergency Preparedness
- Preserve charm and/or provide housing opportunities
- Transportation safety, including for bicyclists and pedestrians
- Conserve the natural environment
- Foster vitality of local businesses
- Enhance a welcoming, family-oriented, safe, and/or inclusive community
- Meet the needs of unhoused residents
- Meet the needs of older adults
- Other

COMMUNITY GRANT SCORING RUBRIC FY2026-2027

Applications are ranked on total points. A score of 0 points in any category is not disqualifying, *except* for the single category of “Direct Benefit to Los Gatos Community” in which a minimum category score of 3 points (averaged from all grant readers) is necessary to prevent disqualification of the application.

Criteria	5 points Exemplary	3-4 points Good	1-2 points Passable	0 points Evidence not demonstrated
Project overview	Proposal clearly explains the project and the scope, steps, methods and intended results with logical and systematic detail.	Proposal adequately explains the scope, steps, methods and intended results of the project in general terms.	Proposal explains the general scope and intended results but lacks detail of the project steps and methods.	Proposal lacks sufficient detail to convey the scope or intended results of the project.
Advancing new ideas or surmounting new challenges	The project clearly represents the implementation of a new insight or idea that has not been piloted previously, or surmounts a new challenge that has been identified in the community.	The project clearly represents the implementation of an emerging innovation or trend that has been piloted in other communities but will be new to the Los Gatos community.	The project clearly represents the adoption of a change, addition, or variation to an already established program for the Los Gatos community.	The project continues an already established program or service verbatim, or the proposal lacks information or evidence to suggest that it is a new project or service.
Community Impact	Target audience/population clearly and specifically defined. Strong presentation of the meaningful positive impact to the target audience/population provided with specific local evidence or data to support the need for the project.	Target audience/population reasonably well defined. Sufficient presentation of meaningful positive impact to the target audience/population provided with general evidence or data to support the need for the project.	Target audience/population very broadly defined. Presentation of positive impact based on realistic assumptions despite gaps in evidence.	Target audience/population not sufficiently defined or too broadly defined. Proposal lacks demonstration of meaningful impact to target audience/population.

Direct Benefit to Los Gatos (Please see rules regarding proposal eligibility to avoid disqualification of application)	Proposal is highly local within the incorporated Los Gatos Community (whether or not the organization is based in Los Gatos).	Project is regional but specifically is targeting expansion into the incorporated Los Gatos Community, shows direct benefit to the Los Gatos Community, and clearly demonstrates that grant funding will only support the portion of the project within incorporated Los Gatos.	Project is regional and gives evidence for how the incorporated Los Gatos Community will directly benefit but lacks clear demonstration of how grant funds will be used exclusively for the portion of the project within incorporated Los Gatos. APPLICATION DISQUALIFIED	Project is regional with a wide regional target audience indicating only an indirect benefit for the Los Gatos Community. APPLICATION DISQUALIFIED
Budget Analysis	Strongly detailed and realistic budget with sound use of funds. Any funding necessary above the limit of the grant is both accounted for and secured through commitments from other means.	Realistic budget with general detail to show responsible use of funds. Any funding necessary above the limit of the grant is accounted for with reasonable certainty or commitment.	Budget generally appears to support the project activities as described although there are gaps in detail. Applicant has realistic opportunity to secure necessary funding above the limit of the grant even if commitment from those sources is not certain.	Described proposal is not supported by the budget or no reliable source of funding is presented to provide any necessary funding beyond the limit of the grant.
Feasibility (continues next page)	Applicant demonstrates it has superior experience or knowledge in the field as it relates to completing the project. Project, personnel, available resources, and timeline are realistic and congruent with project descriptions and outcomes.	Applicant demonstrates it has adequate experience or knowledge in the field as it relates to completing the project or expertise in a related field that would transfer to the project. Deficiencies or overestimations may exist in project, personnel, available resources or timeline within	Applicant has gaps in experience or knowledge as it relates to the proposal but demonstrates that it can reasonably bridge gaps to successfully accomplish the project. Project, personnel, timeline or resources as described expose weaknesses in the proposal that will leave gaps.	Applicant does not demonstrate the experience or knowledge to complete the project. Insufficient information about personnel, resources, project or timeline to gauge feasibility.

	High likelihood of project being achievable based on information presented.	tolerable range. Outcome appears achievable despite some gaps or leaps.	Project outcome's ability to be achieved is questionable at the level proposed, but likely will be achievable at a smaller level.		Item 1.
Assessment/Evaluation	Clear definition of success of program. Clear picture of how data will be collected to demonstrate degree to which outcomes are met.	Good understanding of anticipated specific results of success, but plan lacks details about data or methods.	Success difficult to ascertain, flawed by untestable outcomes, inappropriate methods, or lack of useful data collection.	Evaluation plans missing or unusable.	
Commitment to Diversity, Equity, and Inclusion	Diversity, Equity, and Inclusion efforts are strongly demonstrated and articulated both at the organizational level and within the scope of the proposal.	Diversity, Equity, and Inclusion efforts are strongly demonstrated and articulated at an organizational level, although not necessarily within the scope of the proposed project.	Diversity, Equity, and Inclusion impacts or commitments are expressed in highly general terms.	The proposal does not address a commitment to Diversity, Equity, and Inclusion at either a project level or an organizational level.	

Bonus points for alignment with Council priorities:

2 bonus points may be awarded for proposed projects that specifically meet one of the criteria listed as one of the Council Strategic Priorities 2025-27.

These include:

- Emergency Preparedness
- Preserve charm and/or provide housing opportunities
- Transportation safety, including for bicyclists and pedestrians
- Conserve the natural environment
- Foster vitality of local businesses
- Enhance a welcoming, family-oriented, safe, and/or inclusive community
- Meet the needs of unhoused residents
- Meet the needs of older adults

Other (refer to <https://www.losgatosca.gov/2851/Strategic-Priorities>)

The Rental Assistance Program

One program, one set of rules, one place to go

Prepared by Phil Koen, Member of the Finance Commission. The Commission has adopted no position on this material, and nothing in it represents a finding or view of the Commission or of the Town. No organization or individual is accused of wrongdoing; where a public statement is answered, it is the position that is answered and not the person.

Why this review. The disbursement of public money has raised questions that remain unanswered — who qualifies, how much they receive, on what evidence, and how often. They are the Town Council's to answer. What follows identifies them, and recommends a written program definition that would materially improve how the money is used.

THE GOAL THE TOWN SHOULD ADOPT

Stop evictions before they happen — a strict one-time emergency payment for past due rent, an emergency rental deposit on a new unit, or utility bills.

Past due rent

Emergency deposit on a new unit

Utility bills

THE RULE THAT MAKES IT ONE PROGRAM

One payment. To the landlord — or the utility. Never to the tenant. Once in any twelve months.

What is under review — how the Town's money is administered

Four things govern how public money reaches a household: the definition of the program, the documentation an applicant must produce, the criteria for approval, and whether a refusal is recorded. The Town has defined none of them.

UNDER REVIEW — THE ADMINISTRATION OF TOWN MONEY

- The definition — who qualifies, for how much, and how often. No adopted document states any of it.
- The documentation — what an applicant must produce to be considered. The Town has never named a single document, and publishes no list.
- The criteria for approval — the test a request is measured against, and who applies it. Neither is stated in any instrument the Town holds.
- And no provider reports a refusal — a household turned away leaves no trace with the Town, so consistency cannot be tested.
- None of the four has ever been defined, so none can be consistently applied or verified. Every gap is the Town's, not a grantee's.

NOT UNDER REVIEW

- No organization's fitness to hold Town money is judged here. The subject is the Town's rules.
- No organization's conduct or competence is examined, and no misuse of funds has been found.
- No provider is recommended or removed, and nothing reduces Town spending.
- Only Town money carries the Town's rules, so the question is how the Town administers it.

This is Phase 2 of the Finance Commission's Community Grant Review; Phase 1 covered the whole Community Grant Program and every grant type, and the definition and reporting terms proposed here are drafted to apply program-wide — 99 grants to roughly 50 organizations over the past five years.

AND WHAT IS NOT IN DISPUTE

Real households facing eviction have been helped, and the people who helped them are unpaid volunteers. Nothing here disputes that. The questions above are about what the Town wrote down — and written rules are not a barrier to the resident who has not called yet. Their absence is.

BEFORE ANYTHING ELSE

DRAFT — FOR DISCUSSION

Every decision chose who delivers it — none defined the program

One contract provider was in place from the start. At each step since, the Council chose who would deliver rental assistance — and never said what the program is.

September 3, 2019 agenda report, Item 9, p. 3; AGR 20-138 (October 6, 2020) and AGR 25-126 (June 25, 2025), §§ 1.1, 2.2, 2.6, 2.11 and Exhibit A; FY 2023-24 grant agreement and proposal; June 4, 2024 resolution, Item 18, Exhibit A; June 18, 2024 minutes, Item 21; April 22, 2025 agenda report, Item 3, and minutes; August 19, 2025, Item 13 staff report, Attachment 1, desk item and minutes; August 4, 2026, Item 18.

WHEN	WHAT WAS ON THE TABLE	WHO WAS CHOSEN, AND ON WHAT FOOTING	WHAT WAS DEFINED ABOUT THE PROGRAM
2019 to 2020, renewed June 2025	2019: staff raise contracting for long-established services. 2020: a five-year services contract, \$15,000 a year — renewed June 25, 2025 to June 30, 2030	Services contract. One provider, signed by the Town Manager and paid from the Community Development budget, outside the grant process	Defined by contract: one-time aid to prevent eviction, re-house, or avoid a shut-off; low-income Los Gatos households; 12 a year; a conflict clause
September 2023	A competitive one-time grant, \$12,000, in a category for one-time projects only	Competitive one-time grant. A second provider — a new organization's project	Nothing. The applicant's proposal set the terms: low income, with no measure of it; \$300 to \$500, paid to the applicant
June 2024	June 4: \$25,000 "for additional one-time rental assistance grants." June 18: compete it, \$10,000 cap	One-time grants, not competed. Amended to up to three, divided equally — two took \$12,500 each	Nothing. The same motion gave nutrition to a single organization — one service consolidated, the other split, with no reason recorded
April 22, 2025	Staff: one sustaining provider, as more efficient	No direction recorded	Nothing
August 19, 2025	The sustaining list staff carried forward: all \$20,000 to the contract provider — one provider for the whole service	Sustaining grants. A Council member's desk item: \$10,000 each to last year's two grantees, as the listed provider had not applied for those grants. Adopted as \$20,000 to the two, for staff to "fairly appropriate"	Nothing. Three organizations now deliver it — one by contract, two by sustaining grant — where two years earlier there was one, weeks after the contract was renewed to 2030. No reason recorded.
August 4, 2026	A \$20,000 supplemental for sustaining recipients	Sustaining grant. \$5,000 more to one of the two	Nothing adopted. Storage and hotels not funded

DEFINE THE PROGRAM FIRST — THEN CHOOSE WHO DELIVERS IT

The only document that defines the program is the contract. Staff have twice proposed one provider; every Council choice since has been about who receives the money, never what the program is. Define it first — then choose who delivers it, on capability, with the reporting in hand.

WHERE THIS STARTS

So three organizations defined it themselves

With no Town definition, each provider applied its own — different criteria, different applications, different decision makers. Two of the three are funded through the community grant program, as sustaining grants, whose recipients are invited to apply and resubmit every two years; the third works under a services contract.

Practices from the three providers' FY 2025-26 reports and the proposals incorporated into their executed agreements, and AGR 25-126, Exhibit A, Scope of Services dated May 28, 2025, which states no percentage-of-poverty threshold; a grant report states 275%. One provider's written process was furnished August 18, 2026. No instrument the Town holds makes a three-day notice a condition of funding; the statement that one provider will not act before a notice is served was made in verbal communications. The \$20,000 grant was divided \$10,000 each; household counts are the grantees' own unverified figures, and staff indicate the two passed-through disbursements may have supported five or six households rather than two. The contract's twelve-household goal has never been reported against.

	One provider	The second provider	The third — the services contract
Eligibility criteria	Its own proposal governs; no income test	Low-income, case by case under its own proposal	Low- and extremely low-income Los Gatos families; no percentage stated
Three-day notice required to fund?	Not stated as a condition — the notice is asked for "where one applies"	Not required — stated triggers include a notice, lost income, a rent increase or an extraordinary expense	Not stated in the contract — but described publicly, by a board member of that provider, as typically not funding without an eviction notice
The application	Ten documents, eight unconditional, plus fourteen items on the call	Identification, a lease and documents corroborating the situation, case by case	A formal assessment of low-income status
Who decides	Four team members must approve	The provider, case by case	The agency, on a case-management cycle
Who is paid	The landlord only, always	The applicant, or the landlord when arrears are deep	Not stated in the contract
Repeat help	Its own records and every conference in its diocese	Nothing outside itself	One-time, per the scope of services
Town money allocated, FY 2025-26	\$10,000 — transferred to it under the \$20,000 grant	\$10,000 — its own share of the same grant	\$15,000 — the annual services contract
Los Gatos households served, FY 2025-26	2 reported	6 reported	None reported — 12 a year committed

NEVER DEFINED, NEVER STANDARDIZED, NEVER VERIFIED

Three eligibility standards, three applications, three decision makers and three payment rules — for eight households reported in FY 2025-26. No adopted document defines the program, and none answers the question that decides urgency: whether a three-day notice is required before Town money moves.

What a resident cannot find out before asking

The program has no page of its own on the Town's website. A search for rental assistance returns 3,988 results and reaches none of it.

Town of Los Gatos site search for 'rental assistance,' August 25, 2026. Local Services and Resources (losgatosca.gov/3041), last updated December 17, 2025. Housing Resources Guide, prepared by the Town's Community Development Department, last updated 2026, checked section by section. Intake, document and payment practices from the three providers' FY 2025-26 reports and executed agreements. Each answer below is a defensible choice by the organization that made it. None of them is a choice the Town made.

What documents are needed	Ten items from one provider. Case by case from another. A formal assessment from the third. No Town list.
What the Town publishes	A resources list naming two organizations, and a \$500 maximum — the provider raised its own figure to \$2,000 for FY 2025-26. No eligibility, no documents, no application.
What the Town's housing guide says	Nothing. The Housing Resources Guide, last updated 2026, names two of the three funded providers without connecting either to rental assistance, and does not list the third.
Which door to knock on	Three intake paths, and no published list. The Town's contract provider is also an intake partner in a county-wide prevention system reached on one number and one website — which no Town page names.
How much help is available	No published maximum.
Who receives the money	Landlord only, always. Or the applicant by cheque or transfer. Or unstated — the third's contract does not say.
How long a decision takes	A two-day callback. Or one to two days of review. Or a case-management cycle.
Whether help can come twice	One checks its own records and its whole diocese. One checks nothing. No one checks all three.

THE FINDING

No document the Town ever issued told a resident what the program was.

THE PROBLEM

What one applicant must produce

One of the three providers has written its process down and given it to the Commission. It is a serious process, and nothing below is a criticism of it. The finding is that the Town never asked for it, never published it, and never asked anyone else to match it.

DOCUMENTS THE APPLICANT MUST PROVIDE

- California driver's license
- Last earnings statement
- Two recent bank statements
- Copies of any benefits received — SSI, EBT or General Assistance
- A signed consent form
- A completed budget form
- Full landlord details — name, email, phone, and where rent is paid
- First and signing pages of the lease
- A three-day notice, where one applies
- A Section 8 award letter, where one applies
- Failure to provide any of these results in no assistance given.

AND BEFORE THAT, ON THE CALL

- Two members must be on every call, returned within two days
- Name, ZIP code, and how they were referred
- Whether other agencies were contacted, and the outcome — callers are sent to the agency matching their ZIP first
- Whether assistance came from this conference in twelve months, or from any conference in the diocese
- Date of birth, address, phone, email, state ID and expiry, employment
- Household size and the ages of everyone in it
- Reason for the request, friends or family who could help, and future plans
- Fourteen items, written into a report. Payment goes to the landlord, on the approval of four team members.

The provider's own written description of its rental assistance process, furnished to the Commission on August 18, 2026, following a meeting on August 12.

WHY THIS IS THE SHARPEST DISPARITY IN THE PROGRAM

Different payment levels and different triggers have arguments behind them, and providers have made those arguments. A different document burden under the same Town money has none that anyone has offered — the Town requires not one of the items above, of this provider or any other, and publishes no list for residents. A household that cannot assemble ten items is refused at one door and approved at another, and because no provider reports denials or referrals out, neither outcome reaches the Town.

What the Town spent, and what it bought

Across seven fiscal years — FY 2020-21 through FY 2026-27 — the Town has committed \$187,000 to rental assistance. Grants are shown as awarded; every household figure is the grantee's own reported number, and the Town has reconciled none of them.

\$187,000 is the CEAP services contract at \$15,000 a year for seven years (\$105,000) (AGR 20-138 \$2.6; AGR 25-126 \$2.6 from FY 2025-26) plus \$82,000 in rental assistance grants; the CARE grant is excluded because its reports show it funded salary. Per-household figures are assistance actually delivered: FY 2023-24, \$11,922.38 across 23 households; FY 2024-25, \$19,876 across 16, being the \$25,000 awarded less \$4,613.03 returned and non-assistance expenses; FY 2025-26, \$20,000 across 8. No rental assistance grant existed before FY 2023-24, and no output reporting exists for the contract in any year. FY 2026-27 is the adopted allocation, not yet reported against. Program scoring: West Valley Feasibility Study, April 7, 2026, Item 15, Table 2.

Fiscal year	CEAP contract	Grants awarded	Households reported	Per household, grant side — assistance delivered
FY 2020-21	\$15,000	none	not reported	—
FY 2021-22	\$15,000	none	not reported	—
FY 2022-23	\$15,000	none	not reported	—
FY 2023-24	\$15,000	\$12,000 (\$11,922 delivered)	23	\$518
FY 2024-25	\$15,000	\$25,000 (\$4,613 returned unspent)	16 (8 each)	\$1,242
FY 2025-26	\$15,000	\$20,000	8	\$2,500
FY 2026-27	\$15,000	\$25,000	not yet reported	—
Change, FY 2023-24 to FY 2025-26	no change	+\$8,000	down two-thirds	up nearly fivefold

THE TWO MOVEMENTS — AND NOTHING TO MEASURE EITHER AGAINST

Households served fell by two-thirds while the amount per household rose nearly fivefold, in three years. No Town rule produced either movement, and no Town document explains why it happened. Nor has the Town ever measured the need: it holds no estimate of how many Los Gatos households face eviction in a year, so it cannot say whether eight households is most of the need or a fraction of it. The Town's own regional study scores rental assistance the only one of twenty-four programs highest on both impact and feasibility, and its first recommendation is a plan with clear goals and measurable outcomes.

What was promised, and what the money paid for

Every proposal was incorporated into its agreement by reference, so each number below sits inside a Town contract — and every one of them is written as an estimate.

PROMISED, AND REPORTED

- FY 2023-24: the proposal committed 24 to 40 households at \$300 to \$500 each. Twenty-three were reported, averaging \$518
- Its own published report for that year shows 68 served across eight Bay Area cities — 30 in San Jose, 23 in Los Gatos — Town money directed to Town residents by the grantee's choice, not by any instrument
- FY 2024-25: the proposal stated that at \$12,500 it intended to reach 22 households. Each of the two grantees reported eight — and one delivered \$7,376, returning \$4,613 unspent
- FY 2025-26: the proposal set 10 households as a conservative estimate and up to 20, across both organizations. Eight were reported
- No figure in any proposal binds the grantee, and no result was ever measured against one.

THE TOWN NEVER SAID WHAT CARE BUYS

- The Town has awarded a CARE sustaining grant every year since at least FY 2021-22 and never stated whether it funds rental assistance
- Both final reports and the grantee's own ledger answer that: FY 2024-25 shows Direct Assistance at \$0.00 against \$17,668.61 of coordinator salary and \$2,605.37 of benefits
- So the program is \$35,000, not \$55,000.

THE CONTRACT SITS ELSEWHERE

- Only the services contract promised a number — ten households a year from July 1, 2020, and twelve a year, three a quarter, under the 2025 renewal
- It is administered separately from the community grant program, so its output reporting was never part of the grant file this review was given
- It already covers deposit assistance to house unhoused persons — the same cost the Council was asked to fund again on August 4
- Neither the August 2025 motion nor the August 4 staff report mentions the contract at all

Proposals attached as Exhibit A to the executed FY 2023-24, FY 2024-25 and FY 2025-26 grant agreements. CARE figures from the FY 2024-25 final report and the grantee's own ledger. Deposit assistance to house unhoused persons is in the Scope of Services at Exhibit A to AGR 25-126, which the August 2025 minutes and the August 4, 2026 staff report do not mention. City counts: the grantee's 2023-2024 Rental Assistance Program Report, page 3.

THE COMMON THREAD

Neither grant committed to any number at all. The one instrument that names an output is the contract, and its reporting has never reached the grant file.

DRAFT — FOR DISCUSSION

What proves the service was delivered

Until June 2026 no grantee was asked for financial support — a narrative form and a video were the whole requirement. The first back-up produced shows money leaving an account. It does not show that a household qualified, owed rent, or kept its home.

One grantee's Audit Documentation for FY 2023-24 (28 pp., 25 payments to 22 recipients) and FY 2024-25 (24 pp., 9 payments to 8 recipients), produced for the July 31, 2026 deadline; the executed agreements and proposals incorporated as Exhibit A; the grantee's final reports and published process description. The second FY 2024-25 grantee's back-up remains outstanding.

52 pages of back-up produced

34 payments, shown only as checks or statement lines

0 applications or eligibility determinations

0 leases, landlords or arrears balances

WHAT A PAYMENT MUST SHOW	WHAT WAS PRODUCED	WHAT A CASE FILE WOULD SHOW
The household qualified	No application, income check or eligibility determination	The application, the documents verified, and the eligibility determination — with who made it
It lived in incorporated Los Gatos	"A street accessible from" a named road, in place of an address	A verified address inside incorporated Los Gatos, as the Council required on August 19, 2025
Rent was owed	No lease, no landlord, no arrears balance — so a \$1,676 payment cannot be tested against anything	The lease or other evidence of tenancy, and the arrears the payment was calculated against
The payment was authorized	Nothing. The review by three members and the vote before payment, as described to the Town, left no record	The review and the vote authorizing payment, dated and signed
The money reached housing	Cancelled checks and bank statement segments: proof a payment left, not where it went	The payee — landlord or utility — and confirmation the funds were applied to rent
Town dollars paid for it	One general account, other activity blacked out, no ledger. Two payments reported as split between sources, with no allocation record	Full monthly statements with running balances, and a ledger assigning each payment to Town funds

THE CASE FILE IS THE EVIDENCE

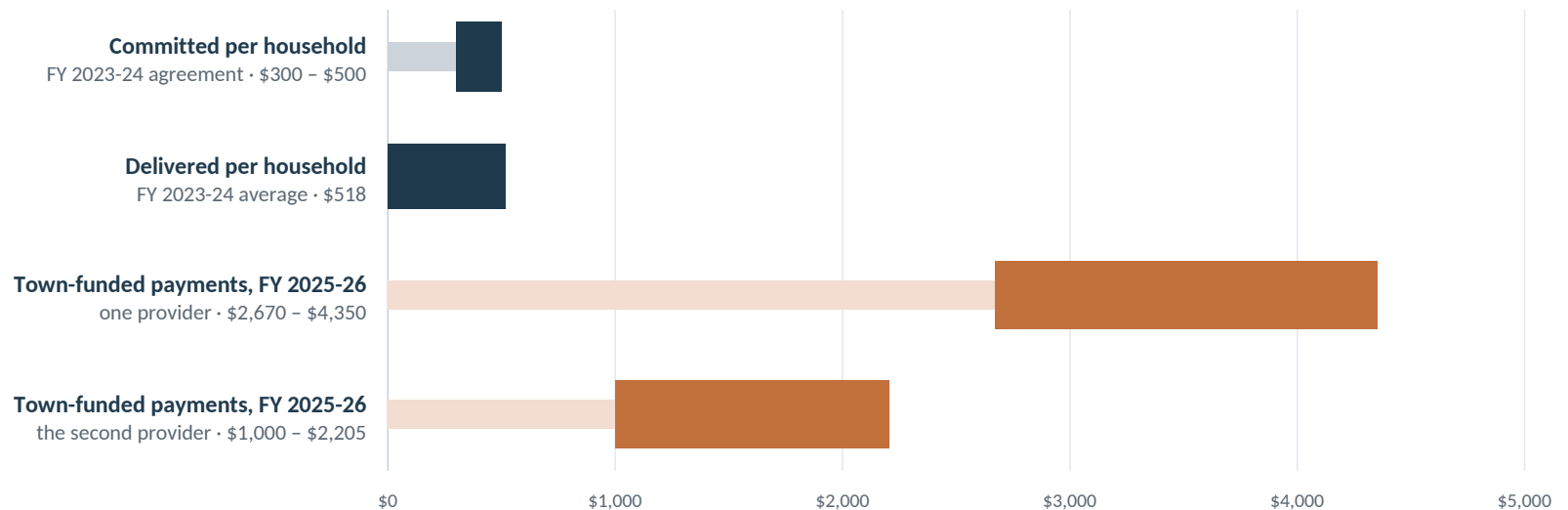
The process described to the Town — intake, documents, review, a vote — generates a file for every payment. None was produced. At about eight payments a year per provider, keeping one is not a heavy request. The files stay with the provider, open only to authorized Town reviewers; reports to the Town remain aggregate, with no applicant names. One standard, for every provider.

DRAFT — FOR DISCUSSION

The program changed shape, and no Town rule moved it

Every figure below is Town money, in a filed report or an incorporated proposal the Town holds. Dark bars are what the Town bought in FY 2023-24; amber bars are what its money paid two years later.

Exhibit A to the FY 2023-24 agreement (24 to 40 households at \$300 to \$500); FY 2023-24 final report (\$11,922.38 across 23 households, average \$518); FY 2025-26 final report and its financial appendix, including the grantee's statements on arrears and the \$500 payment. Read with care: staff indicate two FY 2025-26 disbursements may have supported five or six households rather than two, in which case the certified report understates the count rather than the amount.



WHAT CHANGED, AND WHO CHANGED IT

Nearly five times the average payment, to a third of the households. The provider's reason is on the record and it is a serious one: a \$500 payment does not clear arrears that typically run \$1,500 to \$2,500, so it does not stop the eviction. It may well be right. It was never put to the Council, and no Town document adopted it — the Town left the decision unmade.

The program the Town should define

The Town writes the rules, so every line below is a choice, not a constraint — and it has been solved nearby already.

WHAT IT IS

- A stated need — how many households the Town expects to need help in a year, and how many it intends to reach
- One emergency payment that stops an eviction before it happens
- A stated trigger, set by the Council — risk of losing housing within about fourteen days, with or without an eviction notice
- One income test — at or below 80% of area median income, by household size
- Past due rent, a deposit on a new unit, or utility bills — paid to the landlord or utility, never the tenant
- Once in any twelve months, up to a published maximum set by the Council
- Verified residency in incorporated Los Gatos
- One documentation standard for every applicant
- Referrals from any source; checked across providers

WHAT IT ISN'T

- An ongoing or recurring subsidy
- A second payment to the same household in a year
- A program that starts only once an eviction notice is served — three court days is too little time for any application to be assembled and decided
- Storage, hotels, application fees or other post-loss costs — the Council declined to add them on August 4, 2026
- Cash to the tenant
- Applicant names in any report to the Town
- Assistance to residents of other jurisdictions — the Council required on August 19, 2025 that 100% of a funded service be delivered within incorporated Los Gatos; no instrument implements it, and one incorporated proposal budgets the money for county residents
- General operating support for an organization
- A program whose scope is set by whoever delivers it

MODELS ALREADY IN USE HERE

- The county system publishes what the Town does not: eligibility, an income table by household size, a document list, one number countywide
- Its trigger is risk within about fourteen days — a notice, or simply being unable to pay upcoming rent
- Documents stated in advance and flexible: IDs, a lease, two months of income, recent bills
- Any partner agency can refer a household to free legal help
- More than twenty partners, including the Town's contract provider and Sunnyvale Community Services
- Sunnyvale runs one named program for rent, deposits and utilities — one office, one caseworker, published hours

Sunnyvale Community Services program materials. The county-wide scope is stated in the grantee proposal attached as Exhibit A to the FY 2025-26 grant agreement. The contracting alternative: September 3, 2019 agenda report, Item 9, page 3. The 100% within-Los Gatos requirement: August 19, 2025 minutes, Item 13, adopted four to one. The August 4, 2026 request to extend the program to storage unit rent, deposits, application fees and hotel stays was not funded — Item 18. County system: Santa Clara County Homelessness Prevention System flyer, updated May 8, 2026.

AND THE DEFINITION COMES FIRST

A twelve-month lookback is already the practice at one provider, and no Town document requires it of anyone. Every line above can be adopted without deciding who delivers the program — the definition comes first, and the delivery decision follows once the reporting to judge it exists.

THE DESIGN

DRAFT — FOR DISCUSSION

The motion — define the program now, hold delivery open

One program, defined in writing, at the same cost the Town pays today. Who delivers it waits for the reporting needed to judge it.

MOVED, THAT THE FINANCE COMMISSION RECOMMEND —

- 1 **Define the program.** The Council adopts a written definition — one emergency payment that stops an eviction before it happens, on seven rules:

1 Trigger — risk of losing housing within about fourteen days, with or without an eviction notice	2 Income — at or below 80% of area median income, by household size, on the county's published HUD limits
3 Uses — past due rent, a deposit on a new unit, or utility bills — not storage, hotels, fees or ongoing rent	4 Payee — the landlord or utility — never the tenant
5 Frequency — once in any twelve months, with a documented exception path	6 Residency — verified, in incorporated Los Gatos
7 Maximum — \$1,750 per household, set by the Council and published before anyone calls	= At today's cost — \$35,000 — \$15,000 contract plus \$20,000 grants — across 20 households (8 reported, 12 under contract); FY 2026-27 adds \$5,000
- 2 **Set the agreement terms.** Every agreement, grant or contract, requires current registration with the Attorney General's Registry; a conflict-of-interest and relationship-disclosure clause; a board roster naming independent directors; a written case-file standard, with files kept by the provider and open only to authorized Town reviewers; aggregate-only reports with no applicant names; and certification by two people.
- 3 **Apply them now,** before the FY 2026-27 agreements are executed — no funding change.
- 4 **Get the missing information.** Identically from all three providers and staff, in aggregate: eligibility applied, documents required, denials, payments by household, repeat-help checks, and staff's estimate of need.

HELD OPEN — NO RECOMMENDATION

Who delivers it — one provider or three, and which.
Grant or contract — follows the delivery decision.
One appropriation — and whether CARE belongs in it.
In-house administration — never priced.
The Town's review of 99 grants — not pre-empted.

ONE PROGRAM. ONE SET OF RULES. ONE PLACE TO GO.

Every request is made identically of all three providers and of staff. No organization is prevented from running its own program with private funds.

Disclosure and transparency

Two gaps in how Los Gatos awards community grants — and what Policy 2-04 could require

Phase 3 of the Community Grant Program review

Finance Commission · Mayor and Town Council · Town Manager · Town Attorney

Prepared by a member of the Finance Commission in an individual capacity. States no position of the Commission. A possible motion is set out at the end. Circulated for information only. Please do not reply to me or to one another — comments belong in the public meeting.

“Wherever the people are well informed they can be trusted with their own government.”

Thomas Jefferson to Richard Price, January 8, 1789

Where this starts: the Town's own answer

In July the Town was asked what Policy 2-04 requires when a decision-maker has a connection to an applicant.

The Town's written response:

Policy 2-04 “does not expressly establish a general requirement to disclose a financial conflict, recuse from the decision, and document the conflict in the official record.”

The response came from the Town Manager's office, and it stated that it was not a legal opinion. That is fair, and it does not weaken the point. No legal opinion is needed to say what a written policy does and does not contain — that is a matter of reading it, and anyone can check.

Read plainly, that means this: a Council member may vote public money to an organization they know well — a board they sit on, a friend who runs it, a group that backed their campaign — and no rule of this Town requires them to say one word about it, before the vote or ever.

Said plainly at the start

I may have this wrong. If there are documents I have not found — a policy, a practice, a fuller record of disclosures than the one I located — I would like to see them, and that would be the end of it.

Five situations, tested two ways

Each is tested first against the rules that exist — and then against the real test:

What would a resident need to see in the file to know the award was made fairly?

The situation	Los Gatos today	California law	San Francisco	What the resident needs
A member's partner sits, unpaid, on the applicant's board	Nothing	Nothing. The disclosure form reaches a spouse and dependent children only	Disclosed on the record	Stated before the vote
A member sits on the applicant's board	Nothing. A commissioner would be barred	The interest must be noted; abstention where the member is a paid officer	May not hold the seat at all	Stated — and the member steps aside
A director or officer of the applicant is a close friend	Nothing	Nothing	Disclosed on the record	Stated before the vote
The member volunteers regularly with the applicant	Nothing	Nothing. Volunteering is not an interest the law tracks	Disclosed — regular contact through volunteer activities	Stated before the vote
The member attends the applicant's fundraisers, and it backed his campaign	Nothing	Nothing. No statute reaches regular contact where nothing was paid	Disclosed — regular contact through charitable activities	Stated before the vote

Under the Town's own rules the answer is the same in all five: nothing has to be said and nothing is recorded, because there is no rule to break. In four, one line in the minutes is all the resident needs. Where the member holds a seat on the applicant's board, stepping aside should follow.

Why nothing was required

Four documents could carry the rule — here is what each does. Roughly \$207,500 will be awarded in FY 2026-27 across the sustaining and competitive tracks.

Policy 2-04

Council Code of Conduct

One disclosure duty, and it reaches land use only. Nothing on grants.

Who must disclose: **Land use only**

Policy 2-19

Commission Code of Conduct

Bars a commissioner on a Town-funded nonprofit board from grant selection.

Who must disclose: **Barred**

Grant Rules

Rules and scoring rubric

Twenty-one questions, eight criteria. No conflict-of-interest provision anywhere.

Who must disclose: **Nothing**

Grant Agreement

The contract with the grantee

The FY 2026-27 form adds a clause. The executed agreements before it had none.

Who must disclose: **Grantee only**

None of the four requires anyone to disclose a relationship with an applicant. The one rule that does reach a nonprofit board seat sits in the code governing the unpaid volunteers.

The Town Council repealed the rule it had on this

Repeal was never recommended — both drafts before the Council would have made the provision stronger — and it was never separately moved, discussed, or voted.

What Section VIII.E said

- A Council member could not sit on the board of a nonprofit receiving Town funding or in-kind support,
- unless the role served a legitimate Town purpose and the full Council approved.
- A separate sentence extended the policy to the Town's boards, committees and commissions.

Both were repealed by the Council on August 19, 2025. The change matrix records the line simply as "Removed." A rule for commissioners was adopted the same night — see the next slide.

1

Two drafts, both tightening it

June 17, 2025

Each would have required the role to be uncompensated, required Council approval, required the interest to be noted in the official records, and required the member to step aside. The change matrix called the proposal more restrictive and precise.

2

Removed by consensus

June 17, 2025

The minutes record a consensus to remove it. No motion, no vote. The same evening a separate restriction was suspended by formal motion and roll call — so the record shows what a decision here looks like.

3

Repealed on the consent calendar

August 19, 2025

The Council adopted the revised policy as item 9, in a single motion covering consent items 1 through 10. That adoption repealed the provision. No Council discussion is recorded, and the repeal was never separately flagged or voted.

The same night: kept for one group, dropped for the other

Item 9 removed the provision from the Council's code. Item 10 adopted a Commission code containing it.

Policy 2-19, Section IV.E:

“Commissioners that sit on boards of directors of non-profit organizations which receive funding or in-kind contributions from the Town may not participate in the Community Grant Program selection process.”

	Commissioners — Policy 2-19 Appointed volunteers who recommend	Council members — Policy 2-04 Elected members who appropriate
Nonprofit board seat, and taking part in grant decisions	May not take part in grant selection	No provision
Information from outside the public record	No ex parte contact at all	Disclosed before deliberations — land use only
Conflict of interest training	Planning Commissioners only	Required, covering \$1090, incompatible offices and bias
Disclosing a relationship with an applicant	None	None

Stated fairly: Council members receive more training, commissioners more restraint. The one binding rule on nonprofit boards and grants applies only to the volunteers.

Why “the law already covers this” is not an answer

It is the most likely objection to a Town rule. Policy 2-04’s own text closes that door twice.

1. The policy promises standards above the law

What it says

The Council holds its members “to standards of conduct above and beyond what is required by law,” and says good governance “depends on transparency, accountability, and mutual respect.”

What is actually there

On grant conflicts the policy goes not one inch beyond the law — it contains nothing at all. The law was supposed to be the floor. Here the floor is all there is.

2. The policy promises enforcement

What it says

The same August 2025 revision built a full complaint process — written complaints through the Clerk, review by the Town Attorney and Town Manager, and five sanctions up to censure and loss of the mayoral rotation.

What is actually there

A complaint must cite the provision that was violated. On a grant award there is no provision to cite — so no complaint about an undisclosed relationship can even be filed. The machinery was built in the same revision that removed the standard.

So the objection fails on the policy’s own terms. It exists precisely to require more than the law — its words, not mine — and on the awarding of public money it requires nothing.

Why “the Council didn’t pick the grantees” is not an answer either

The scoring was done by commissioners. That is an argument for the rule, not against it.

The rule reaches the scorers

The motion amends Policy 2-19 as well as 2-04. San Francisco’s regulations cover exactly this structure — a commission votes the grant and another body approves the agreement, and the member is still covered.

Today the commissioners who score have no disclosure duty at all, and outside the Planning Commission receive no conflict-of-interest training.

The Council is never out of the money

The Council created the program, appropriates every dollar in it, and voted the supplemental sustaining awards itself on August 4, 2026.

Public money moves only on decisions Town officials make — some at the scoring table, some at the dais. The duty follows the decision, wherever it sits.

“Changes nothing” cuts the other way

If nothing would ever be disclosed, the rule costs twenty seconds a year — and proves the clean years clean.

The February 2020 recusal shows the relationships are real. A record that usually comes back empty is not window dressing. An empty record is the point of keeping one.

The objection names the very gap it defends: the people who score the applications are the ones no rule asks anything of — and it invites a closer look at the process itself, which is where this goes next.

The scoring card is a tool. The process is what makes it fair.

The Council approved “a standardized fair and competitive process” in February 2020, then approved the rubric that June. That report sets out how awards are actually decided.

Who scores

A committee of members of the Arts and Culture Commission, the Community Health and Senior Services Commission, and one Youth Commission representative.

Not staff. Town officials, sitting on a committee whose composition the Council approved.

How it decides

Each member scores every application individually. Staff averages the individual scores. Grants go to the top scores until the money runs out.

There is no deliberation step anywhere in the process — not in public, and not in private. The outcome is arithmetic.

What the public sees

The rubric is published when applications open. That is the only transparency provision in the report.

The scores are not published — not in the Council materials, not on the Town’s grant pages. No agenda, no minutes, no recorded vote, because the approved process never contemplated a meeting at all.

The Brown Act question this raises

Government Code section 54952(b) makes a committee created by formal action of a legislative body a legislative body itself — advisory or decision-making, permanent or temporary. The exception for bodies below a quorum reaches only committees made up of members of the legislative body itself, which this is not. Whether the February and June 2020 approvals created this committee is a question for the Town Attorney, but it is a question that should be answered.

A scoring card makes a decision consistent. Only a public meeting makes it visible. The Town adopted the tool and left out the process.

The Town already requires this — for land use decisions only

Policy 2-04 does contain a disclosure duty: mandatory, before the vote, on the record. It stops at land use — and yet the same mechanic has already been used on a grant.

Section VIII.C.1, in full:

APPLIES TO LAND USE MATTERS ONLY

“Council Members shall disclose ex parte communication and any information obtained outside of the public record that may influence his/her decision on a matter pending before the Town Council. Council disclosure shall occur before Council deliberations.”

Three things make it work

- Mandatory — “shall,” twice, in a policy written almost entirely in “should.”
- Before the decision, not after the vote.
- On the record — what was learned outside it is put into it.

And it has already happened on a grant

On February 4, 2020 — on the item updating this very grant program — a Council member stated on the record that she was employed by one of the recipients, left the Chambers, and the minutes recorded it. The vote proceeded.

That was a financial interest, which the law already reaches. The mechanic is the same one proposed here.

Land use decisions only — by the policy's own next paragraph

Section VIII.C.2 gives the quasi-judicial decisions the rule is written for: certain land use entitlements, permit appeals, and license revocations. An award of public money is not among them.

So this is not a new kind of rule, and it is not untried here. It is the rule the Town already uses, applied where public money is awarded.

Even where the law allows participation, it requires a record

State law is often read as permitting an unpaid nonprofit board member to take part. The condition attached is less often noticed.

Officer or employee of the organization

A remote interest. Disclosed, noted in the official records, and the member abstains.

Unpaid member or director

A non-interest. The member may take part — but the interest must still be noted in the records.

Does this reach a grant at all?

An FPPC advice letter of July 2026 says Section 1090 applies to grants a council makes to a nonprofit. Written for another city and binding no one here — but the reading is the FPPC's, not mine.

Every route through that statute produces a document. A Town that keeps no record cannot show it met the condition it relies on.

What two other California cities require

Both are ordinary published rules a resident can read. Los Gatos requires none of them of its Council members.

Palo Alto

- Conflict of interest, common law bias, or any other legal prohibition are each named as grounds for stepping aside.
- Stepping aside on a consent item is stated to the Mayor and recorded by the Clerk.
- A member may step aside voluntarily to avoid an appearance of impropriety.

San Francisco

- Any personal, professional, or business relationship with someone who is the subject of a decision must be disclosed on the public record.
- It goes in the minutes, or in a memorandum on file if the decision is not made at a meeting.
- The regulations work a grant example: a commission votes to award a grant to a nonprofit, and another body approves the agreement. The member is still covered.
- A separate rule bars a City officer from a board that contracts with the officer's department.

San Francisco defines the three relationships, so the duty is not left to judgment

Personal

A family member or a personal friend. A mere acquaintance does not count.

Professional

Regular contact in a professional capacity, including volunteer and charitable activities.

Business

Within two years, a client, business partner, colleague, or someone who did business with the official's business.

The rule has published limits. It reaches only relationships arising from private life, not those formed solely through Town duties — an applicant a member knows only from appearing before a Town body is not disclosable — and a mere acquaintance does not count.

Two decisions, and no way to see whether they are connected

An organization supports a candidate. The candidate later votes on that organization's grant. They may be entirely separate decisions — nothing in the record lets anyone tell.

Support of that kind rarely arrives from strangers

It follows years of contact — attending fundraisers, appearing at events, working alongside the same people on the same causes. The public act is the visible part of a relationship that already existed, and that relationship is what shapes how the later vote looks.

That is already a defined relationship

Regular contact through volunteer and charitable activities is the professional relationship San Francisco defines on the previous slide. Attending an organization's events over years is the ordinary case of it, not a stretch.

No dollar figure appears in that definition. Whether anything was spent is beside the point — the trigger is the contact.

The Town already names this concern

Bias is one of the seven subjects Policy 2-04 requires Council members to be trained on. The policy provides no procedure by which bias is disclosed, recorded, or addressed. The training names the problem; nothing follows it.

The point is not that the two decisions were connected. It is that they may be entirely separate and no one can show it. Everyone — the member most of all — is better off if it is on the record.

Setting the ethics bar at the highest level

Policy 2-04's own opening holds Council members “to standards of conduct above and beyond what is required by law.” That sentence sets the ethics bar at the highest level. It has simply not been given effect here.

The floor

Statutes mark the point at which conduct becomes unlawful. That is all they do. They were never written to describe how the people who decide where public money goes ought to behave.

The gap

Everything the Town chooses to require above that floor is ethics. Policy 2-04 exists to occupy that gap. On this question it currently occupies none of it.

The ethics bar

Set at the highest level: high enough that a resident reading the file afterwards could not find even a hint of bias in an award of public money. Not merely lawful — visibly clean.

What the highest ethics bar requires in practice

1

Say it before the vote

A connection to an applicant is stated before the item is decided.

2

Define what counts

Personal, professional and business relationships, and public support given or received.

3

Include family and close relationships

A spouse's, partner's or child's connections so far as known, a close personal friendship, and any other relationship giving an appearance of bias.

4

Write it down

Into the Town's records, with the minutes rule amended to say so — consent items included.

5

Say it out loud when stepping aside

If a member sits an item out, that is stated at the meeting and recorded.

6

Step aside where disclosure is not enough

Required where the member holds a seat on the applicant's board; permitted at any time to avoid an appearance of impropriety.

Numbers 1 and 4 are already the Town's practice on land use; number 5 was done on a grant item in 2020. Disclosure carries almost all of it — and even the one recusal is narrower than the bar commissioners live under, which keeps them out of the selection process entirely.

When the FY 2026-27 grants come to a vote

None of this waits for an amended policy. Nothing in Policy 2-04 prevents a member from stating a relationship on the record, and the Town already does exactly this on land use items.

What a member would say, before the vote

“Before we take this item up I want to note for the record that I have attended this organization's events over several years and know several of its directors. I hold no position with it and no financial interest. I intend to take part in the vote.”

About twenty seconds.

What the Clerk would write

“Prior to consideration of Item __, Council Member __ disclosed a professional relationship with an applicant organization and stated no financial interest. Council Member __ participated in the vote.”

One line.

Nothing to adopt first

No amendment is needed. Nothing in the policy prevents it.

Nothing is delayed

No award held, no payment deferred. Under a minute added.

Almost nobody leaves

The member states it and votes. A seat on the applicant's board is the one exception.

Nothing is found

No conclusion is reached about anyone's conduct.

The amendment would make this consistent and durable. It was never what made it possible. Waiting for a policy is not what stands between the Council and doing this — nothing does.

And it protects the organizations as much as anyone. What puts a grant at risk is an award no one can later show was made cleanly.

What is being asked

The Commission recommends; the Council decides. No finding about any past decision is sought, and none is offered.

A motion, if the Commission is minded to make one

That the Commission recommend the Council:

1. Direct a draft ordinance, back within 90 days, on the model of San Francisco C&GC Code section 3.214 — relationships and public support disclosed before the item and recorded, with the member stepping aside where a board seat is involved.
2. Require scoring in noticed public meetings, with the rubric, the scores and the ranking published.
3. Make the conforming changes to Policy 2-04, Policy 2-19 and the minutes practice, and adopt before July 2027.
4. Apply the same disclosure to any remaining FY 2026-27 grant action in the meantime.

An ordinance, not a policy — a policy can be repealed on a consent calendar with no discussion recorded.

Also asked of the Town

- Where past disclosures and recusals on grant items are recorded.
- Whether the scoring committee is a Brown Act body, and where its records are.
- Where the individual scores are published.
- Whether grant scorers receive conflict-of-interest training.

The full list is in the transmittal.

Nothing waits for any of this. A relationship can be stated and recorded at the next grant vote — a record, not a delay.