Agenda – Executive Policy Committee – July 16, 2003

Report - Standing Policy Committee on Protection and Community Services - July 10, 2003

Item No. 2 Community Incentive Grant Policy Review
File PR-2.6

On July 10, 2003, the Standing Policy Committee on Protection and Community Services due to a tie vote, submits the matter to Council without recommendation.

Report - Standing Policy Committee on Protection and Community Services - July 10, 2003

DECISION MAKING HISTORY:

STANDING COMMITTEE:

On July 10, 2003, the Standing Policy Committee on Protection and Community Services considered a motion that the administrative recommendation be concurred in. The motion was put and in view of a tie vote, was declared lost in accordance with Rule 58 of the Procedure By-law.

STANDING COMMITTEE DECISION:

On July 10, 2003, the Standing Policy Committee on Protection and Community Services requested the Administration to prepare a list, by ward, of all Community Incentive Grants approved that do not meet criteria.

STANDING COMMITTEE RECOMMENDATION:

On March 10, 2003, the Standing Policy Committee on Protection and Community Services referred the recommendation of the East Kildonan-Transcona Community Committee that the Community Incentive Grant Program Criteria be reviewed with consideration being given to requiring more funding from School Boards to support the various projects on School Division properties to the administration for consideration during its review of the criteria of the Community Incentive Grant Program and report back to the Standing Policy Committee on Protection and Community Services.

On November 26, 2001, the Standing Policy Committee on Protection and Community Services requested that the Administration review the Community Incentive Grant Policy with a view to expanding the current eligibility criteria to include broadly based community programs that are not sport or athletic related and report back to the Standing Policy Committee on Protection and Community Services.

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ADMINISTRATIVE REPORT

RE: Community Incentive Grant Policy Review

FOR SUBMISSION TO: Standing Policy Committee on Protection and Community Services

ORIGINAL REPORT SIGNED BY: Ursula Stelman, Director
Community Services Department

REPORT DATE: June 30, 2003

RECOMMENDATION (S):

- That the Community Incentive Grant eligibility criteria for **organizations** be expanded as follows: *"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 through the development of a sport or recreation capital project that is accessible to the community"*;

- That Community Incentive Grant Program Policy be amended to require two-thirds of Council approval of any application that does not meet CIGP criteria;

- That the current Community Incentive Grant criteria requiring 50% matching funds from non-City sources be maintained.

REPORT SUMMARY:

Key Issues:

- On November 26, 2001, the Standing Policy Committee on Protection and Community Services instructed the Administration to review the Community Incentive Grant Policy with a view to expanding the current eligibility criteria to include broadly based community programs that are not sport or athletic related.

- On March 10, 2003, the Standing Policy Committee on Protection and Community Services referred the recommendation of the East Kildonan-Transcona Community Committee *"that the Community Incentive Grant Program criteria be reviewed with consideration being given to requiring more funding from School Boards to support the various projects on School Division properties to the Administration for consideration during its review of the criteria of the Community Incentive Grant Program and report back to the Standing Policy Committee on Protection and Community Services."*

- The Community Incentive Grant Program, (CIGP), is funded under the Annual Capital Budget and therefore, in order to justify on-going financing charges, is intended to fund long-term capital expenditures such as facility development, construction or renovation.

- The Administration is recommending the following amendments to CIGP Policy:

    - That the Community Incentive Grant eligibility criteria for **organizations** be expanded as follows: *"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 through the development of a sport or recreation capital project that is accessible to the community"*;

    - That Community Incentive Grant Program Policy be amended to require two-thirds of Council approval of any application that does not meet CIGP criteria.

- The Administration further recommends that the current Community Incentive Grant criteria requiring 50% matching funds from non-City sources be maintained and that requiring more funding from School Boards to support the various projects on School Division properties not be considered at this time.

Implications of the Recommendation(s):

General implications:

? **None**

X **For the organization overall &/or for other departments**

X **For the community and/or organizations external to the City**

? **Involves a multi-year**

Comments(s): The Administrative recommendations represent slightly expanded eligibility criteria for the CIGP to include non-sport or recreation organizations, but maintains the Program's intent on funding recreation and sport capital projects.

Policy implications:

? **No**

X **Yes Comment(s):** The recommendations include an expansion of current CIGP eligibility criteria and an amendment to the CIGP Policy to require two-thirds Council approval of any application not meeting CIGP criteria. Both recommendations would require an amendment of Council Policy C037.

Environmental implications:

X **No**

? **Yes Comment(s):**

Human Resources implications:

? **No**

X **Yes Comment(s):** Considering the large number of non-profit organizations in the city and the limited number of funding sources available, any expansion of eligibility criteria could result in increases in the number of CIGP applications received and the need for additional staffing resources to administer the program.

Financial implications:

X **Within approved current and/or capital budget**

? **Current and/or capital budget adjustment required**

Comment(s):

REASON FOR THE REPORT:

On November 26, 2001, the Standing Policy Committee on Protection and Community Services instructed the Administration to review the Community Incentive Grant Policy with a view to expanding the current eligibility criteria to include broadly based community programs that are not sport or athletic related.

On March 10, 2003, the Standing Policy Committee on Protection and Community Services referred the recommendation of the East Kildonan-Transcona Community Committee *"that the Community Incentive Grant Program criteria be reviewed with consideration being given to requiring more funding from School Boards to support the various projects on School Division properties to the Administration for consideration during its review of the criteria of the Community Incentive Grant Program and report back to the Standing Policy Committee on Protection and Community Services."*

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, in 1994, the

term “services” was removed from the Policy to re-emphasize the Grant program for facility improvements. The funding ratio was also changed at this time from 25% City /75% applicant, to 50/50 and the maximum contribution increased to $225,000 due to the reduction of other available grants.

In 1996, Council approved a change to the eligibility criteria for Community Incentive Grants, broadening the eligible applicants to include non-profit organizations that provide recreational services within a community.

In 1999, Council amended the Community Incentive Grant Program by giving the Standing Policy Committee on Protection and Community Services the authority to waive eligibility and selection criteria. Community Committees can now recommend support of an application that does not meet one or more of the Grant criteria, in order to address the special needs of the community. This action has expedited the approval process by eliminating the need for criteria to be waived by Executive Policy Committee before Council. The existing eligibility criteria for the Community Incentive Grant Program is attached as Appendix “A”.

Community Incentive Grant Program funds are allocated from the Annual Capital Budget. Over the years funding has increased from $100,000 to the current level of $278,600 per Community Committee ($1,393,000 in 2003).

DISCUSSION:

The November 26th, 2001 request of the Standing Policy Committee on Protection and Community Services relates to expanding the current eligibility criteria to include broadly based community programs that are not sport or athletic related.

When determining changes to the current eligibility criteria for the CIGP Program, consideration should be given to the intent of the Program and the source of funding.

The original intent of the Community Incentive Grant Program was and still is to assist community groups in the development of community sport and recreation facilities. The Program has been very successful to date in facilitating the development of hundreds of community recreation and sport facilities, at a relatively small expense to the City. This is due, in part, to the Program complementing other existing recreation facility development grants such as the Province of Manitoba, Community Places Grant and the Capital Grant for the General Council of Winnipeg Community Centers.

The Community Incentive Grant Program is funded under the Annual Capital Budget and as such, is subject to financing charges. Items such as facility construction, renovations or upgrades are Capital Budget expenditures, as these projects tend to have a long lifespan, thus justifying financing charges. From a financial management perspective, funding of temporary items such as programs or equipment is more suited to the Current Budget, to avoid long-term interest payments of expenditures with a very limited lifespan. In addition, the Community Incentive

Grant Program is intended to fund projects on a one-time only basis and not to annually sustain programs.

The delivery of community programs is not presently eligible for funding under the Community Incentive Grant Program, as it does not lead to the completion of a physical product in terms of improvements, renovations or construction of community sport and recreation facilities.

Non-sport or athletic organizations are currently eligible for funding under the current CIGP criteria if they offer recreational services. Other organizations such as cultural associations, BIZ groups and churches that do not offer recreational services, have received Community Incentive Grant funding in the past, but typically require criteria to be waived in order to receive such funding. An expansion of criteria to include non-sport or recreation organizations that are providing a community accessible recreation facility, would still be in keeping with the intent of the Program.

If eligibility criteria are expanded, the administration recommends that measures be taken to ensure that the majority of funds continue to contribute towards sport and recreation facility development. It is therefore recommended that Community Incentive Grant Policy be amended to require two-thirds of Council approval of any application that does not meet CIGP criteria.

The Standing Policy Committee on Protection and Community Services request of March 10th, 2003 refers the recommendation of the East Kildonan-Transcona Community Committee that the Community Incentive Grant Program criteria be reviewed with consideration being given to requiring more funding from School Boards to support the various projects on School Division properties.

Current CIGP criteria requires 50% matching funds from sources other than the City of Winnipeg. The CIGP does not mandate where this matching funding comes from. Most applicants secure these matching funds from a variety of sources including community fundraising, other grants and short-term loans.

Generally speaking, the projects that occur on school division properties provide a larger community value, beyond benefiting the school itself. For instance, play structures on school division property often augment the play value for the surrounding neighbourhood, in that children and families may access the structure after school hours. The City of Winnipeg also enjoys a strong partnership with School Divisions through numerous joint-use agreements that allow City access to school facilities for the purpose of providing programming space.

As such, it is recommended that the current Community Incentive Grant criteria requiring 50% matching funds from non-City sources be maintained and that requiring more funding from School Boards to support the various projects on School Division properties not be considered at this time.

In summary, the Administration has reviewed the current Community Incentive Grant Program Policy and has the following recommendations:

1) **That the Community Incentive Grant eligibility criteria for organizations be expanded as follows: "***"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 through the development of a sport or recreation capital project that is accessible to the community"***;**

2) **That Community Incentive Grant Program Policy be amended to require two-thirds of Council approval of any application that does not meet CIGP criteria;**

3) **That the current Community Incentive Grant criteria requiring 50% matching funds from non-City sources be maintained.**

Any changes to the current Community Incentive Grant Policy and eligibility criteria would require an amendment of Council Policy C037.

FINANCIAL IMPACT STATEMENT:

The Departmental Controller has reviewed the report and has indicated that there is no financial impact related to the presented recommendations.

Financial Impact Statement — Date: June 26, 2003

Project Name: — **First Year of Program** 2003

Funding Support of the COMMUNITY INCENTIVE GRANT POLICY

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
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 this report.

Clive Wightman, CGA
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCY BY:

Not applicable

THIS REPORT SUBMITTED BY:

Department: Community Services
Division: Community Development & Recreation Services
Prepared by: Ken McKim, Community Facility Development Coordinator

"Appendix A"

Current Community Incentive Grant Criteria

1) Organization is a non-profit community recreation and sport organization or is a non-profit organization offering recreational services.

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.