Agenda – Council – July 18, 2012

Report – Executive Policy Committee – July 11, 2012

Item No. 4 Review of the Community Incentive Grant Program

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 11, 2012, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the proposed amendments to the Community Incentive Grant Program be approved, such that any project that fits the following four (4) criteria be eligible for funding:

    A. Organization is a non-profit community organization that contributes to the health and well-being of the community.
    B. The project is a capital improvement or the purchase of a capital asset that will be retained for more than 1 year.
    C. The project is available for public use or will enhance public use of the space or facility.
    D. Projects must be initiated and substantially completed within two (2) years of award.

2. That for the purpose of the Community Incentive Grant Program grant, the definition of a non-profit organization shall be: "a corporation or an association that conducts business for the benefit of the general public without shareholders and without a profit motive. Any profit that is made is used to further the goals or undertaking of the organization. Profits must not be used by the individuals involved for their own personal financial gain".

3. That the requirement for 50% matching funding from other funding programs and sources be maintained.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – July 11, 2012

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 11, 2012, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

On May 25, 2012, the Executive Policy Committee granted a further extension of time of 60 days, in order to review the Community Incentive Grant Program and report back as requested by Executive Policy Committee on January 11, 2012.

On April 18, 2012, the Executive Policy Committee granted a further extension of time of 30 days, in order for the Winnipeg Public Service to review the Community Incentive Grant Program and report back as requested by Committee on January 11, 2012.

On March 14, 2012, the Executive Policy Committee granted an extension of time until April 18, 2012, in order for the Winnipeg Public Service to review the Community Incentive Grant Program and report back as requested by Committee on January 11, 2012.

On January 11, 2012, the Executive Policy Committee requested the Winnipeg Public Service to review the Community Incentive Grant Program and report back to Executive Policy Committee within 60 days on the following:

1. The elimination red tape;
2. Clarify the criteria for approval;
3. Examine this issue specifically as not meeting the criteria for being non-profit.

ADMINISTRATIVE REPORT

Title: **Review of the Community Incentive Grant Program**

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
S. Sawatzky/ R. MacKinnon	C. Wightman	M Ruta	D Joshi COO

RECOMMENDATIONS

1. That Council approve proposed amendments to the Community Incentive Grant Program (CIGP) Policy C037, such that any project that fits the following four (4) criteria be eligible for funding:
    i. Organization is a non-profit community organization that contributes to the health and well-being of the community.
    ii. The project is a capital improvement or the purchase of a capital asset that will be retained for more than 1 year.
    iii. The project is available for public use or will enhance public use of the space or facility.
    iv. Projects must be initiated and substantially completed within two (2) years of award.
2. For the purpose of the CIGP grant, the definition of a non-profit organization shall be:

    "a corporation or an association that conducts business for the benefit of the general public without shareholders and without a profit motive. Any profit that is made is used to further the goals or undertaking of the organization. Profits must not be used by the individuals involved for their own personal financial gain".

3. That Council maintain the requirement for 50% matching funding from other funding programs and sources.
4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

At its meeting on January 11, 2012, the Executive Policy Committee requested the Winnipeg Public Service to review the Community Incentive Grant Program and report back to Executive Policy Committee within 60 days on the following:

1. The elimination of red tape;
2. Clarify the criteria for approval;
3. Examine this issue specifically as not meeting the criteria for being non-profit.

IMPLICATIONS OF THE RECOMMENDATIONS

The recommendations in this report expand the original intent of the Community Incentive Grant Program (CIGP) beyond sport and recreation to encompass capital purchases and improvements to enhance community well-being.

The recommendations simplify and reduce the number of evaluation criteria from nine (9) to five (5). (Appendix A)

The definition of an eligible non-profit organization has been provided for inclusion in the Policy.

Capital assets must be items with a lifespan exceeding one (1) year. Examples of capital assets include land, machinery, equipment and vehicles. Consumable items, stock for resale or operating supplies do not fit the definition of a capital asset.

The proposed recommendations include a two (2) year limit for which all projects must be initiated and substantially completed (able to be occupied for the intended purpose). This requirement will assist Community Committees in prioritizing funding while ensuring projects move forward in a timely manner.

HISTORY

On March 6, 1985, Council formally established the Community Incentive Grant Program. The Program was designed to encourage non-profit community recreation and sport organizations to undertake capital projects, which would result in long-term benefits to the community at large, in terms of improved services and facilities.

Eligible projects were those involving construction, renovation or expansion of existing community recreation and sport facilities serving a neighbourhood or community within the City of Winnipeg (i.e. community centres, leisure centres, drop-in facilities, arenas).

Since its inception, the Community Incentive Grant Policy has been reviewed and modified several times, while maintaining the original intent of Council to provide assistance to community organizations for the development of recreation facilities. For instance, eligible organizations and funding ratios and funding limits have all changed over time.

In 2003, the most recent revision to CIGP occurred when Council adopted changes which expanded the eligibility criteria to include non-profit community organizations that were not sport or recreation based provided the project itself was a sport or recreation capital improvement. Council also established the requirement for support from a two-thirds majority of Council to approve applications that do not meet criteria.

Community Incentive Grant Program funds are allocated from the Annual Capital Budget. The 2012 Adopted Capital budget for CIGP is $1,538,000 which results in an allocation of $294,600 per Community Committee, net of administrative expenses.

FINANCIAL IMPACT

Financial Impact Statement **Date:** July 5th, 2012

Project Name: **First Year of Program** **2012**

Review of the Community Incentive Grant Program

	2012	2013	2014	2015	2016
Capital					
Capital Expenditures Required	$ 1,538,000	$ 1,569,000	$ 1,600,000	$ 1,632,000	$ 1,665,000
Less: Existing Budgeted Costs	1,538,000	1,569,000	1,600,000	1,632,000	1,665,000
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: There are no financial implications associated with the recommendations in this report.

"original signed by"

Cindy Fernandes, CMA
Department Controller
Community Services Department

CONSULTATION

In preparing this report there was consultation with:

- Ward Councillors
- Legal Services Department
- Planning, Property and Development Department
- Province of Manitoba, Housing and Community Development Community Places Program

SUBMITTED BY

Department: Community Services
Division: Community Development and Recreation Services
Prepared by: Sandra Sawatzky & RoseAnn MacKinnon
Date: July 5th, 2012
File No.

Appendix A:

Current CIGP Criteria (Effective September 24, 2003):	Proposed CIGP Criteria (Effective November 1, 2012)
1a) Organization is a non-profit community organization offering sport or recreation services or is a non-profit community organization that contributes to the health and well-being of the community; b) through the development of a sport or recreation capital project; c) that is accessible to the community. 2) Makes a significant contribution to the long-term benefit of the community at large in terms of improved facilities. 3) Does not compete with or duplicate other community facilities. 4) Benefits the community at large and remains accessible to all members of the community. 5) Includes confirmation of sufficient resources to maintain and operate completed projects. 6) Clearly articulates a plan of activities including projected work schedules, material, labour, equipment and other project requirements. Project leads to the completion of a substantial physical product. 7) Is feasible within the project management capabilities of the applicant. 8) Total project funding is confirmed. 9) Does not include any funds from the City.	1) Organization is a non-profit community organization that contributes to the health and well-being of the community. 2) The project is a capital improvement or the purchase of a capital asset that will be retained for more than 1 year. 3) The project is available for public use or will enhance public use of the space or facility. 4) Projects must be initiated and substantially completed (able to be occupied for the intended purpose) within two (2) years of award. 5) That Council maintain the requirement for 50% matching funding from other funding programs and sources.