



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.9
Halifax Regional Council
July 29, 2014

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed

Brad Anguish, Director, Community & Recreation Services

DATE: June 26, 2014

SUBJECT: Interim Professional Arts Organization Grant Program

ORIGIN

April 29, 2014 Halifax Regional Council motion:

Whereas \$300,000 has been included in the 2014/15 Operating Budget approved on April 1, 2014 by Regional Council to implement the Interim Professional Arts Organization Grant Program as outlined in Attachment 4 of the staff report dated March 6, 2014, it is recommended that Halifax Regional Council:

1. Direct staff to draft an Administrative Order for Regional Council's consideration to implement the Interim Professional Arts Organization Grant Program outlined in Attachment 4 of the staff report dated March 6, 2014;
2. Direct staff to initiative the creation of a professional arts and culture sector advisory committee with a peer jury process for 2015/16 consistent with the Governance Review of Committees, and coordinated with upcoming Grant Policy and Culture and Heritage Priorities Plan; and
3. Direct staff to undertake an analysis of the remaining Special Arts and Cultural Advisory Committee (SACAC) recommendations outlined in Table 1 of the staff report dated March 6, 2014, for determination of financial implications and harmonization with other corporate initiatives.

LEGISLATIVE AUTHORITY

HRM Charter, Section 79 (1) (av) (v) The Council may expend money on grants and contributions,

RECOMMENDATION

It is recommended that Halifax Regional Council adopt the attached Administrative Order 2014-007-ADM outlining the implementation of the Interim Professional Arts Organization Grant Program.

BACKGROUND

On April 30, 2013, Regional Council directed staff to establish an ad-hoc committee, the Special Arts and Culture Advisory Committee (SACAC), with the mandate of providing advice and guidance regarding best practice models for municipal support of the professional arts and culture sector. The Committee was required to complete their work and recommendations by December 31, 2013, such that staff could present a report to Regional Council with recommendations based on the input received from this committee in advance of the 2014-2015 budget process. The report and recommendations were presented to the Community Planning and Economic Development Standing Committee at the March 20, 2014 meeting and advanced to Regional Council at the April 29, 2014 meeting. The first of the three recommendations approved by Regional Council at that meeting directed staff to draft an Administrative Order (AO) for Regional Council's consideration to implement an Interim Professional Arts Organization Grant Program.

DISCUSSION

As a result of the recommendations from the SACAC committee, Regional Council approved inclusion of \$300,000 for a grant program for professional arts organizations in the 2014/15 operating budget. The attached Administrative Order 2014-007-ADM reflects the program principles adopted by Regional Council at the April 29, 2014 meeting and provides an administrative structure for the program that will allocate the \$300,000.00 grant funding to operating assistance and project assistance for professional arts organizations. The AO provides an application timeline that is consistent with other granting program timelines in HRM. However, since Council has approved funding in the 2014/15 operating budget, it includes a variation on the timeline for this fiscal year in order to be able to provide funding to the professional arts organizations within the 2014/15 fiscal year.

During the April 29, 2014 meeting, Regional Council also approved motions related to the creation of a professional arts and culture sector advisory committee with a peer jury process for 2015/16 and further analysis of the remaining Special Arts and Cultural Advisory Committee (SACAC) recommendations outlined in that report. Work on the two additional motions continues and will be the subject of future council reports. In the interim, the AO provides that the Professional Arts Organization Grant Program applications will be considered by the Grants Committee for recommendation to Regional Council.

FINANCIAL IMPLICATIONS

There are no financial implications.

COMMUNITY ENGAGEMENT

Stakeholder engagement was undertaken by the Special Arts and Culture Advisory Committee as part of their work.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

Regional Council could choose to not approve the Administrative Order.

ATTACHMENTS

1. Administrative Order 2014-007-ADM concerning the implementation of the Interim Professional Arts Organization Grant Program.
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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> 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: Elizabeth Taylor, Manager, Events & Cultural Initiatives, 490-4387

Report Approved by: _____
Denise Schofield, Manager Regional Recreation & Culture, 490-6252

Report Approved by: _____
John Traves, Director, Legal, Insurance and Risk Management Services, 490-4226

**ADMINISTRATIVE ORDER NUMBER 2014-007-ADM
Respecting Grants to Professional Arts Organizations**

WHEREAS the Council of the Halifax Regional Municipality values the contributions of the cultural community to the Halifax Regional Municipality;

AND WHEREAS the Council of the Halifax Regional Municipality wishes to support cultural organizations within the Halifax Regional Municipality through operating and project grants;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Administrative Order on Grants to Professional Arts Organizations*.

Interpretation

2. In this Administrative Order,

- (a) “Anchor Organization” means a professional arts organization that has an annual budget of a minimum of \$3 million, is registered as a non-profit, has operated continuously for a minimum of three years, and demonstrates strong public impact in terms of number of events, attendance and employment figures;
- (b) “Applicant” means a Professional Arts Organization applying for funding under this AO;
- (c) “Council” means the Council of the Halifax Regional Municipality;
- (d) “Municipality” means the Halifax Regional Municipality;
- (e) “Non-profit Organization” means a professional arts organization that is registered as a non-profit, and has operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit;
- (f) “Presenting Organization” means a Professional Arts Organization that presents professional or established artists to the public by way of performances, exhibits, demonstrations or lectures;
- (g) “Producer” means a Professional Arts Organization that produces and presents the arts to generally accepted artistic standards; and

(h) “Professional Arts Organization” means a registered, non-profit professional arts and culture organization that supports, presents, or produces work by professional or established artists, and employs qualified paid staff to administer on-going arts and culture programs and services.

Purpose

3. The purpose of this Administrative Order is to provide for grants from the Municipality to professional arts organizations in the Halifax Regional Municipality in the 2014/15 fiscal year to support those organizations, and thereby to support and promote the work of local artists and to foster broad public access to, and appreciation of, the arts.

Grants Available

4. There are hereby established two funding streams:

(a) Operating Grant Program for Professional Arts Organizations: Supports the general and on-going operational capacity of professional arts organizations in the Halifax Regional Municipality

(i) Available to Professional Arts Organizations that have operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit.

(ii) Anchor organizations may receive a maximum of \$50,000.00 per fiscal year.

(iii) Non-profit organizations may receive a maximum of \$25,000.00 per fiscal year or 10% of the applicant’s budget, whichever is less.

(iv) The Municipality will contribute no less than 5% and no more than 60% of revenues required to cover annual administrative and core program costs. Council may consider variations on these criteria in extenuating circumstances.

(v) Combined municipal, provincial and federal funding will not exceed 90% of total revenues for annual administrative and core program costs.

(b) Project Grant Program for Professional Arts Organizations: Supports public access to professional arts activities on a project-specific basis.

(i) Available to Professional Arts Organizations that have operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit.

(ii) Professional Arts Organizations may receive a maximum of \$10,000 per year for a specific arts project.

5. Professional Arts Organizations may make application to both programs in the same fiscal year.

Application Requirements

6. There is one intake period. Applications will be accepted beginning February 1st and must be received in person or postmarked on or before March 31st for the following fiscal year.

7. All applications must be received by mail or in person. E-mailed or faxed applications will not be accepted. Applications may be submitted:

(a) in person to:
HRM Public Art Facilitator
2nd floor, Alderney Landing

(b) by mail to:
HRM Public Art Facilitator
P.O. Box 1749
Halifax, NS
B3J 3A5

8. Late or incomplete applications will not be reviewed or considered.

9. All applications shall include:

(a) a description of the applicant, including history of the programming and role in the community;

(b) details on any other funding received from the Municipality within the current and two previous fiscal years, including tax relief; and

(c) a statement of other funding sources sought by the applicant, including current status of applications.

10. Applications for the Operating Grant Program shall include:
 - (a) the applicant's detailed budget outlining projected revenues, operating and capital costs; and
 - (b) detailed financial statements for the previous 3 years of operation;
11. Applications for the Project Grant Program shall include:
 - (a) a detailed project description; and
 - (b) a detailed project budget.

Eligibility

12. To be eligible for funding, an applicant shall be a registered not-for-profit society or not-for-profit cooperative in good standing with the Provincial Registrar of Joint Stock Companies or federally registered under the Corporations Act as a not-for-profit society or cooperative based and operating in Nova Scotia and meet the following criteria:

- (a) has been operating for at least three years prior to the date of application;
- (b) does not receive operating assistance, excepting tax relief, from any other municipal government, or department of the Municipality;
- (c) maintains an active membership or shows a form of community support that includes residents of the Halifax Regional Municipality and persons other than those who serve on the board of directors;
- (d) operates programs year round, except for presenting organizations which may have seasonal programs;
- (e) has no outstanding reports due to the Municipality; and
- (f) secures additional sources of revenue such as corporate contributions, donations, sales, and membership fees and must pursue other sources of public or private funding.

Application Evaluations

13. The following criteria will be used to evaluate applications for Council's consideration:

- (a) For Operating Grants:
 - (i) Program planning and evaluation;
 - (ii) Community relationships;
 - (iii) Board Governance; and
 - (iv) Financial Stewardship as demonstrated through financial statements and projected budgets.
- (b) For Project Grants:
 - (i) Expertise of project participants;
 - (ii) Project merit;
 - (iii) Public access and engagement through the project; and
 - (iv) Financial stewardship as demonstrated through financial statements and proposed project budget.

Application Review Process

- 14. Applications will be administered by Community & Recreation Services.
- 15. Applicants will be notified promptly if their application is ineligible.
- 16. Community & Recreation Services' staff, with the assistance of the Municipality's Grants staff, will review the applications and prepare a report for consideration by the HRM Grants Committee for recommendation to Council.
- 17. Final approval of all applications for a grant, and the amount thereof, is a decision of Council in its sole discretion.
- 18. Notification of the decision of Council will be mailed to applicants after it is made.
- 19. Approval of grants is conditional on Council's approval of the annual program budget.
- 20. Applicants must re-apply for funding annually.

21. Due to limited funds, not all eligible applications may receive funding.

Conditions of Approval & Payment of Grants

22. Successful applicants are required to complete a final report form describing the impact of the funding received from the Municipality. Final report forms will be sent with the confirmation of the award and will be available from Community & Recreation Services' staff. The criteria for reporting includes:

- (a) name of organization, amount of grant, terms and conditions (as described in the letter notifying you of approval by Council which is sent with payment);
- (b) total project costs;
- (c) a breakdown of the expenditure of the grant funds (the Municipality reserves the right to require proof of payments made);
- (d) a final description of the project, including information on the completeness of the project; and
- (e) copies of printed materials funded through the grant (poster, brochure, booklet, CD, catalogue or photograph of project, newspaper article, magazine article), as well as documentation of events and/or projects directly or indirectly supported by the Municipality through this grant process.

23. For the Operating Grant Program, final reports must be received with the applicant's submission for funding for the following year or within ninety (90) days of the Municipality's fiscal year end, and for the Project Grant Program, final reports must be received within ninety (90) days of the project's completion.

24. Grant monies for applications approved in the Project Grant Program will be dispersed eighty per cent (80%) upon approval of the application, and twenty per cent (20%) upon completion of the project and submission of the final report.

25. Grant monies for applications approved in the Operating Grant Program will be dispersed fifty per cent (50%) upon approval of the application, and fifty per cent (50%) six months after the date of the approval of the application.

26. Should the operations of the applicant cease or be diminished, or should a project, in part or in whole, not be completed as described in the application, applicants must notify Community & Recreation Services' staff. In some cases, an extension may be permitted and the funds

carried forward to the next fiscal year. If an extension is requested, a written request to Community & Recreation Services staff is required and a written response will be provided.

27. The Municipality's support must be recognized as outlined in the "Requirements for Acknowledging Funding" which will accompany the Terms and Conditions letter.

Scope

28. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Effective Date

29. This Administrative Order shall come into effect on the date it is adopted by Council. Notwithstanding section 6, for the fiscal year 2014-15, applications will be accepted beginning September 1st and must be received in person or postmarked on or before October 31st

Done and passed in Council this ____ day of _____, 2014.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on [month], [day], 2014.

Cathy Mellett, Municipal Clerk