

Item No.
HRM Audit and Finance Standing Committee
July 18, 2012

TO: Chair and Members of Audit and Finance Standing Committee



SUBMITTED BY: _____
Greg Keefe, Director of Finance & Information Technology/CFO

DATE: July 5, 2012

SUBJECT: HRM Community Facilities Partnership Fund Update

INFORMATION REPORT

ORIGIN

December, 2011 – Office of the Auditor General: Review of HRM's Contribution to the Seaport Farmers Market Through the Community Facilities Partnership Fund.

February 22, 2012 – During a presentation by the HRM Auditor General to the Audit and Finance Standing Committee Deputy Mayor Karsten requested an update on the balance of the *Community Facilities Partnership Fund* in relation to a capital grant to the Citadel Theatre Society.

BACKGROUND

In 2008, Regional Council approved a one-time allocation of \$1,000,000 to assist large-scale, community-based (non-HRM) capital projects with no stated commitment to further funding. Criteria were developed and approved but applied only to unsolicited requests received prior to August, 2008. A capital grant in the amount of \$1,000,000 was awarded to the Halifax Port Authority (or their designate) for leasehold improvements associated with the development of the Seaport Farmers' Market (Regional Council, April 7, 2009).

In 2009, another \$1,000,000 was committed to the reserve and HRM issued an open call for applications. A capital grant in the amount of \$500,000 was subsequently awarded to the Citadel

Theatre Society for the interior fit-up of a community theatre to be operated in collaboration with the Halifax Regional School Board.

In 2010/11, the budget for the Community Partnership Reserve, Q138 included an allocation to Shubenacadie Canal for \$500,000. This was an outstanding commitment until this year, when a letter from Shubenacadie Canal cancelling their request was forwarded to accounting.

DISCUSSION

- Report to Grants Committee dated January 15, 2010 – Recommendation to award a conditional capital grant in the amount of \$500,000 towards the interior fit-up of the Citadel High School auditorium to serve as a community theatre venue operated jointly by the Citadel Theatre Society and the Halifax Regional School Board.
- Grants Committee report to Regional Council dated February 1, 2010 – Recommendation to award a conditional capital grant to Citadel Theatre Society in the amount of \$500,000. Approved.
- Supplementary report to Regional Council dated March 4, 2010 – Funding agreement approved. Payment to be made in two instalments: \$200,000 upon proof of execution of construction contract with the balance of 300,000 paid upon proof of interior fit-up completion, 5-year business plan, an itemized breakdown of interior fit-up costs (excluding fundraising and administration), and financial statement(s).
- As of August 2010, the first instalment in the amount of \$200,000 has been paid. HRM is currently showing a commitment for the balance of \$300,000 pending receipt of the applicable financial statements from the Citadel Theatre Society.

BUDGET IMPLICATIONS

Budget Summary HRM Community Facilities Partnership Fund Reserve (Q138):

Balance available May 31, 2012	\$ 22,275 *
Release of Commitment to Shubenacadie Canal	\$500,000
Projected Interest for 2012/13	\$ 4,339
Projected Available Balance March 31, 2013	\$526,614

* Reserve balance on May 31, 2012 is net of the \$300,000 commitment to Halifax Citadel.

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. This is an information report only.

ATTACHMENTS

None.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate 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 & Contributions, HRM Finance 490-5469



Report Approved by: _____
Dan Nordqvist for Bruce Fisher, Manager Fiscal Policy & Financial Planning, HRM Finance
