

GRANTS COMMITTEE
MINUTES

December 2, 2013

PRESENT: Councillor Russell Walker, Chair
Councillor Barry Dalrymple, Vice Chair
Councillor David Hendsbee
Councillor Matt Whitman
Ms. Kate Watson

REGRETS: Mr. Geoff Baker
Mr. Darren Watts

STAFF: Ms. Peta-Jane Temple, Team Lead, Tax, Grants & Special
Projects, Finance and ICT
Mr. Peter Greechan, Community Developer, Grants &
Contributions, Finance and ICT
Ms. Jennifer Weagle, Legislative Assistant

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1. CALL TO ORDER

The Chair called the meeting to order at 1:05 p.m. in Halifax Hall, City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – November 4, 2013

MOVED by Councillor Whitman, seconded by Councillor Dalrymple, that the Grants Committee minutes of November 4, 2013 be approved as circulated. MOTION PUT AND PASSED.

3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

Additions:

- 7.4 Tax Exemption for Non-Profit Organizations Program

MOVED by Councillor Whitman, seconded by Kate Watson, that the agenda be approved as amended. MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES - None

5. CONSIDERATION OF DEFERRED BUSINESS - None

6. CORRESPONDENCE, PETITIONS & DELEGATIONS - None

7. REPORTS

7.1 Canadian Naval Memorial Trust – Funding Request: Battle of the Atlantic Place

The following information was before the Committee:

- A staff report dated November 25, 2013.
- An email from Hugh Macpherson, dated November 22, 2013, with attached “Battle of the Atlantic Place 2014 Project Operating Budget 15 Nov 2013”.
- An email from Peta-Jane Tempe dated November 22, 2013 with attached “Addendum to Report to Grants Committee” Correction & Added Information.

Ms. Peta-Jane Temple, Team Lead, Tax, Grants & Contributions, reviewed the addendum to the report, which was circulated with a correction to page 3 of the report that the total estimated costs of Phase II of the project are \$293,000. The addendum also includes additional information on the retention of the Economic Planning Group, Toronto, by the Canadian Naval Memorial Trust (assisted by a grant from ACOA), to undertake an economic impact study. The Committee also reviewed an updated “Battle of the Atlantic Place — 2014 Project Operating Budget — 15 Nov 2013” from the Trust.

Councillor Hendsbee arrived at 1:10 p.m.

Staff responded to questions from Committee members, clarifying the following:

- There are no further intakes to the Community Grants Program for 2013/14, and there is currently \$35,000 left in the program budget.
- Should the Committee choose to recommend approval of the \$50,000 grant, Council can approve the over expenditure of the Community Grants Program budget by resolution.
- This request was put aside while staff processed appeals to the Community Grants Program, and no money was withheld from the program for this request.
- The Committee has previously recommended awarding over the \$25,000 maximum grant limit in the past.
- The Committee previously awarded \$50,000 (of a request for \$100,000) for Phase 1 (international design competition) for the Battle of the Atlantic Place in the 2012/13 fiscal year.
- This request is for the 2013/14 fiscal year, and will have no impact on the 2014/15 Community Grants Program.

Councillor Hendsbee commented on the historical significance and the economic impact this project would have on the downtown, noting that it is critical to have municipal participation in the project.

Commenting on impressive fundraising efforts made to date by the Trust, Councillor Dalrymple noted support for recommending approval of the \$50,000 grant due to the significance the Place would have on the downtown.

Ms. Kate Watson commented that recommending approval of a grant over the \$25,000 maximum limit sets a precedent for future requests. She noted from the March 5, 2012 Grants Committee minutes that when the previous \$50,000 grant was recommended for approval at that time, it was made clear by the Committee that it was a one-time capital grant.

MOVED by Kate Watson, seconded by Councillor Hendsbee, that the HRM Grants Committee:

- 1. Recommend to the Audit & Finance Standing Committee approval of a grant in the amount of \$25,000 to the Canadian Memorial Trust from the *Community Grants Program* account as per the terms and conditions set out in the Discussion section of the November 25, 2013 staff report; and**
- 2. Encourage the Canadian Naval Memorial Trust to apply for the remaining \$25,000 grant through the 2014-15 *Community Grants Program*.**

MOTION PUT AND PASSED.

7.2 Business Improvement District Fund – Proposed Policy Amendments

A staff report dated November 25, 2013 was before the Committee.

Ms. Temple advised that staff have clarified with the Business Improvements Districts that the BID Contribution Fund program is a merit based program, and that if unused funds were offered to other BIDs, there would be no funds remaining in the event that an appeal was approved.

MOVED by Councillor Hendsbee, seconded by Councillor Whitman, that the Grants Committee recommend the Audit & Finance Standing Committee recommend Regional Council's adoption of amendments to Section 16 of the BID Contributions Fund Policy respecting application and report deadlines as detailed in the Discussion section of the November 25, 2013 staff report with implementation to commence in the 2014-15 fiscal year. MOTION PUT AND PASSED.

7.3 Staff Update re: Conditional Grants

Ms. Temple updated the Committee on the status of two conditional grants, which are being considered to be reverted. She indicated that the grants were approved by Regional Council in June 2013. Both grants were conditional pending confirmation of additional funding, neither of which have been received to date despite reminders.

Ms. Temple commented on the first conditional grant, for the Halifax Transition House Association for a capital grant for \$9,500 toward minor repairs to their registered heritage property. This grant was conditional on confirmation of cost sharing and approval by an HRM Heritage Planner. To date no applications or approvals have been sought with the HRM Heritage Department, despite reminders.

The second conditional grant was with Inkstone Screen Printing Society for a conditional grant of \$1,500 to purchase screen printing equipment. This grant was conditional pending confirmation of cost sharing, which has not been received to date despite reminders.

Ms. Temple clarified that no payments have been given for these grants, and that reverting the grants will not involve seeking any refunds from the applicants. She noted that the lack of communication with staff is troubling, and brings to question whether the applicants need the funds this fiscal year. Ms. Temple further clarified that reverting these grants would not prevent the applicants from applying again for the next fiscal year. She reviewed another option, which would be to wait until March 31, 2014, and grant a carry forward to the next fiscal year. This would render the applicant ineligible to apply for grants next year, because they would need to fulfill the current grant obligation.

MOVED by Councillor Hendsbee, seconded by Councillor Dalrymple, that staff forward an information report to Regional Council with an update on these conditional grants.

Councillor Dalrymple suggested that an information report may encourage the district Councillors to get in touch with the applicants.

MOTION PUT AND PASSED.

Ms. Temple advised that on a go-forward basis, staff will seek confirmation of any conditional grants awarded before going public.

7.4 Staff Update re: Tax Exemption for Non-Profit Organizations Program

Ms. Temple advised that a report on this matter will be brought to the Committee in January 2014. She indicated that a review of the Tax Exemption for Non-Profit Organizations Program results from recommendations in a report from the Auditor General, and is being carried out with the assistance of HRM Legal Services.

Ms. Temple reviewed Legal Services has clarified that s. 89 of the HRM Charter, "Tax exemption by-law for organizations" relates to property ownership and not leasing. It was also clarified that full exemption is limited to a charity or an alternative service delivery, and a partial exemption would be limited to a conversion from commercial to residential tax rate. Ms. Temple noted that this would mean that those that are currently assessed at a residential rate would not get the partial exemption that had been previously provided. Staff are working with Legal Services to draft an interim measure, that will be brought forward with the report in January. Ms. Temple explained that the interim measure will be through s.79 of the Charter, which allows for staff to provide tax assistance through a granting process, until the review of the entire program can be completed.

Ms. Temple responded to questions from members, clarifying that tax exemptions have always been done as an internal transfer, instead of through a cheque to the applicant. She indicated that as a part of the program review, staff will look at tax exemptions for services such as nursing homes, which had previously been excluded because of a per-diem paid from the province to assist with taxation. Ms. Temple indicated that staff will be proposing to renew all current applicants at the current rate in 2013, and that the new rules be phased in.

8. ADDED ITEMS - None

9. NEXT MEETING DATE – Monday, January 6, 2013, 1:00 p.m.

The next Grants Committee meeting will be held on Monday, January 6, 2013 at 1:00 p.m. in Halifax Hall, City Hall, 1841 Argyle Street, Halifax.

10. ADJOURNMENT

The meeting was adjourned at 1:44 p.m.

Jennifer Weagle
Legislative Assistant