

NO: F042

COUNCIL DATE: November 25, 2013

FINANCE COMMITTEE

TO: **Mayor & Council** DATE: **November 15, 2013**
FROM: **General Manager, Finance & Technology** FILE: **1850-20**
SUBJECT: **2014 Community Grants**

RECOMMENDATION

It is recommended that the Finance Committee recommend that Council:

1. Approve City grants for 2014 as documented in **Schedule A** of this report; 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 groups hosting and/or attending provincial/national/international events.

BACKGROUND

Each year Council provides support to local non-profit organizations and low-income residents in various ways. This includes Local Government Act, Tax Exemptions (which were approved on October 7, 2013 for the 2014 taxation year), Public Leisure Access Programs, Council-Directed Projects (Council Initiatives), On-going Leases, Crime Prevention Initiatives, Business and Tourism Grants, and One-time Grants.

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 to notify the public about the City's Community Grant Program. Interested parties were invited to apply for grants within certain parameters.

Eighty eight (88) grant requests were received for 2014, which have been aggregated into the following categories:

- On-going Leases and Property Taxes;
- Crime Prevention;
- Community;
- Chamber 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** to this report.

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 also 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 an exemption. Any such grant that is provided from this allocation is intended to be a one-time grant and is restricted to the municipal portion of the not-for-profit organization’s property taxes. As part of the 2014 Community Grant process, an application was received from Sources Community Resource Centre to off-set 2013 property taxes as they relocated their services and were not eligible for a 2013 permissive property tax exemption due to the timing of their move.

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. A separate Corporate report is being forwarded for Council consideration in relation to the “One-time Grants” category.

Utilization of the Council Initiatives Fund

Schedule B provides a listing and description of allocations that were approved in 2013 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, national 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 attend or host events at the provincial level or higher. The Grants Evaluation Committee recommends that \$2,500 be allocated from this Fund in 2014 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 programs (excluding One-time Grants) will be as follows:

Special Recognition Funds	\$2,500
High School Dry Grads	<u>3,250</u>
	<u>\$5,750</u>

CONCLUSION

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

1. City grants for 2013 as documented in **Schedule A** attached to this report, in a total amount for each respective category as follows:

a. Leases	\$ 231,525
b. Property Taxes	5,300
c. Business & Tourism	40,000
d. Lower Fraser Valley Exhibition	775,000
e. Other	<u>238,000</u>
Total City Grants	<u>\$ 1,289,825</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 groups hosting and/or attending provincial/national/international events.

Vivienne Wilke, CGA
General Manager,
Finance & Technology

Schedule A: Proposed City Grants for 2014
Schedule B: Status of the Council Initiative Fund
Schedule C: Policy on City Grants



2014 FINANCIAL PLAN
PROPOSED CITY GRANTS

Schedule A

Non-profit Organization	Description	Request	2014 Proposed Amounts	Comments, Actions or Recommendations
1. Fraser Valley Heritage Railway Society	2014 Lease-in-kind	112,000	112,000	5554 176 Street
2. Sunnyside Saddle Club	2014 Lease-in-kind	38,400	38,400	2285 165 Street
3. Surrey Sailing Club	2014 Lease-in-kind	26,000	24,000	3140 McBride Avenue
4. Surrey Heritage Society	2014 Lease-in-kind	24,000	24,000	6022 Highway 15
5. Panorama Riding Club	2014 Lease-in-kind	22,500	22,500	5381 1255A Street
6. Lower Mainland German Shepherd Dog Club	2014 Lease-in-kind	6,000	6,000	19461 36 Avenue
7. Action BMX Association	2014 Lease-in-kind	4,000	4,000	12624 75 Avenue
8. Crescent Beach Swim Club	2014 Lease-in-kind	625	625	foot of McBride Avenue
Total Leases		233,525	231,525	
9. Eversafe Ranch	2013 Property Taxes	8,426	0	Does not meet the criteria
10. Sources Community Resources Centre	2013 Property Taxes	7,626	1,200	13371 - 72A Ave Units 102 & 103
Sources Community Resources Centre	2013 Property Taxes	5,171	600	13371 - 72A Ave Units 104 & 105
Sources Community Resources Centre	2013 Property Taxes	7,045	1,100	13371 - 72A Ave Unit 106
Sources Community Resources Centre	2013 Property Taxes	9,183	1,200	13371 - 72A Ave Units 107 & 110
Sources Community Resources Centre	2013 Property Taxes	10,801	1,200	2343 156 Street
Total Property Taxes		48,252	5,300	
11. Cloverdale District Chamber of Commerce	Local Festivals	10,000	10,000	Same amount as 2013
12. South Surrey/ White Rock Chamber	Business Referral Service & Awards	20,000	10,000	Same amount as 2013
13. Surrey Board of Trade	Business Resource Centre & Awards	15,000	10,000	Same amount as 2013
14. Tourism Surrey	City Wide Tourism	10,000	10,000	Same amount as 2013
Total Business & Tourism		55,000	40,000	
15. Lower Fraser Valley Exhibition	2013 Operations	550,000	550,000	Same amount as 2013
Cloverdale Rodeo	Event Support	225,000	225,000	
Total Lower Fraser Valley Exhibition		775,000	775,000	
16. Honey Hooser Scholarship Funds	Weavers Scholarship	1,000	1,000	Same amount as 2013
17. Arts Council of Surrey	BC Arts Council Matching	4,000	4,000	Same amount as 2013
18. Surrey Foundation	Grant Evaluation	5,000	5,000	Same amount as 2013
19. Keys Housing & Health Solutions	Street Youth Services	24,000	24,000	Previously known as South Fraser Community Services
20. Crime Stoppers	TIPS Line	25,000	25,000	Same amount as 2013
21. Community Enhancement Partnership	Matching Grant	25,000	25,000	Same amount as 2013
22. Cloverdale Curling Club	2013 Operations	60,000	60,000	Same amount as 2013
23. Surrey Crime Prevention Society	Crime Prevention / Anti Graffiti	95,000	84,500	Same amount as 2013
Dry Grad Events				
Ecole Panorama Ridge Secondary	Dry Grad	250	250	\$250 for each of the 18 Surrey High Schools
Kwantlen Park Secondary	Dry Grad	250	250	
Queen Elizabeth Secondary School	Dry Grad	250	250	
Sullivan Heights Secondary	Dry Grad	250	250	
Fleetwood Park Secondary School	Dry Grad	250	250	
Unallocated Dry Grads	Dry Grad	3,250	3,250	
24. Dry Grad Events		4,500	4,500	
25. Special Recognition		5,000	5,000	\$2,500 for pins, issued by the Mayor's Office
Total Other Recurring		248,500	238,000	
Total On-going		1,360,277	1,289,825	
26. One-time Grants		60,475	60,475	Addressed in CR F043
Carry Forward Funding		(22,300)	(22,300)	
One-time Grants		38,175	38,175	
Total Grants		\$ 1,398,452	\$ 1,328,000	



**2014 FINANCIAL PLAN
COUNCIL INITIATIVES**

Schedule B

Description	Amount	Allocation	
		to date	Remaining
Carried Forward from Prior Year	253,126		
2013 Approved Budget	<u>250,000</u>		\$ 503,126
Arts Umbrella Surrey (3rd year of 3-year program)	25,000		
2013 Women's BC OPEN Water Polo Tournament	5,000		
Comedy Courage Sponsorship	5,000		
Surrey Community Summit	25,000		
Sponsorship Appreciation Event	10,000		
Clayton Heights Enhanced Programming	85,000		
Cloverdale Skating Club	5,000		
Early Childhood Development (ECD) Smarter Cities Funding	50,000		
2013 Flavours of Surrey Event	22,000		
Cities Fit for Children Summit	10,000		
Newton BIA	33,600		
Block Watch Society - RCMP Musical Ride	1,000		
Community Street Fair (Phoenix Society)	3,000		
Red FM Walk/Run	5,000		
Crescent Beach Concours d'Elegance	2,000		
Awards for Justice & Public Safety Gala	3,500		
City of Bhangra Festival (2nd Year of 3-year Program)	15,000		
Vibrant Surrey - Let's Make THIS Happen	5,000		
SFU Surrey Diwali Dinner	2,500		
SFU Surrey Annual Gala Dinner	5,000		
Break the Silence on Violence against Women (year 1 of 2)	5,000		
Mayor's Charity Ball	3,500		
Allocations for 2013		<u>\$ 326,100</u>	<u>\$ 177,026</u>
2014 Approved Budget	<u>250,000</u>		\$ 427,026
Break the Silence on Violence against Women (year 2 of 2)	5,000		
My Neighbourhood, My futures Initiative (year 1 of 5)	40,000		
Allocations for 2014		<u>\$ 45,000</u>	<u>\$ 382,026</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.