

GRANTS COMMITTEE
MINUTES

November 4, 2013

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

REGRETS: Mr. Darren Watts

STAFF: Ms. Peta-Jane Temple, Team Lead, Tax, Grants & Special
Projects, Finance and ICT
Ms. Jennifer Weagle, Legislative Assistant

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1. CALL TO ORDER

The Chair called the meeting to order at 1:00 p.m. in Halifax Hall, City Hall, 1841 Argyle Street, Halifax.

2. APPROVAL OF MINUTES – September 9, 2013

MOVED by Councillor Hendsbee, seconded by Councillor Whitman, that the Grants Committee minutes of September 9, 2013 be approved as circulated. MOTION PUT AND PASSED.

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

Additions:

- 8.1. Councillor Dalrymple – Request for Report – Possible Tax Exemption for Windsor Junction Community Centre

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

4. BUSINESS ARISING OUT OF THE MINUTES

4.1 Business Arising – None

5. CONSIDERATION OF DEFERRED BUSINESS – None

6. CORRESPONDENCE, PETITIONS & DELEGATIONS - None

7. REPORTS

7.1 Proposed Default Prevention and Management Practice

A report dated October 24, 2013 was before the Committee.

Correspondence from David Fleming, Executive Director, North End Business Association, on behalf of the Executive Directors of the Sackville Business Association, Spryfield and District Business Association, Main Street Dartmouth Area Business Improvement District, Downtown Halifax Business Commission, Quinpool Road Mainstreet District Association, Downtown Dartmouth Business Commission, and the Spring Garden Area Business Association, dated October 28, 2013 was circulated to the Committee.

Ms. Temple reviewed the report, noting that staff are currently collecting data to complete a review of the grants program in 2014, and it would be premature to change

the current program, and so until that time the proposed amendments are focused solely on default prevention and management.

Ms. Temple addressed the correspondence, noting that the first of the BIDs concerns is an objection to the unused funds being sent back to general revenue, with their suggestion being that the remaining funds be offered to the other eligible BIDs. Ms. Temple noted concern with the suggestion, commenting that it would appear to take away the right to appeal. She noted that the BIDs may not have taken this into consideration, and suggested staff will reply seeking clarification.

MOVED by Councillor Hendsbee, seconded by Councillor Whitman, that The HRM Grants Committee recommends to the Audit & Finance Standing Committee that the default prevention and management practice for programs administered under the Grants Committee Terms of Reference be updated to include the following:

- 1. All applicants to programs administered under the auspices of the HRM Grants Committee shall be screened for debt to the Municipality;**
- 2. Any extension granted to an award recipient shall be limited to one (1) year;**
- 3. All recipients of a cash grant, tax exemption, community property sale or lease shall be notified in writing of their obligations and the applicable sanctions for non-compliance.**

Ms. Temple responded to questions of clarification from the Committee, noting that the \$106,000 is matching funds, and is allocated based on proportional share. She further clarified that funds cannot be carried forward to the next fiscal year unless it is allocated for a capital project.

The Committee discussed deferring this item to the next meeting in order to obtain clarification from the BIDs. Staff clarified that the correspondence does not affect the recommendation in the report, and that the Committee could vote on the recommendation today, and staff will still seek clarification from the BIDs.

The Committee discussed funding criteria for tourism and economic development groups and organizations, as well as the difference between formal BIDs and informal business associations.

MOTION PUT AND PASSED.

7.2 North End Business Association – Grant Appeal

A report dated October 15, 2013 was before the Committee.

Ms. Temple reviewed the report, noting that staff could not find any negligence on HRM's part with regard to this application. The recommendation is based on the policy of Council.

The Committee discussed the details of the appeal. Ms. Temple clarified that the fiduciary responsibility for the grant would lie with the Board of Directors, regardless of a change in Executive Directors. She noted that this is the second year in a row that the Association's application was late. Ms. Temple further noted that the Committee has held discussions at previous meetings on being consistent with regard to late applications.

Responding to questions from Councillor Hendsbee, Ms. Temple clarified that their next application deadline would be in April. She noted that the policy does not include a specific due date, and suggested an amendment to the policy to include a date.

Responding to questions from Ms. Watson, Ms. Temple provided clarification with regard to the setting of the area rates by Council, noting that this is typically done in June after the approval of the budget.

MOVED by Councillor Dalrymple, seconded by Councillor Whitman, that the HRM Grants Committee uphold the application of policy and decline funding to the North End Business Association in 2013-14.

With the agreement of the mover and seconder, it was **MOVED by Councillor Hendsbee, seconded by Geoff Baker, that the motion be amended for clarity to read "...decline *discretionary matching* funding...". MOTION PUT AND PASSED.**

MOVED by Councillor Hendsbee, seconded by Councillor Whitman, that the HRM Grants Committee request a supplementary report exploring alternative #2 of the October 15, 2013 staff report, to amend current policy with the addition of an application deadline within 30 business days after approval of area rates. MOTION PUT AND PASSED.

7.3 Proposed Less Than Market Value Lease of a Portion of PID#40619561, 22835 Highway #7, Sheet Harbour, to the Sheet Harbour & Area Ground Search and Rescue

A report dated October 11, 2013 was before the Committee.

Ms. Temple reviewed the report with the Committee.

MOVED by Councillor Hendsbee, seconded by Councillor Dalrymple, that the HRM Grants Committee approve in principle the recommendation to enter into a less than market value lease agreement with the Sheet Harbour & Area Ground Search and Rescue as per the terms and conditions set out in the Discussion section of the October 11, 2013 report.

At the request of Councillor Hendsbee, Ms. Temple confirmed that the property would be subject to a tax bill, and the organization could then apply for tax exemption. Staff would submit to assessment services to ensure that the organization is not charged for taxes on the full property, since it is shared with Fire and Emergency Services.

MOTION PUT AND PASSED.

8. ADDED ITEMS

8.1. Councillor Dalrymple – Request for Report – Possible Tax Exemption for Windsor Junction Community Centre

Councillor Dalrymple indicated that the Windsor Junction Community Centre wishes to lease space to the Adventure Earth Centre (an HRM recreation program) for the winter, and therefore could possibly lose their tax exemption status by holding a lease on the property. He enquired whether there could be an opportunity for special tax exemption, or any other options so as to not create hardship for this community facility.

Ms. Temple indicated that the Windsor Junction Community Centre is not the only facility in this situation, and it would be a good time for staff to explore options.

Councillor Hendsbee suggested that changes may be required to the Assessment Act (provincial) to exempt municipal facilities from renting space to or from the municipality. He questioned whether this may be able to be done through HRM's taxation authority, and not require amendments to the Act.

Ms. Temple noted that there was confusion with the interpretation of the Assessment Act on the part of staff, which is being sorted out to be applied correctly and consistently.

MOVED by Councillor Dalrymple, seconded by Kate Watson, that the HRM Grants Committee request a staff report on opportunities for tax exemption status for community facilities that lease space to HRM. MOTION PUT AND PASSED.

9. NEXT MEETING DATE – December 2, 2013

The next meeting of the Grants Committee is scheduled for Monday, December 2, 2013 at 1:00 p.m. in Halifax Hall, City Hall, 1841 Argyle Street, Halifax.

10. ADJOURNMENT

The meeting was adjourned at 1:29 p.m.

Jennifer Weagle
Legislative Assistant