

NO: F006

COUNCIL DATE: January 23, 2012

FINANCE COMMITTEE

TO: **Mayor & Council** DATE: **January 17, 2012**
FROM: **General Manager, Finance & Technology** FILE: **1850-20**
SUBJECT: **2012 Community Grants**

RECOMMENDATION

It is recommended that the Finance Committee recommend that Council:

1. Approve the 2012 City grants as documented in ***Schedule A***; and
2. Allocate \$2,500 from the Special Recognition Fund for the purchase of City of Surrey pins to be distributed by the Mayor's Office to parties hosting and/or attending provincial/national events.

BACKGROUND

Each year Council provides support to local non-profit organizations and low-income residents in various ways. These include Local Government Act Tax Exemptions, Public Leisure Access Programs, Council-Directed Projects (Council Initiatives), On-going Leases, Crime Prevention Initiatives, Business and Tourism Grants, and One-time Grants.

At its Regular meeting on October 17th, 2011 Council approved the Local Government Act Property Tax Exemptions for 2012 having a total value of approximately \$937,300.

The City's Public Leisure Access Program provided financial assistance to approximately 23,500 participants in 2011, resulting in approximately 393,000 facility visits. The value of this program in 2011 was approximately \$957,000 and is anticipated to remain at that same level in 2012.

DISCUSSION

Although there is no legal requirement to advertise the opportunity for interested parties to apply for City grants, advertisements were placed in the local newspapers and posted on the City's website about the Other One-time Grant Program. Interested parties were invited to apply for grants within certain parameters.

Eighty eight (88) grant requests were received for 2012, which have been aggregated into the following categories:

- Ongoing Leases and Property Taxes;
- Crime Prevention;
- Community;
- Chambers of Commerce;
- Business and Tourism; and
- Other One-time Grants.

Each request was evaluated using the Policy on Municipal Grants and the Guidelines for Grant Priorities, which are attached as **Schedule C**.

Ongoing Leases & Property Taxes

The “On-going Leases” component of the Grants Program relates to City-owned land and/or space that is being used by not-for-profit organizations and for which the lease payments are forgiven. There is limited land/space available for such endeavours; however the value of the lease payments that are forgiven by the City on such land/space is included as an “in-kind” grant amount in **Schedule A**.

An allocation is included in the Grants budget for not-for-profit organizations that would have qualified for a permissive property tax exemption but who did not meet the submission deadline for such exemptions. Any such grants that are provided from this allocation are intended to be one-time grants and are restricted to the municipal portion of the not-for-profit organization’s property taxes.

Other One-time Grants Program Evaluation Process

In September 2010, Council assigned the administration of the City’s “Other One-time Grants” Program to the Surrey Foundation for administration. A separate report will be forwarded to Council in relation to the “One-Time Grants” category.

Utilization of the Council Initiatives Fund

Schedule B provides a description of allocations that were approved in 2011 from the Council Initiatives Fund.

Special Recognition Fund

The budget for grants includes an allocation of \$5,000 as a Special Recognition Fund. This is intended to be used to recognize individuals or groups who achieve extraordinary accomplishments as determined by City Council. In this regard, individuals and groups/teams occasionally request financial assistance when they qualify for or are invited to attend a competition at a higher level, such as a provincial or world championship event.

Council has on an annual basis typically allocated \$2,500 from the Special Recognition Fund for the purchase of City of Surrey pins, which are distributed by the Mayor’s Office to groups who attended or hosted events at the provincial level or higher. The Grants Evaluation

Committee recommends that \$2,500 be allocated from this Fund in 2012 for the purchase of pins to be similarly distributed by the Mayor's Office.

Funding

If the Finance Committee approves the recommendations of this report, the balance of un-allocated funds in the City grant-related programs (excluding One Time Grants) will be as follows:

Special Recognition Funds	\$ 2,500
Property Taxes	5,000
High School Dry Grads	<u>1,400</u>
	<u>\$8,900</u>

CONCLUSION

Based on the above discussion, it is recommended that the Finance Committee recommend that Council approve:

1. 2012 City Grant allocations as documented in *Schedules A* attached to this report, with the following total amount in each respective category:

a. Leases	\$ 145,925
b. Property Taxes	5,000
c. Business & Tourism	40,000
d. Lower Fraser Valley Exhibition	775,000
e. Other	<u>235,300</u>
Total City Grants	<u>\$ 1,201,225</u>

; and

2. An allocation of \$2,500 from the Special Recognition Fund for the purchase of City of Surrey pins to be distributed by the Mayor's Office to parties hosting and/or attending provincial/national events.

Vivienne Wilke, CGA
General Manager,
Finance & Technology

Schedule A: 2012 Proposed City Grants
Schedule B: Council Initiative Fund
Schedule C: Policy on City Grants



2012 FINANCIAL PLAN
PROPOSED CITY GRANTS

Schedule A

Non-profit Organization	Description	Request	2012 Proposed Amounts	Comments, Actions or Recommendations
1. Sunnyside Saddle Club	2012 Lease-in-kind	38,400	38,400	Same amount as 2011
2. Cloverdale Curling Club	2012 Lease-in-kind	30,000	30,000	Same amount as 2011
3. Surrey Sailing Club	2012 Lease-in-kind	24,000	24,000	Same amount as 2011
4. Panorama Ridge Riding Club	2012 Lease-in-kind	22,500	22,500	Same amount as 2011
5. Fraser Valley Heritage Railway Society	2012 Lease-in-kind	20,400	20,400	Same amount as 2011
6. Lower Mainland German Shepherd Dog Club	2012 Lease-in-kind	6,000	6,000	Same amount as 2011
7. Action BMX Association	2012 Lease-in-kind	4,000	4,000	Same amount as 2011
8. Crescent Beach Swimming Club	2012 Lease-in-kind	625	625	Same amount as 2011
Total Leases		145,925	145,925	
9. Unallocated Taxes	2012 Property Taxes	5,000	5,000	
Total Property Taxes		5,000	5,000	Same amount as 2011
10. Cloverdale District Chamber of Commerce	Local Festivals	10,000	10,000	Same amount as 2011
11. Surrey Board of Trade	Business Resource Centre & Awards	18,000	10,000	Same amount as 2011
12. South Surrey/White Rock Chamber of Commerce	Business Referral Service & Awards	20,000	10,000	Same amount as 2011
13. Tourism Surrey	City Wide Tourism	10,000	10,000	Same amount as 2011
Total Business & Tourism		58,000	40,000	
14. Lower Fraser Valley Exhibition	2012 Operations	550,000	550,000	Same amount as 2011
Cloverdale Rodeo	Event Support	225,000	225,000	
Total Lower Fraser Valley Exhibition		775,000	775,000	
15. Honey Hooser Scholarship Funds	Weavers Scholarship	1,000	1,000	Same amount as 2011
16. Arts Council of Surrey	BC Arts Council Matching	4,000	4,000	Same amount as 2011
17. Surrey Foundation	Grant Evaluation	5,000	5,000	Same amount as 2011
18. South Fraser Community Services Society	Street Youth Services	24,000	24,000	Same amount as 2011
19. Crime Stoppers	TIPS Line	25,000	25,000	Same amount as 2011
20. Community Enhancement Partnership	Matching Grant	25,000	25,000	Same amount as 2011
21. Cloverdale Curling Club	2012 Operations	60,000	60,000	Increase of \$30,000
22. Surrey Crime Prevention Society	Crime Prevention / Anti Graffiti	86,500	84,500	Same amount as 2011
Dry Grad Events				
Earl Marriott Secondary School	Dry Grad	100	100	\$100 for each of the
Ecole Kwantlen Park Secondary	Dry Grad	100	100	\$100 for each of the
Lord Tweedsmuir Secondary	Dry Grad	100	100	18 Surrey High
Queen Elizabeth Secondary	Dry Grad	100	100	
Sullivan Heights Secondary	Dry Grad	100	100	
Unallocated Dry Grads	Dry Grad	1,300	1,300	
23. Dry Grad Events		1,700	1,700	Same amount as 2011
24. Special Recognition		5,000	5,000	\$2,500 for pins, issued by the Mayor's Office
Total Other Recurring		236,300	234,300	
Total On-going		1,221,225	1,201,225	
25. One-time Grants		124,200	50,775	Addressed in CR F005
Carry Forward Funding		(13,000)	(13,000)	
One-time Grants		111,200	37,775	
Total Grants		\$ 1,332,425	\$ 1,239,000	



**2012 FINANCIAL PLAN
COUNCIL INITIATIVES**

Schedule B

Description	Amount	Allocation to date	Remaining
Carried Forward from Prior Year	267,341		
2011 Proposed Budget	<u>250,000</u>		\$ 517,341
Sponsor Appreciation Event	10,000		
RCMP 60th Anniversary Exhibit	20,000		
Surrey Minor Hockey - Provincial Championships	3,000		
Arts Umbrella Surrey (1st year of 3-year program)	25,000		
2011 Flavours of Surrey Event	15,000		
Red FM 5th Annual Run	5,000		
Annual Pride Festival	1,000		
Mayor's Charity Ball	3,250		
2011 Canadian Junior Boys Golf Championship	10,000		
2012 Doors Opens Surrey Event	50,000		
Break the Silence on Violence Against Women	10,000		
Surrey Crime Prevention Society - Annual General Meeting & Awards	1,000		
SFU - Diwali Dinner	2,500		
SFU - Annual Gala Dinner	5,000		
SFU - Annual Gala Dinner - Councillor Attendance	2,000		
SASSY Awards	2,500		
Hargobind International Wrestling Championship	11,000		
Surrey City Orchestra	40,000		
Surrey Fire Fighters' Historical Society	18,000		
Immigrant Women's Resource Centre	2,000		
REC for Kids Society	350		
Allocations for 2011		<u>\$ 236,600</u>	<u>\$ 280,741</u>
2012 Proposed Budget	<u>250,000</u>		\$ 530,741
Arts Umbrella Surrey (2nd year of 3-year program)	25,000		
Allocations for 2012		<u>\$ 25,000</u>	<u>\$ 505,741</u>

POLICY ON CITY GRANTS

1. That two categories of grants be established:
 - Category A - ongoing grants from year-to-year.
 - Category B - all other grants generally for one-time requests.
2. That a Global Grants Budget be placed in the Annual Financial Plan.
3. That total grants not exceed the Global Grants Budget.
4. That grants be intended for specific programs, capital projects, or special events.
5. That all applications for grants must be received at the office of the City Clerk not later than 4:30 p.m., September 30th of each year, or if City Hall is closed on that day, on the next day on which City Hall is open. Grant applications received after that time will not be considered for funding unless the requirement for funding was not reasonably foreseeable prior to September 30th, and unless the requirement for funding is critical to the survival of the organization's programs, capital project, or special event.
6. That grants not be provided to groups for travel, except for groups travelling under the Sister City Program.
7. That a Grant Fund in the amount of \$5,000 be established as a Special Recognition Fund for groups, which have achieved extraordinary accomplishments as determined by Council throughout the year.
8. That organizations providing services that are the responsibility of other levels of government, will not normally be eligible for grants unless the consequences of not funding the grant would result in a significant disadvantage to Surrey which would outweigh the cost of the grant itself. (Example: An organization would lose significant funding from other benefactors without Surrey's participation by way of a nominal grant).
9. That grants not be provided to cover deficits or on-going operating costs.
10. Criteria For Grant Eligibility:
 - (a) The organization must meet the requirements of Sections 8, 24 and 25 of the *Community Charter*.
 - (b) The organization shall have an active governing body composed of volunteers. Its main responsibility shall be program and policy development, and fund-raising. The governing body must be held responsible for the effectiveness of services provided and for financial accountability for funds received from all sources.

POLICY ON CITY GRANTS (cont'd)

- (c) All organizations shall have the following or similar clauses in their constitution and by-laws:
 - i. Paid staff members cannot be voting members of the Board of Directors (or the governing body).
 - ii. No director shall be remunerated for being or acting as a director, but directors may be reimbursed for all expenses necessary and reasonably incurred while carrying out their duties as authorized by the organization.
- (d) The organization shall show evidence that it has fully explored all other viable sources of financial support.
- (e) The organization must extend its service to the general public in Surrey, and must not exclude anyone by reason of race, religion, or ethnic background.
- (f) The organization must not act as a general fund-raiser for, or make grants to, various other groups or organizations.
- (g) The organization must agree to submit an evaluation of the use of the Surrey grant at the end of the program/project/event, or by September 30th, whichever occurs sooner.
- (h) The organization must not view the grant as an automatic ongoing source of funding.

GUIDELINES FOR GRANT PRIORITIES

The following factors will be used to determine priorities for allocating grants to eligible applicants:

1. The need addressed by the program/project/event, and its value to the community:
 - To what degree will the grant promote the well-being of Surrey residents?
 - How many residents will benefit?
 - Why is it important that it be done this year?
 - How severe are the consequences to Surrey residents of not providing a grant?
 - Is there overall community support?
2. The absence of duplication of, or competition with, an existing City program/service/event, and the use of existing community services or facilities to carry out the program/service/event.
3. The cost of the program/project/event:
 - What is the total cost?
 - What is the per capita cost (residents served)?
 - What are the sources of funding, and what percentage would Surrey be contributing?
 - Have all possible sources of funding been pursued?
 - What are the overall financial conditions of the organization, and will the lack of Surrey funding result in cancellation of the program/project/event?
 - Is this a one-time request for funds, or will ongoing support be required?
 - If ongoing support will be required, for how long and to what degree?
4. The appropriateness, effectiveness, and quality of delivery of the program/project/event:
 - How well will it be organized?
 - How many volunteers and volunteer hours will be involved?
 - Will there be coordination with other organizations, which might be interested or affected?
 - Has the organization previously demonstrated success with a similar undertaking?

GUIDELINES FOR GRANT PRIORITIES (cont'd)

5. The quality of the organization's previous and current administration and management, and the length of time and the degree to which the organization has provided previous service to the community:
 - Who are the officers or elected officials of the organization?
 - Is the organization well-known to Surrey residents for their service?
 - What is their history of service to Surrey?
 - What are the future plans and goals of the organization?
 - Has the organization previously received funds from Surrey, and did they submit an evaluation for the use of those funds?

PROCEDURE FOR PROCESSING GRANT REQUESTS

1. Applicants must submit a grant application to the City Clerk on the prescribed form, by September 30th in order to be considered for a grant for the following year.
2. A Grants Evaluation Committee, consisting of a staff representative from Finance, Parks Recreation and Culture and Corporate Services, will review all grant applications to ensure completeness and to ensure grant eligibility as specified by policy.
3. New grant requests shall be listed under the following categories:
 - Taxes
 - Community Promotion
 - Environmental
 - Cultural and Recreational
 - Health and Social Services
4. The Grants Evaluation Committee will (after consultation as they deem necessary with the grant applicants, with City General Managers or their staff, with other Surrey Committees or Commissions, or with community groups) submit to the Finance Committee of Council, a list of all grant applications along with recommended grant amounts. The total of the recommended grants shall not exceed the total grants budget funding available, and a minimum of \$10,000 of the grants budget shall remain unallocated for critical, unanticipated grant requests received after September 30th.
5. The Finance Committee of Council will review the recommendations of the Grants Evaluation Committee, and may request additional information or request to hear delegations. The Finance Committee will then submit a list of recommended grant amounts to Council for their review and for the necessary approval. The approved grants shall be subject to final confirmation by Council after all appeals have been dealt with.
6. The City Clerk shall notify all applicants, by regular mail, of Council's initial decision, and shall advise them of the Appeal Procedure. Applicants shall be advised that grant amounts are subject to final confirmation by Council after all appeals have been dealt with.
7. The Grants Evaluation Committee shall be responsible for ensuring that all organizations, which receive a grant, submit an evaluation report on the use of the grant funds.

PROCEDURE FOR GRANT APPEALS

Appeals of Council's decisions will be considered only in instances where additional grant funds are required to prevent unforeseen circumstances which could result in employee lay-offs or threaten the financial well-being or survival of the organization, or where significant new information will be presented which was not available during the grants review process.

Organizations must notify the City Clerk in writing, within 14 days from the date that the grant notifications were mailed, that they wish to appeal Council's decision. The grant applicants must give a clear explanation of why they feel they qualify for an appeal. The appeal request will be presented to Council for a decision on whether the appeal will be considered, and the applicant shall be notified accordingly.

If the appeal is not successful, that organization may not reapply for funding of the same service in the same funding year.

PROCEDURE FOR PROCESSING LATE GRANT APPLICATIONS

Grant applications received after the September 30th deadline will be referred to the Grants Evaluation Committee for the following action:

- (a) If the requirement for grant funds was not reasonably foreseeable prior to September 30th, and if the requirement for immediate funding is critical to the survival of the organization or the event, then the Grants Evaluation Committee may refer the application to Council along with a recommended grant amount.
- (b) If the Grants Evaluation Committee believes that the grant application does not qualify for consideration under (a), then the Committee shall advise the grant applicant in writing that they do not qualify for consideration, but that they may reapply by the September 30th deadline for the following year. The applicant shall be advised that they may appeal this action of the Committee by requesting the City Clerk in writing to refer their application directly to Council, and by explaining why they should receive special late consideration for a grant. The appeal will be forwarded to Council for consideration, along with a recommendation from the Grants Evaluation Committee.

PROCEDURE FOR SETTING A GLOBAL GRANTS BUDGET

Prior to September 30th of each year, the Grants Evaluation Committee shall review the present year's budget, consult with larger ongoing grant recipients as necessary, and then submit a recommended Global Grants Budget to the City Manager. The City Manager shall review the recommendation, and include a Global Grants Budget amount in the preparation of the Annual Financial Plan.