

**HRM Grants Committee**  
**August 13, 2012**

**TO:** Chair and Members of HRM Grants Committee



**SUBMITTED BY:** \_\_\_\_\_  
Greg Keefe, Director of Finance and Information, Communications &  
Technology/CFO

**DATE:** July 23, 2012

**SUBJECT:** HRM Community Grants Program 2012-2013: Appeals

**ORIGIN**

May 7, 2012 – HRM Grants Committee referred three (3) applications for further review of the award value. Namely, the Royal Nova Scotia Yacht Squadron, Mulgrave Park Caring & Learning Centre, and the Anglican Church of the Apostles.

May 24, 2012 – Seven (7) organizations appealed their ineligibility for consideration in this year's program.

June 18, 2012 – Six (6) applicants appealed a declined funding request, the value or condition of an award.

**RECOMMENDATION**

It is recommended that the HRM Grants Committee recommend that Halifax Regional Council approve:

1. The 6 awards detailed in Attachment 1 of this report for a combined total cost of \$26,149 from operating account M311-8004 (Community Grants Program);
2. Amended conditions of funding for the Lake Charlotte Area Heritage Society and the Secret Theatre Society as detailed in Attachment 2;
3. The decline of 8 appeals as detailed in Attachment 3.

## **BACKGROUND**

The *Community Grants Program* accepts appeals from applicants deemed ineligible for consideration, those not recommended for funding, and recipients who wish to appeal the value of an award or applicable terms and conditions of funding. The Grants Committee or Regional Council can also request further consideration of an applicant. In accordance with the program's guidelines, appeals may be considered on the basis of "... new information or an error in fact or procedure during the review process" (Guidebook, p. 36). Appeals must be made in writing and submitted within two weeks of notification; the deadline date is provided in HRM's letter of notification.

## **DISCUSSION**

The 2012-2013 *Community Grants Program* received a total of 98 applications and 16 appeals. Regional Council approved a total of 56 awards for a combined total of \$413,478 (May 22, 2012).

## **BUDGET IMPLICATIONS**

The combined value of recommended awards conforms to the balance of \$88,522 remaining in the program's budget. This balance increased by \$2,000 due to the withdrawal of Vile Passeist Theatre Society.

Program Budget 2012-2013	\$500,000
Less Combined Total Value of Approved Awards (56)	(\$413,478)
Award Declined (applicant withdrew)	\$ 2,000
Balance	\$ 88,522
Less Combined Value of Recommended Awards (4)	(\$ 26,149)
Remaining Balance	<u>\$ 62,373</u>

Subject to the approval of the Grants Committee and Regional Council, a balance of \$62,373 remains in M311-8004.

## **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

## **COMMUNITY ENGAGEMENT**

Not applicable.

**ENVIRONMENTAL IMPLICATIONS**

Not applicable

**ALTERNATIVES**

1. The Grants Committee could amend a recommendation.

**ATTACHMENTS**

1. Recommended Awards.
2. Recommended Amendment to Conditions of Funding.
3. Appeals Not Recommended for Funding.

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A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

\_\_\_\_\_  
Peta-Jane Temple, Team Lead Grants and Contributions, Finance & Information Technology (490-5469). Peter Greechan, Community Developer, Grants and Contributions, Finance & Information Technology.



Report Approved by:

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Bruce Fisher, Manager, Financial Policy and Planning, Finance & Information Technology (490-4493)

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**Attachment 1**

**Recommended Awards**

**RECREATION & LEISURE**

**Tier 1**

**1. Bay Road Community Hall Association - Lewis Lake - Capital Grant/Facility Development**

In 2011, HRM assigned its land lease agreement with the Nova Scotia Department of Natural Resources to the recently formed Bay Road Community Hall Association which incorporated for the purpose of operating the former HRM fire station located on the property. The land lease expires August 31, 2016. A capital grant of \$25,000 was requested to replace the building's heating system. The application was declined on the basis of: the Association does not meet the 12 month registration requirement (Guidebook, p.2), the applicant is not the owner of the property; leasehold improvements are ineligible for funding, and government property is ineligible for funding (Guidebook, p. 13).

The Association's appeal requests a change in scope of project with a reduction in value of grant. The revised request is for \$5,000 towards professional fees to support efforts to acquire ownership of both the building and land. The basis of appeal is:

- Guidance provided to the applicant that influenced their initial submission.
- Property acquisition would enable the group to pursue other sources of funding.
- The group requires professional assistance in seeking conveyance of a portion of the land upon which the building is located. Ownership of the building also requires confirmation.

Policy allows the Grants Committee to accept an application from an organization that does not meet the 12 month registration requirement "...in circumstances where the absence or delay of a program is to the detriment of the general public or a community of interest" (Guidebook, p.2). With only four years remaining in the current land agreement, the Association will be challenged in securing capital funding from financial institutions or government sources. A land sub-division and sale could be a protracted negotiation with the Province. HRM's assignment of the lease is silent on the matter of ownership of the building.

***It is recommended that the registration eligibility criteria be suspended to permit application by the Bay Road Community Association given that a possible sub-division and property acquisition process is time sensitive.***

***It is recommended that a change in project scope for the Bay Road Community Association be accepted on the basis of new information.***

***A project grant of \$5,000 recommended towards professional fees in relation to securing property title.***

## **2. Mulgrave Park Caring and Learning Centre - Halifax - Capital Grant/Equipment**

The Mulgrave Park Caring and Learning Centre offer various recreation and social programs for children, youth, and families residing in Mulgrave Park. The Centre requested a grant of \$5,000 towards the purchase of kitchen appliances and kitchenware, office equipment, and assorted games equipment totalling \$6,650.65. A grant of \$700 was approved towards the purchase of a dishwasher. The Grants Committee referred the request to staff for further review and possible increase in value of award. The basis of appeal was:

- The Centre's programming primarily serves lower income families.

New information indicates that in addition to the *Cooking with Kids* program, the Centre will assume responsibility for "*Breakfast on the Go*", a community feeding program previously offered by the Mulgrave Park Tenants Association. The Centre also hosts a "*Dinner Around the World*" to encourage interaction with and among the community's immigrant and refugee residents.

***An additional capital grant of \$649 recommended towards the purchase of kitchen equipment. Refer applicant to HRM staff for assistance with future grant applications.***

### **Tier 2**

## **3. The Anglican Church of the Apostles - Halifax - Capital Grant/Facility Accessibility**

The recent merger of the Anglican Church of the Apostles, St. Phillips Anglican Church, and St. Matthias Anglican Church has resulted in the consolidation of operations at the Connaught Avenue location. The church hall includes meeting rooms and a gymnasium available to the general public and community groups. The hall, gymnasium and second floor accessible washroom are not fully wheelchair accessible. A capital grant of \$25,000 was requested towards the purchase and installation of a lift. The applicant was initially awarded a capital grant of \$10,000. The Grants Committee referred the request to staff to review the value of award and confirm if the applicant had sought assistance from government accessibility programs. The basis of appeal was:

- Additional information provided at the committee meeting regarding the loss of two gymnasiums in the vicinity due to church closures and consolidation.
- Access to the church hall to local non-profit groups.
- Limited access to school gymnasiums.

The applicant states that use of the hall/gym by community groups is ~40% and expected to increase once the facility becomes fully accessible. Funding in the amount of \$10,000 has been sought under the provincial *Accessibility Funding Program* and the church is contributing \$40,000. The *Community Grants Program* guidelines place a priority on "...community groups whose programs and services broaden recreational opportunities for persons with needs or those who face barriers to participation" (p.13). An increase in the value of HRM's contribution is recommended on the basis of new information.

*An additional capital grant of \$5,000 recommended towards the purchase and installation of a wheelchair lift.*

Tier 3

#### **4. Royal Nova Scotia Yacht Squadron - Halifax - Capital Grant/Accessibility Upgrades**

The Squadron will host *2013 Mobility Cup* and the *2014 International Association for Disabled Sailing World Championship*, an Olympic qualifying event, therefore, major capital upgrades to the facility are time-sensitive. The projected total cost of accessibility upgrades is \$255,000. A capital grant of \$25,000 was requested and a grant of \$10,000 was approved. The Grants Committee referred the request to staff to review the value of award and confirm if the applicant had sought assistance from government accessibility programs. The basis of appeal was:

- Limited opportunities for disabled persons to participate in competitive or recreational sport.
- The Squadron's demonstrated commitment to inclusion.

Funding has been sought from the provincial government but due to a previous grant towards an accessible training centre the club is ineligible for further consideration until 2013. A request to the federal government for \$100,000 exceeds a \$50,000 threshold and requires confirmation of provincial and municipal support. The *Community Grants Program* guidelines place a priority on "...community groups whose programs and services broaden recreational opportunities for persons with special needs or those who face barriers to participation" (p.13). Typically, HRM events grants do not include infrastructure.

*An additional capital grant of \$10,000 recommended towards facility accessibility upgrades.*

#### **ARTS & CRAFTS**

The 2012 *Community Grants Program* received five (5) requests to fund the purchase of laptop computers, peripheral computer equipment, and specialized software. The requests all originate in the Arts & Crafts sector. One applicant was declined based on the ability to self-fund. Four applicants were awarded partial funding conditional on a cost-share. HRM's assistance was towards the purchase of peripheral equipment and/or software; the applicant was to purchase the laptop computer. The appeals share essentially the same rationale. Therefore, for consistency, the review of appeals has taken into consideration the initial rationale to decline full funding:

- Expenditure of public money on equipment that may be used for personal use.
- Comparative expense of the model of laptop computer selected by the applicant.
- Inclusion of peripheral equipment and software with nominal, if any, cost-share proposed by the applicant.
- A perception that municipal funds may be used for "high-end" or "luxury" items while refurbished or rental equipment might offer a less expensive alternative.

The basis of appeal is:

- The need for separate technical equipment (lights, sound systems etc) can be replaced or supplemented by specialized software and a laptop computer. This technology allows for reduced rental costs and efficiency, especially for touring productions.
- The intended use is primarily for production and presentation, not general office use.
- The program guidelines do not explicitly state that computer equipment, software, or specific types of computer equipment is ineligible for funding.

*Requests for the purchase of computer equipment and software were not declined as ineligible for funding but were awarded partial funding conditional upon cost-share from the applicant.*

HRM staff reviewed prior awards and note that precedence has funded the purchase of laptop computers for self-publishing, an on-line resource library, archival records management, and multi-media presentations. The majority of awards have been to professional arts organizations. The cost-share percentage varies from fully funded to ~50% with value of grants in the \$1,200-\$5,000 range. Full funding tends to be in support of non-professional groups, new organizations, or applicants with nominal revenues.

#### **Tier 1**

#### **5. Halifax Theatre for Young People - Halifax - Capital Grant/Equipment**

The theatre requested a grant of \$4,850 for the purchase of a laptop computer (\$2,249), projector (\$3,199), and projector bulb (\$374.82). Costs total \$5,822.82 and the applicant's contribution is stated as \$972.82. A grant of \$1,800 was awarded towards the purchase of a projector. The award was conditional upon confirmation of cost-share. A review of the applicant's financial report for the prior year indicates modest net revenues. The applicant's proposed contribution of \$972.82 represents ~20% of total costs. An increase in award is recommended based on the calibre of appeal and the proponent's demonstrated cost-share. If approved, HRM's grant will total \$4,800 and the applicant's share will be \$1,022.82 or ~17% of total costs.

*An additional capital grant of \$3,000 recommended towards the purchase of a laptop computer and projector (excludes bulb).*

#### **6. Khyber Arts Society – Halifax – Capital Grant/Equipment**

The Society requested a grant of \$4,863.92 for the purchase of a laptop computer (\$2,249), design software (\$1,494.99), peripherals (\$573.79) and digital camera (\$276). Costs total \$5,630.26 and the applicant's proposed contribution is stated as \$699 plus a donated scanner. The applicant's proposed contribution of \$699 represents ~14% of total cash expenses. A grant of \$1,771 was awarded to fully fund the purchase of design software and a digital camera conditional upon confirmation of cost-share. A review of the applicant's financial report for the prior year indicates a small deficit.

Following the submission to HRM a grant has been received from the federal government's *Job Creation Partnership Program*. This funding will be used to hire a staff person to create a digital archives system, updated web site, and a publication. An increase in award is recommended based on the applicant's ability to undertake the project with designated personnel. If approved, HRM's grant will total \$4,271 the applicant's share will be \$1,022.82 or ~17% of total costs.

*An additional capital grant of \$2,500 recommended towards the purchase of a laptop computer.*



Attachment 2

**Recommended Amendment to Conditions of Funding**

**7. Secret Theatre Society - Halifax - Capital Grant/Equipment**

The Society is a non-profit cooperative. A grant of \$4,826.62 was requested for the purchase of a laptop computer (\$2,149) and software (\$1,745). Costs total \$4,826.62 and the applicant's contribution is \$0. A grant of \$2,000 was awarded conditional upon confirmation of cost-share. A review of the applicant's financial report for the prior year indicates nominal net revenues. The Society has requested the cost-share condition be waived to allow the grant to be used to purchase a laptop computer. If approved, the Society would contribute \$149 towards the computer and seek alternate funding sources to purchase software.

*It is recommended that the value of HRM's grant remain at \$2,000 and that the cost-share requirement be waived to allow for the purchase of a laptop computer.*

*It is recommended that the applicant be notified that the balance of funding for the purchase of computer software shall be from non-municipal sources.*

**8. Lake Charlotte Area Heritage Society - Lake Charlotte - Capital Grant/Facility Upgrade**

The Society requested a capital grant of \$22,945.79 to fully fund repairs and upgrades to the Clam Factory building located in the Memory Lane Heritage Village. The project aims to develop the building as a venue for visual and performing arts, events etc. A grant of \$12,500 was awarded for electrical upgrades (\$5,896), audio and lighting equipment (\$6,404), and materials to construct exhibit panels (\$200). The award was conditional upon confirmation of the balance of funding and that the project would commence in 2012. The Society has appealed on the basis of:

- A financial statement for 2010-2011 was submitted in error. The applicant submitted the Society's 2011-2012 financial statement which shows a drop in revenues and a nominal surplus.
- An inability to confirm the balance of funding. The Society has applied to ACOA for \$8,000 but a decision is not expected until later this summer. If this grant is received, the applicant has confirmed their ability to contribute a balance of \$2,650.

*It is recommended that the value of HRM's grant remain at \$12,500 but that the confirmation of balance of funding be waived to allow for the project to proceed in a phased manner in 2012.*

Attachment 3

**Appeals Not Recommended for Funding**

**ENVIRONMENT**

**Tier 1**

**9. Cat Rescue Maritimes - Halifax - Program/Veterinarian Surgical Instruments**

The society requested \$5,000 towards the purchase of “spay packs” (\$4,203) and trapping equipment (\$787) in support of a trap-neuter-and release program (TNR). Total project costs are \$6,189 with \$1,189 from the applicant. Elements of the project were deemed ineligible for funding. Specifically, spay packs (\$4,203) and pharmaceuticals (\$600). A grant of \$787 was awarded for the purchase of trapping equipment. The basis of appeal is:

- An error in fact relating to the interpretation of what constitutes veterinary supplies.
- The grant application was primarily directed at the purchase of 15 spay packs that comprise a set of surgical instruments needed to conduct a high volume clinic. The number of instruments exceeds those normally available at a veterinary clinic. The surgical instruments are to be the property of the society and “...analogous to the traps and cages that have already been approved by the Grants Committee”.

A review of prior requests for veterinary equipment and trap-neuter-and release programs was undertaken to confirm precedence:

- Staff reports to Regional Council dated December 15, 2008, and March 23, 2010, describe the *Community Grants Program* support to TNR programs in terms of non-recurring expenses. “...The program does not provide core operating and as such recurring expenses such as vaccination, spay or neutering, pet food, administration costs etc are ineligible” (p.2).
- In 2011, a request from the Hope for Wildlife Society for the purchase of veterinary diagnostic equipment was declined. The equipment was to have been owned by the non-profit but funding was declined on the basis that the equipment was to be used by veterinary professionals or students, not volunteers.

The purchase of specialized equipment for use by veterinarians retained by the non-profit differs from the purchase of equipment for the use of volunteers. It is anticipated that funding the purchase of veterinary surgical instruments for spay and neuter programs would result in additional requests from animal rescue, animal welfare, and wildlife organizations.

***It is recommended that funding for the purchase of veterinary surgical instruments be declined.***

**10. Valley Weeders Garden Club – Middle Musquodoboit - Capital Grant**

In 2011, the Club applied to the *Community Grants Program* and was declined on the basis that the applicant was not a registered non-profit organization. Upon appeal, a joint submission with the Nova Scotia Association of Garden Clubs was accepted albeit this was essentially a flow-

through of funds. The Club applied to this year's program for a capital grant of \$2,159.72 towards construction of an arbour (\$800.87), the purchase of hanging flower baskets (\$1,140) and a ride-on lawn mower (\$2,582). The application was deemed ineligible for funding on the basis of: not a registered non-profit organization, incomplete application, and use of the ride-on lawn mower for the upkeep of government property (Cornerstone Provincial Park). The Club's appeal requests:

- Acceptance of a joint submission with the Nova Scotia Association of Garden Clubs, including the Association's financial statement.
- A decrease in value of grant requested to \$1,968.85 towards the purchase of decorative hanging baskets and a ride-on lawnmower.

*It is recommended that the appeal be declined. Refer to staff for assistance with future applications or alternate funding sources.*

## RECREATION & LEISURE

### Tier 1

#### **11. Marine Riders ATV Club - Seaforth - Capital Grant/Trail Restoration**

The Club requested a capital grant of \$5,000 towards the cost of trail restoration. The project is ineligible; the *Community Grants Program* does not provide capital funding to government property (Guidebook, p.11). The trail is on federal land operated under a letter of authority by the Nova Scotia Department of Natural Resources. The applicant appealed on the basis of:

- Municipal funds issued by HRM under the *Regional Trails Grant Program* to trails on government-owned lands.
- The HRM Auditor General's interpretation of the eligibility of provincial trails for trails grants.

The applicant has been advised in writing that eligibility for municipal funding pursuant to Section 73 (c) of the HRM Charter applies to trails developed on provincial government land. Capital and operating funding provided to trails groups under the *Regional Trails Grants Program* are alternate service delivery agreements and not a grant per se. The application remains ineligible under *Community Grants Program* funding criteria.

*It is recommended that the appeal be declined. The issue of the Club's eligibility for funding under the Regional Trails Grants Program is outside the Grants Program's area of responsibility.*

**AFFORDABLE & SUPPORTIVE HOUSING**

**Tier 3**

**12. Shelter Nova Scotia (Formerly St. Leonard's Society of Nova Scotia) - Halifax - Capital Grant/Facility Repairs**

The organizations' application for a \$5,368.50 capital grant for minor building repairs was deemed ineligible due to non-compliance with the reporting requirements for a capital grant issued in 2011. The society submitted the overdue report and requested reinstatement; the appeal was received after the stated deadline. The basis of appeal was:

- Compliance with the program's reporting requirement was overlooked due to a change in administration.

The information provided upon appeal does not indicate any exceptional circumstances beyond the reasonable control of the society's Board of Directors. The building occupants and structural integrity of the building do not appear to be at risk.

*It is recommended that the appeal be declined.*

**13. Society for Women Healing from Addictions and Abuse (Marguerite Centre) - Lakeside - Capital Grant/Facility Repairs**

The Society's request for a capital grant of \$17,626.13 for roof and floor repairs was declined on the basis of comparative merit. Preference was given to housing projects that increased capacity (new construction, expanded accommodations) as compared to deferred maintenance or on-going repairs. The applicant's appeal is based on:

- A reduction in scope of project to focus on roof repairs. Funding in the amount of \$8,000 has been secured from a philanthropic foundation for floor repairs.
- The Society has finalized its' operating budget and is able to contribute \$7,702.36 to floor repairs.
- The roof leaks are alleged to be a consequence of faulty workmanship with no recourse because the warranty has expired (10 years).
- A reduction in value of grant to \$9,775 to fully fund the roof repair.

The society has elected to focus its' resources on floor repairs which, as stated in the application "...will improve aesthetics and resolve damage done to the floors by sustained high traffic use". The review cannot determine if building maintenance priorities have been established on the basis of grants.

*It is recommended that the appeal be declined.*

## EMERGENCY ASSISTANCE

### Tier 2

#### **14. St. Peter's Church - Eastern Passage - Capital Grant/Facility Repairs**

The church requested a grant of \$25,000 towards roof repairs estimated to cost a total of \$104,516. The church basement includes a kitchen and meeting rooms. The request was declined on the basis that an EMO reception centre is ineligible for funding and unconfirmed balance of funding. The basis of appeal is:

- Confirmation from HRM EMO that the facility may be used as a comfort centre and/or an evacuation centre.
- The church is reviewing its options with respect to the balance of funding. A loan secured by the equity is one option.

Albeit a roof is essential infrastructure, maintaining the church roof would have to be undertaken by the Parish irrespective of any future use of the premises in the event of an emergency. The nature of the project does not demonstrate any incremental enhancement to the property directly linked potential use as an evacuation centre. Interpretation Bulletin: Community Comfort and Evacuation Centres provides clarity regarding eligibility and priority upgrades. This information is referenced in the program guidebook and posted on the Internet. The ability of the project to proceed in 2012 remains uncertain.

*It is recommended that the appeal be declined. Refer to HRM staff for assistance with any future application.*

## ARTS & CRAFTS

### Tier 2

#### **15. Atlantic Filmmakers Cooperative - Halifax - Capital Grant/Equipment**

AFCOOP applied for \$5,000 towards the purchase of specialized lighting equipment totalling \$8,286.80. The coop was deemed ineligible for consideration due to non-compliance with the program's reporting requirements. The report was submitted by the appeal deadline. The basis of appeal is:

- The delay in submitting a final report was due to office re-location and renovations. The coop deferred the purchase to avoid storage during construction.

The rationale for the delaying a major equipment purchase during office renovations is prudent. However, the grant final report form clearly directs recipients to contact HRM in writing to request a carry forward of all or the balance of an incomplete grant if the project cannot be completed by the reporting deadline. HRM also issued reminders to all overdue organizations.

*It is recommended that the appeal be declined*

**16. Live Art Dance Productions - Halifax - Project Grant/Marketing**

The initial grant request for \$5,000 towards a series of “events” to celebrate the Society’s 30th anniversary (dance films, pop-up performances, flash mob, and choreography workshop) to be executed in the Fall of 2012. The application was incomplete and therefore declined consideration. The society has appealed on the basis of:

- Misunderstanding the program’s guidelines that stipulate that applications must include quotes for expenditures using HRM funds.
- The applicant has reduced their request to \$4,843 to fully fund marketing (advertising, brochure, banner, posters etc). Quotes included.

The appeal does not qualify under the program’s appeal criteria; the provision of competing quotes to substantiate an expense is clearly stated on the application form. The program guidebook also states “Estimates or quotes must be submitted for the purchase of goods or services. Applications without quotes will be considered incomplete and will be ineligible for further consideration” (p.32).

*It is recommended the appeal be declined.*