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Halifax Regional Council
October 5, 2004

TO: Mayor Kelly and Halifax Regional Council

SUBMITTED BY: *Russell Walker*
Councillor Russell Walker, Chair, HRM Grants Committee

DATE: September 20, 2004

SUBJECT: **HRM Community Grants Program 2004-05: Deferred Recommendations and Appeals.**

SUPPLEMENTARY REPORT

ORIGIN

In the HRM Grants Committee report to Regional Council dated June 22nd, 2004, there were four (4) grant applications deferred pending further review. Also, applicants who wish to appeal the decision of the HRM Grants Committee recommendations may do so on the basis of new information, or an error in fact or procedure. A total of 8 appeals were received within the August 31st deadline.

RECOMMENDATIONS

1. It is recommended that Regional Council approve a total of 6 awards as detailed in the Discussion section of this report, for a combined total of \$42,000.

BACKGROUND

The HRM Grants Committee considers appeals on the basis of new information or a correction to an error in fact or procedure. The organization making an appeal is asked to provide a written rationale for the appeal and any pertinent documentation.

In June, 2004, the Grants Committee deferred a decision on 5 applications (combined total value of requests was \$43,000) to September of 2004. Since the initial report to Regional Council, the program has received 8 appeals (combined total value of appeals is \$59,500) and 2 applicants withdrew due to program cancellation (combined total of \$3,350 to re-assign). Three awards are held back pending progress reports or confirmation of programming (the combined total value of holdbacks is \$16,000).

DISCUSSION

A. Deferred Decisions:

1. Art Gallery of Nova Scotia - Arts - Capital Project

On May 8th, 2001, the HRM Grants Committee recommended approval of a \$250,000 capital pledge to AGNS to be paid from the Capital Pledges Program from capacity created through the retirement of commitments. The report proposed payment in two installments of \$130,000 in 2002-03 and \$120,000 in 2003-04 (Minutes, Regional Council, May 8, 2001). On a procedural point, the CAO noted that in accordance with HRM's Multi-Year Financial Strategy, Council could not pre-approve a financial expenditure. The matter was referred to Financial Services for a report.

In a report to Regional Council dated May 22, 2004, Financial Services staff recommended that a pledge of \$250,000 be approved in two installments (\$130,000 and \$120,000 as per the original Grant Committee recommendation) but that:

"In the event that new funds are not provided to the Grants Committee in subsequent budgets, the Grants Committee is prepared to fund this project within its base budget for the next two fiscal years. The base budget does not include amounts retired from the Capital Pledges Program"

In accordance with Regional's Council's approval of a capital grant, \$130,000 was issued from the *Capital Pledges Program* in 2002-03. The AGNS agreed to a multi-year schedule for the balance of \$120,000 through the *HRM Community Grants Program* of \$25,000 x 3 years and a final payment of \$50,000 in 2006-07.

Grants Committee recommend a \$25,000 capital grant as per the multi-year agreement.

It should be noted that by moving the Capital Pledge to the *Community Grants Program* AGNS has been excluded from consideration for program funding because organizations are limited to one submission per year. This exclusion has not been applied in prior cases where an applicant was in receipt of HRM funding under another municipal program.

2. Tree Canada Foundation - Environment

Tree Canada Foundation is a national charity with provincial representatives across Canada. The organization is working in collaboration with Evergreen (a non-profit organization focussed on urban greening), the Nova Scotia Department of Education, Nova Scotia Department of Environment & Labour (NS Youth Conservation Corps) private and non-profit organizations on environmental programs, including *Greening Canada's School Grounds*. Application has been made for a multi-year grant of \$5,000 x 3 years for local schoolyard greening, specifically the purchase of plant material and rental of heavy equipment. The estimated annual cost of the project is \$10,000 in materials (excludes wages).

A decision was deferred by the Grants Committee who directed staff to discuss potential alternatives with the applicant in light of Hurricane Juan's extensive damage to trees on public property; and clarity regarding the HRM and the Halifax Regional School Board's jurisdiction of school property. Staff met with Tree Canada's representative and additional information was provided re: the organization's past, present and future support:

- Halifax Regional School Board view themselves as a "tenant" of HRM-owned property. HRSB provide snow and ice removal and grass-cutting on school sites (or sub-contract).
- HRM Real Property & Asset Management Services is supportive of the *Greening Canada's School Grounds Project* but does not contribute to "naturalization" projects; HRM's role is in playground equipment, sports courts and fields.
- Tree Canada established a Maritime Hurricane Relief Fund following Hurricane Juan to assist with local tree replacement on school grounds.
- Summer student program established through Tree Canada grant (\$5,000) for grounds maintenance at 16 local school properties.
- Program evaluation conducted of projects in HRM over the past 9 years.

Staff recommend a one-time grant of \$5,000 for rental of heavy equipment and purchase of plant material.

Rationale: the 'greening' of school property evidently provides tangible and enduring benefit to school users and the local neighbourhood but falls into a jurisdictional 'gap' between HRM as the owner of some (not all) properties and HRSB as tenant. Given that most school property reverts to HRM upon closure of a school, the municipality may be deemed the long-term beneficiary of enhanced landscaping while the school is the immediate beneficiary. The project supplements HRM's role in environmental stewardship and has long-term benefits to the general public.

See: **Attachment 1** for more details.

3. St. Margaret's Sailing Club - Recreation

The St. Margaret's Sailing Club owns and operates a facility in French Village Harbour. A one-time grant of \$10,000 requested to repair dingy launch, floating dock, and waterfront access. The total project costs estimated at \$21,866. The request was declined due to (a) prior year funding, and (b) capacity to self-finance. The basis of appeal was financial long-term liabilities limit the ability to self-finance (ie. mortgage payments) and focus of the club on introductory junior sailing programs.

Grants Committee recommend a one-time grant of \$5,000 towards shoreline and slipway improvements to improve access and site safety.

Rationale: prior grants have been for the purchase of boats for "Learn to Sail" instructional classes which is consistent with HRM recreation's focus on entry level, developmental programming for children and youth; this application would serve the broader public interest in terms of waterfront access and safety. Financial statements have been submitted which indicate liabilities exceed annual net revenue.

4. Pier 21 Society - Halifax - Heritage

Pier 21 Society have requested a multi-year contribution towards the re-positioning of the facility as a National Museum of Immigration. The request for \$500,000 is part of an inter-government cost-sharing proposal for a total of \$8,635,000. The grant is towards research on the history of immigration through Halifax, exhibition development, and the development of a resource centre for public inquiries, research and genealogy.

Staff recommend that given the cost and long-term impact of \$500,000 in assistance to the development of a National Immigration Museum, that staff recommendations be presented to Regional Council as a separate report with project-specific criteria and financial analysis.

B. Appeals:

All appeals have been reviewed within the context of the balance of program budget capacity, the consistent application of program policy and procedures, and equitable access to opportunity.

1. Avalon Sexual Assault Centre - Halifax - Social Supports

Avalon Sexual Assault Centre provides professional counselling/therapy and court support for victims of sexual violence, advocacy and educational services . The organization's operations are funded primarily through provincial and project-specific federal grants. A grant application for \$8,000 in support of the After Hours Response Line service. In the course of the review the HRM Grants Committee requested staff confirm the nature of the arrangement between Avalon and the Help Line Society:

- The After Hours Response Line is operated by volunteers trained to assess the urgency of a call and refer to the appropriate service provider: eg. 'on call' staff counsellor, hospital, police, or Help Line.
- Services provided to HRM Police services for staff training are on a fee-for-service basis.
- Avalon Sexual Assault Services representative(s) serve in an advisory capacity with police, public prosecution, and community agencies in developing a coordinated response to sexual violence. Includes policy and procedures for police response.

The grant request was declined on the basis of late submission. The basis of appeal is financial need.

Grants Committee recommend appeal be declined. Late submission.

2. Zuppa Circus - Halifax - Arts (Theatre)

Zuppa Circus is a professional ensemble theatre company whose original works feature physical theatre and clowning. Revenues are from grants and ticket sales. A one-time grant of \$5,000 requested towards facility rental for rehearsal (Needham Centre) and performance venue. Grant declined on the basis of (a) no reporting from prior year grant, (b) budget capacity, (c) new applications to arts sector. The basis of appeal is that reporting was sent (December/2003) and the company's donation of services in support of local community arts education, the development of a community event, and on-going relationship building between the arts and recreational programming.

Zuppa Circus has negotiated a short-term rental of the HRM-owned Isleville Art Studio, Halifax, at a discounted rate (\$400/month) for rehearsals. If approved, the grant shall be applied against the rental through an inter-departmental transfer of funds.

Grants Committee recommend a one-time grant of \$1,000 towards partnership project with urban community centres (Needham Centre, North Street Church performance, Northern Lights Lantern Festival, and the Isleville Art Studio).

Rationale: the project represents a collaborative effort with HRM Community Recreation and demonstrates accessibility both in venue, content, in-kind services.

3. Shakespeare By the Sea - Halifax - Arts (Theatre)

Shakespeare By the Sea applied for a one-time grant in the amount of \$12,000 for general operating and was awarded a \$5,000 towards marketing. The basis of appeal is the amount of the grant and the financial status of the company. A meeting with staff is scheduled for October 1, 2004.

Grants Committee recommend decline. Prior years grants have been "one-time" and the program does not have the capacity to provide core operating funding.

Rationale: in addition to a grant, the company rents an HRM-owned building in Point Pleasant Park (\$100/month) and property taxes are not levied at present.

4. Live Arts - Halifax - Arts (Dance)

Live Arts is a non-profit organization for the presentation of contemporary dance. The organization's revenues include federal and provincial arts grants, ticket sales and donations. A grant request of \$5,000 towards development of choreographers series but no project-specific budget included (application included projected annual operating budget). The application was declined funding due to (a) new applicants to arts sector, (b) budget capacity, (c) do not provide core operating grants. The basis of appeal is prior year's funding created expectation of a grant which was included in 2004-05 budget.

Grants Committee recommend decline on the basis of prior multi-year support, new applicants to the arts sector, and core funding request.

5. Aeolian Singers - Arts (Music)

The Aeolian Singers is a women's choir of 45 members who perform or commission works specifically for women's voices. Application was made for a one-time grant in the amount of \$3,000 towards a concert of new music based on the writings of Nova Scotia poet Elizabeth Bishop. Total budget for the project, which is due to be staged in March of 2005, is estimated to be \$25,000 of which 30% of revenue is projected to be from ticket sales. The application was declined due to (a) the volume of requests from the arts sector, (b) the Aeolian Singers received a grant in 2003-04 for the production of a cd and reporting had not been received, (c) the timeline of the proposed concert.

The basis of appeal is: reporting for the prior year's grant was complete but not submitted to HRM while awaiting printed presentation material and that the concert is March 2005 (not 2004) and therefore there is sufficient time to plan based on the response to grant requests submitted to all three levels of government. Reporting received July, 2004.

Grants Committee recommend a one-time grant of \$1,000 towards facility rental for the performance of an original composition celebrating an internationally recognized Nova Scotian literary artist.

Rationale: the delay in reporting was due to production of a self-promotional folder - the applicant wanted to present themselves to HRM in a "professional manner". Program review error - the date of the Elizabeth Bishop production conforms to the program timelines.

6. Coverdale Centre - Halifax - Social Supports

Coverdale was awarded a one-time grant of \$2,500 in 2003-04 towards volunteer court worker support. The organization's request was for \$10,000; \$5,000 "...to help us offset not receiving a grant from HRM in 2003" and \$5,000 in community outreach activities. We do not fund retroactively (the organization was ineligible for consideration in 2003 because they forgot to apply) and we do not provide core funding - counselling is not a service funded under the program's criteria. The basis of appeal is the amount of award.

Grants Committee recommend request for grant increase be declined; the program does not fund core operating expenses, or staff salaries and wages.

7. Soil & Water Conservation Society of Metro Halifax - Environment

The society is a volunteer environmental protection group with a primary focus on lakes and watersheds. Activities include public education, water sampling and analysis, monitoring, land and underwater clean-up, a resource library, and scientific reports. Technical assistance is provided to other non-profit organizations, universities, and government agencies. The organization applied for a one-time grant of \$4,800 for technical equipment used in water monitoring and data analysis for the clean-up of Maynard Lake (polluted with faecal coliform). The application was declined funding on the basis of (a) the volume of requests, (b) applications from new groups who had not received HRM assistance, and (c) the experimental nature of the restoration technique.

The basis of appeal is that the proposed water rehabilitation technique (scallop shell project) is not experimental and has been employed in prior projects. The project has been endorsed by the Nova Scotia

Department of Environment & Labour, National Research Council, and results of the project are to be sent to the Medical Officer of Capital Health District.

Grants Committee recommend decline on the basis of new applicants to the environment sector and the annually recurring nature of water testing fees.

8. South End Lawn Tennis Club - Halifax - (Recreation)

The South End Lawn Tennis Club is a registered non-profit organization which owns and operates three tennis courts. Revenues are exclusively through membership fees, fundraising, and instructional classes. Application was made in 2003-04 for a grant towards the cost of re-surfacing which at the time was estimated to cost \$87,000. The application was declined and so was a subsequent application under By-law T-201 for short-term tax exemption. The applicant re-submitted for the 2004-05 program for a grant in the amount of \$10,000; due to "unexpected site conditions" the project's total cost was \$95,000 and the club's capital reserve (\$40,000) was fully used. A Sport Nova Scotia grant in the amount of \$10,000 and a bank loan secured through individual members. Adult membership fees are \$190/yr and additional memberships for children are available according to age category: intermediate (8-17) \$125, and junior (8-17) \$20. In 2003-04 there were approximately 100 members. The grant was declined on the basis of restricted access to the facility (membership, no public access) and debt financing.

The basis of appeal is the club has managed financial resources in a responsible manner through a capital savings account which has been fully expensed and public access is available through day passes, instructional classes, and tournament hosting (5 events per year, open). The financial statement as of August, 2004, shows a cash balance of \$1,227.20 and liabilities of \$24,494.20. Membership has increased by 50 since the court improvements.

Grants Committee recommend a one-time grant in the amount of \$5,000 for court re-surfacing.

Rationale: the timing of the initial grant request (2004-05) which was prior to construction work but deferred by HRM pending a tax exemption request. In addition to members, the facility provides access to the general public for instructional classes, guest day passes, and open tournaments.

Note: HRM Grants Committee has asked staff to include policy guidelines re: (a) grants to membership-based clubs and (b) towards debt retirement or reduction in the review of the HRM Community Grants Program in progress.

10. Eastern Front Theatre, Dartmouth - Arts (Theatre)

Eastern Front Theatre applied for a one-time grant in the amount of \$22,000 for general operating and was awarded \$10,000 for developmental events (\$5,000 each of two events: Kids on the Waterfront and the Waterfront Theatre Festival). The basis of appeal is the amount of the grant and the facility rental expenditures paid to Alderney Theatre which is located in an HRM-owned facility (Alderney Landing, Dartmouth) and operated under a facility management agreement with Alderney Landing Corporation.. Eastern Front Theatre's venue-related costs in 2003-04 were \$34,000 in rental fees and an additional \$4,000 levied by Alderney Landing Corporation for "building capital costs"; for a total of \$38,000. The theatre company maintains that HRM's grant does not cover the rental fees and an alternate location may be less expensive.

Grants Committee recommend that a decision be deferred pending a staff review of the facility management agreement, HRM's annual operating subsidy to Alderney Landing Corporation, theatre revenues, the building capital cost levy, and eligibility for events funding.

Staff will present a supplementary report to the October 4th, 2004, meeting of the Grants Committee.

C. Amendments:

1. Foghorn Theatre - Halifax - Performing Arts

The outdoor theatre youth camp was cancelled due to lack of funding. HRM's grant of \$1,000 will be re-assigned. A letter has been sent to advise that status of future applications to HRM will not be adversely impacted.

2. Halifax Regional Municipality Literacy Association - Social Supports/Inclusion

The organization's operations are "on hold". HRM's grant of \$2,350 will be re-assigned. A letter has been sent to advise that the status of future applications to HRM will not be adversely impacted.

D. Holdbacks:

Payment has not been issued to the following organizations pending confirmation of reporting or program funding:

1. Community Care Network - Halifax - Social Supports

A grant in the amount of \$12,500 for year 2 of a multi-year grant for property acquisition. The initial award was conditional upon Grants Committee approval of operating plan.

2. Black Community Advocates Association of Nova Scotia - Social Supports

A grant in the amount of \$2,000 for year 2 of a multi-year grant for advocacy training for volunteers. No reporting received to date due to a change in the Board of Directors. The new Board will provide documentation this fall.

3. Voices Black Theatre Ensemble - Halifax - Arts (Theatre)

A one-time grant in the amount of \$1,500 for original script-writing. Held pending confirmation of matching funds and program implementation.

BUDGET IMPLICATIONS

The approved program budget for 2004-05 is \$563,700 (M311-8004). The awards approved by Regional Council June 22, 2004, totalled \$490,364 and a balance was retained pending a final decision on five (5) applications deferred. If approved, the 6 grants total \$42,000 for a combined total of \$532,364 pending any further applicant withdrawals or disqualification of grants held back.

Note: the final program total does not include a decision regarding Eastern Front Theatre. Staff also recommend that any residual be retained to balance the Grants Program portfolio budget for 2003-04 due to an anticipated budget overage in the *Tax Exemption for Non-Profit Organizations Program* (By-law T-201).

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 other relevant legislation.

ALTERNATIVES

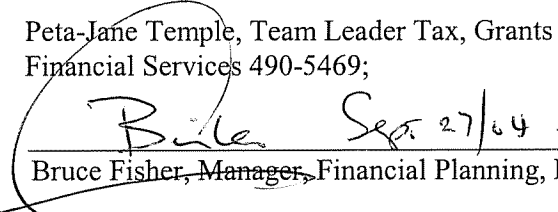
Regional Council could defeat the Grants Committee recommendation and decline additional funding in 2003-04.

ATTACHMENTS

1. Tree Canada Foundation *Greening School Grounds Program*: participation of HRM schools 1997-2004.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210 or Fax 490-4208.

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Financial Services 490-5469;

Report Approved By:  Bruce Fisher, Manager, Financial Planning, HRM Financial Services
Sep 27/04

Attachment 1.

The "Greening School Grounds Program" provides support in creating environmentally friendly and educational landscapes or the naturalization of the existing site (native species). School students, staff, parents, and neighbors are included in the process. Research demonstrates such programs help reduce vandalism, assist children with physical or mental disabilities and children and youth with behavioural problems (bullying), and maximizes the use of existing capacity.

1997-1999

Eric Graves Junior High
Ellenvale Junior High
John Martin Junior High
John MacNeil Elementary
Harbourview Elementary
Elizabeth Sutherland
Gorsebrook Junior High
Halifax Grammar School
South Woodside Elementary
Notting Park Elementary
Brookhouse Elementary
Dartmouth High School
Caledonia Junior High
Mary Lawson Elementary
Admiral Westphal Junior High
Tantallon Elementary
John W. MacLeod Elementary
Ecole Beaufort
Beaver Bank Kinsac Elementary
Harry H. Hamilton Elementary
George Bissett Elementary
le Marchant St. Thomas Elementary
St. Stephen's Elementary
Herring Cove Junior High
Sambro Ketch Harbour Elementary

2000-2004

Bicentennial School
Springvale Elementary
Tantallon Junior High
Shambala School
Musquodoboit Harbour Elementary
Sheet Harbour Consolidated
Lakefront Consolidated
CP Allen High School
St. Stephen's Elementary
Sambro Elementary
St. Joseph A. MacKay
Eastern Consolidated
Duncan MacMillan High School
Halifax Independent School
Central Spryfield Elementary
South Woodside Elementary
Astral Drive Elementary
Elizabeth Sutherland Elementary

Millenium School Grounds Project

Tantallon Junior High
Tantallon Elementary
St. Margaret's Bay Elementary
East St. Margaret's Elementary
Shatford memorial Elementary

Hurricane Relief Project 2004

AJ Smeltzer Junior High
Westmount Elementary
Fairview Junior High
Auburn Drive High School
Sir Charles Tupper
Bicentennial School

2004-05

Eric Graves Junior High
Burton Ettinger Elementary
Hammonds Plains Consolidated
Lakeview Consolidated
Auburn Drive High school
Westmount Elementary
Humber Park Elementary
Bedford Junior High
Harold T. Barnett Junior High
JL Isley High School

Summer Maintenance

NS Department of the Environment & Labour, NS
Department of Education, Tree Canada Foundation

Three (3) university students hired to maintain care at
16 schools in HRM.

**St. Stephen's Elementary, Halifax, has been selected
as the 2004 winner of the Tree Canada National
John Fischer Greening School Grounds Award.**