

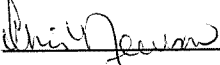


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

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Halifax Regional Council
December 6th, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Deputy Mayor Russell Walker, Chair, HRM Grants Committee

DATE: November 24, 2005

SUBJECT: **HRM Community Grants Program - Recommended Changes
2006-2007**

ORIGIN

This report originates with staff of the Grants Program, HRM Financial Services. Several changes to the program are recommended on an interim basis for 2006-2007. This report was approved at the Grants Committee meeting of November 7th, 2005 with amendments to eligible expenditures under a proposed Neighbourhood Safety category of funding.

RECOMMENDATION

It is recommended that :

1. Regional Council approve revisions to the *HRM Community Grants Program* as detailed in the Discussion section of this report;
2. Approve implementation of the revised criteria April 1st, 2006.

BACKGROUND

The *HRM Community Grants Program* is a centralized program of annual, one-time awards to registered non-profit groups and charities in HRM. Funds are assigned in accordance with policy and procedures approved by Regional Council. In December, 2004, Regional Council approved revisions to the *HRM Community Grants Program* that tightened eligibility, financial accountability, and alignment with the HRM Corporate Scorecard themes. Staff recommend further refinement of criteria for (a) funding to clubs and (b) affordable housing.

DISCUSSION

(A). Grants to Membership-Based Clubs

In 2005-06, the *Community Grants Program* added criteria to assist reviewers evaluate grant requests from membership-based clubs. The intent of such grants is to support the provision of facilities, amenities or services that would otherwise be a municipal responsibility. The aim was to focus on benefits to the general public and not exclusive to members. The criteria now states "...the facility, amenities, programs or services make sufficient and appropriate provision for the general public to derive direct benefit".

Staff advise that greater clarity is needed to explain what is considered "...sufficient and appropriate provision for the general public to derive direct benefit". The following are suggested criteria to be used by reviewers when evaluating a request for public funding:

- The club provides access for low income individuals (eg. bursaries, pay-what-you-can, subsidies, HRM Kids Program sponsor, referrals from social services).
- The club owns/operates an indoor or outdoor facility that can be rented, or is free, to other non-profit groups, clubs, or the general public (eg. public boat launch, playground, park, boardwalk, wharf or dock, public washrooms, picnic area).
- The club loans equipment to participants or beginners.
- Instructional programs include non-members or open competitions.
- The club facility is a venue for HRM hosting of national or international events (eg. sport, cultural).
- The club facility is a municipally registered heritage property.
- The club does not simply use a natural resource but provides stewardship to protect and maintain the site (eg. lake, river, coastal, or woodland)
- Year-round operations such as a bar, restaurant, gambling are not considered a benefit to the general public that warrants public subsidy; indeed such forms of fundraising are restrictive in so far as specific types of group could not undertake such comparatively profitable initiatives (such as children, youth, addictions, or groups whose constitution restricts ownership of financial or physical assets);
- Access for disabled persons.

The aim of the proposed changes is to avoid exclusivity and to provide the general public with a tangible benefit for the investment of public funds. Therefore, the review of any grant request from a membership-based club shall consider the value of such benefits afforded the general public relative to the value of public subsidy provided through a grant or tax subsidy. Is the type and scope of concession commensurate with HRM's intent in providing financial assistance to non-profit clubs?

For example, a club that provides free guest passes to encourage membership registration is not providing a public benefit whereas a club that provides free guest passes to low income children unable to afford a membership are providing a public service. To illustrate the principle of "commensurate value" if the value of free guest passes totalled \$200 for the year a request for a \$25,000 building grant might be questionable.

(B). Affordable Housing

For clarity, eligibility should state independent "rental" housing for low income individuals and families (Guidebook, page 14). This qualifier makes clear that HRM will not provide capital funding to property that will subsequently be sold to an individual and create personal equity.

BUDGET IMPLICATIONS

None. The proposed changes to eligibility do not impact the program's annual budget.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

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

ALTERNATIVES

1. Regional Council could defeat the staff recommendation and maintain the status quo.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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-lane Temple, Team Lead Tax, Grants & Special Projects 490-5469

Financial Review: Bruce Fisher, Manager, Financial Planning, HRM Financial Services

Report Approved by: S. Dale MacLennan, Director of Finance