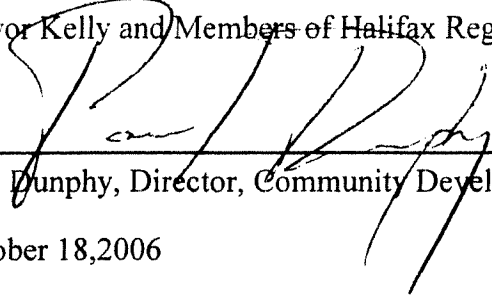




PO Box 1749
Halifax, Nova Scotia
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Halifax Regional Council
October 24, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Paul Dunphy, Director, Community Development

DATE: October 18, 2006

SUBJECT: **HRM Contributions Fund Interim 2006/07 Awards -
Community & Neighbourhood Facilities**

INFORMATION REPORT

ORIGIN

- HRM Council 2006/07 Budget
- Information Report of October 3, 2006 on Interim Funding Criteria.

BACKGROUND

In 2006, Regional Council approved the creation of a program to provide funding assistance to registered non-profit community groups operating HRM-owned recreation facilities on the municipality's behalf. The aim of funding in fiscal year 2006/07 is to stabilize operations, as applicable, for facilities in the Neighbourhood & Community Category identified in the HRM Indoor Recreation Facilities Master Plan (2004). Twenty-four neighbourhood and community facilities were identified by staff as potential participants in the 2006/07 pilot project.

On October 3, 2006 staff provided Council with an Information Report outlining an Interim Funding Criteria to be used to distribute funding to the community groups.

To recap, the interim measures utilized the following criteria for eligibility:

- recreation amenities/programs that align with HRM's mandate
- current Board status
- Board capacity required to conduct "Board business"
- a financial account with a recognized institution
- status of any debt to HRM

DISCUSSION

Interim Funding Results

Briefly, the funding allocations have been divided into two main categories:

- A core contribution amount of \$175,000 which is awarded based on above noted criteria for eligibility and size of the facility ***Note** - Allocation of money identified in this report is from this category of the fund. A summary is provided in **Attachment 1** of this report.
- Discretionary service enhancement subsidies in the amount of \$75,000 to address public safety, service quality, priority program development, and an emergency contingency. ***Note** - No money allocation from this category has been determined. Access to this category of the fund is through an application process and is considered based on financial need. This process will follow the distributions of money from the core contributions.
- **Attachment 1** of this report identifies facilities/groups:
 - a) 11 that will be awarded money - a total of \$105,000
 - b) 10 that require further review
 - c) 3 that do not meet the eligibility criteria
- the 3 facilities/groups deemed ineligible at this time for core funding require further review regarding ownership, service alignment, registered board status, board capacity, debt status.

BUDGET IMPLICATIONS

None. Funding for the *Contributions Fund* was approved in the 2006/07 departmental operating 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. Staff will begin distributing funding immediately to those groups identified as eligible and continue working with the remainder to review key areas identified as well as completing needs assessments.
2. Council could disagree with the staff interim funding allocation amounts. If this is the case, staff should be notified ASAP, prior to distributing the funds to any of the groups.

3. Councillors with concerns regarding facilities/groups not receiving an award should follow up with staff.

ATTACHMENTS

1. Interim Funding Criteria: Neighbourhood & Community Facilities
2. List of Funding Awards, 2006/07 Pilot Project.
3. Sample Letters of Notification (Award or Further Review), October, 2006.

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: Annette Verge, Performance Measurement & Service Delivery Coordinator, CD, 490-5713 and Peta-Jane Temple, Team Lead, Tax, Grants & Special Projects, Financial Services, 490-5469

Report Approved by: Doug Rafuse, Manager, Service Delivery, Community Development, 490-6205

Attachment 1. Interim Funding Criteria: Neighbourhood & Community Facilities				
	Tier 1	Tier 2	Tier 3	Description
1. Alternate Service Delivery Subsidy: Core Contribution				
Facility Size	<10,000 sq.ft	10,000-15,000 sq.ft	>15,000 sq.ft	Net sq.ft interior space with general public access for program/service that aligns with HRM mandate.
Recreation Program Resources	Human resources, supplies, and equipment required for facility operation. The lack of such resources would result in facility closure or termination of program.			
Maximum Annual Contribution	\$5,000	\$15,000	\$20,000	Value of maximum contribution; actual amount based on evaluation/costs.
Sector Allocation	\$70,000	\$45,000	\$60,000	Residual capacity can be transferred between categories
2. Service Enhancement Subsidy: Discretionary				
Discretionary Allowance: Public Safety	\$25,000 to be awarded in varied amounts according to costs (quote/invoice) and priority need.		Eligibility: annual operating budget indicates an inability to provide key preventive maintenance to mitigate or reduce public health risk (eg. water, septic, sewer, air quality, fire safety).	
Discretionary Allowance: Service Quality Enhancement	\$10,000 to be awarded in varied amounts according to costs (quote/invoice) and priority needs.		Eligibility: skills development of staff to enhance program quality through formal accreditation. Priority on risk management, safety, alignment of program with HRM mandate.	
Discretionary Allowance: Priority Program Initiative	15,000 to be awarded in varied amounts according to costs (quote/invoice) for development of programming in priority activity or population. Priorities subject to change.		Incentive for new or expansion of recreation programming in an area defined as a recreation priority by Regional Council. For example, youth, immigrant, low income, rural etc.	

<p>Discretionary Allowance: Emergency</p>	<p>>\$25,000 to be distributed in varied amounts according to costs (quote/invoice) for emergencies.</p>	<p>(a) revenue loss due to corrective action initiated by HRM (eg. lease agreements conform to legislation and zoning); (b) insolvency; (c) bridge financing pending insurance settlement or legal claim that impacts service delivery (in consultation with HRM Legal Services); severe vandalism or under-insured or uninsured destruction of property.</p> <p>Interim HRM staffing in the event of contractual termination by either party.</p>
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Conditional Eligibility: Debt to HRM

If the operator of a facility is in debt to HRM, the facility/group is ineligible for Core Contribution funding until such debt is resolved through a signed mutually agreeable payment plan.

The facility/ group may be admitted to the Discretionary Allowance / Emergency category of the Fund at the discretion of staff, and in consultation with HRM Financial Services and HRM Transportation & Public Works.

Ineligibility for assistance from the Fund would be based on risk to public (HRM owned) property. The key criteria with respect to eligibility in such cases is not financial need but the impact on either:

- (a) public property can be managed and operated to meet service delivery
- (b) service delivery supports a municipal mandate, public access, positive community impact and services complimentary of community service providers

In such cases, any funding issued by HRM under the Discretionary Allowance, Emergency shall not be used for payment of debt.

Attachment 2. List of Funding Awards, 2006/07 Pilot Project			
1. Alternate Service Delivery: Core Contribution			
Tier 1. <10,000 sq.ft			
Facility Name/Address	Organization	Award	Description
Carroll's Corner Community Centre (L)	Carroll's Corner Community Centre Association	\$5,000	
Cole Harbour Outdoor Pool & Tennis Court (MA)	Cole Harbour Outdoor Pool & Tennis Complex Association	\$5,000	
Harrietsfield Williamswood Community Centre (MA)	Harrietsfield Williamswood Community Centre Board	\$5,000	
Head Of St. Margaret's Bay Community Centre(L)	Head of St, Margaret's Bay / Boutilier's Point Recreation Association	\$5,000	
Meagher's Grant Community Centre (L)	Meagher's Grant Playground & Recreation Association	\$0	Requires further review.
Northbrook Community Centre, Dartmouth (L)	Northbrook Community Centre, Dartmouth	\$5,000	
Samuel R. Balcom Fire Department & Recreation Centre (L)	Three Harbours Volunteer Fire Dept. Auxiliary	\$0	Requires further review.
Riverline Community Centre, Dutch Settlement (L)	Riverline Community Centre Association	\$0	Requires further review
Rockingham Community Centre (MA)	Board of Directors for the Rockingham Community Centre	0	Requires further review.
Porters Lake Community Centre (L)	Porters Lake Community Centre Association	0	Requires further review based on current debt status and pending payment plan.
Spencer House Seniors Centre, Halifax (L)	Spencer House Seniors Association	\$0	Requires further review
Upper Hammonds Plains Community Centre (L)	Upper Hammonds Community Development Association	\$5,000	Pending confirmation of non-profit status.

Wallace Lucas Community Centre (L)	Wallace Lucas Community Centre Association	\$0	Pending further review.
Fire House Youth Centre (MA)	Bedford Youth Dev. Association	\$0	Requires further review. Ineligible based on current debt status.
Grand Desert Recreation Centre (L)	West Chezzetcook Grand Desert Recreation Society	\$5,000	
SUB-TOTAL		\$35,000	
Tier 2. 10,000-15,000 sq.ft			
Beaver Bank Kinsac Community Centre (MA)	Beaver Bank Community Centre Association	\$15,000	
Sheet Harbour Community Centre (L)	Sheet Harbour Lions Club	\$0	Pending further review
Springfield Lake & Upper Sackville Community Centres (MA)	Springfield Recreation Association	\$15,000	
SUB-TOTAL		\$30,000	
Tier 3. >15,000 sq.ft			
East Preston Community Centre (MA)	East Preston Recreation Association	\$20,000	
Lake Echo Community Centre (MA)	Lake Echo Lions Club	\$0	Requires further review based on current debt status and pending payment plan.
North Woodside Community Centre, Dartmouth (L)	North Woodside Community Association	\$20,000	
Sackville Heights Community Centre (MA)	Sackville Heights Community Centre Advisory Board	\$0	Requires further review.
SUB-TOTAL		\$40,000	
TOTAL		\$105,000	

*Note - A remaining \$70,000 has been set aside to be awarded pending further review.

Legend:

- (MA) indicates a Management Agreement
- (L) indicates a Leased to a community group
- Non HRM owned property is indicated by (P) or (HRSB)

Note:

Dartmouth North Community Centre has been excluded while staff make a determination of eligibility and/or the appropriate category due to an operating subsidy in the amount of \$190,000.

South Woodside Community Centre has been excluded from this listing as the property is owned by the Halifax Regional School Board.

Crichton Avenue Community Centre has been excluded from this listing as the property is privately owned.

- Groups managing more than one facility will be required to maintain separate budgets for each facility.
- Groups managing a facility and an athletic field under a maintenance agreement shall be required to maintain separate budgets for each facility.
- Property tax status shall be determined by HRM staff and eligible applicants may be assisted under By-law T-200 *Tax Exemption for Non-Profit Organizations Program* subject to program capacity and funding criteria.



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Attachment 3 - Sample Letters of Notification

October 18, 2006

Reference: Notification that the allocation recommendations for the HRM Contributions Fund Program will be submitted as an Information Report to Council on October 24, 2006

During the past several months HRM staff have met with community organizations that manage and operate from HRM owned facilities and introduced the initial phases of the HRM Management Agreement Review Process. As indicated during the meetings; HRM is introducing a new Contributions Fund Program;

In 2006, Regional Council approved the creation of a program to provide funding assistance to registered non-profit community groups operating HRM-owned recreation facilities. These operating agreements currently fall under management or lease agreements. The aim of funding in fiscal year 2006/07 is to stabilize operations, as applicable, for facilities in the Neighbourhood & Community Category identified in the HRM Indoor Recreation Facilities Master Plan (2004). Twenty-four neighbourhood and community facilities were identified by staff as potential participants in the 2006/07 pilot project.

The information report submitted for Council will include a list of twenty-four facilities that are in the first phase of review. Twelve of the twenty-four have been recommended for immediate funding, the remaining twelve will be notified pending further review.

Please be advised that you will be contacted regarding status of funding allocation following HRM Council meeting on October 24, 2006.

If you have any questions, please contact Annette Verge @ 490-5713.

Regards,

Annette Verge
Service Delivery Coordinator
Community, Culture & Economic Development
490-5713