

Category: Finance

Subject: Municipal Grants Policy

Purpose

The purpose of the municipal grant program is to improve the well-being and quality of life of the community and its residents, through financial assistance to non-profit community based organizations which provide meaningful programs and services in the arts, culture, heritage, recreation, sport, environment, health, and social services areas.

Scope

This policy applies to community based not for profit organizations seeking a municipal grant.

Policy Statement

The goal of this policy is to establish open and transparent guidelines for the evaluation and distribution of City of Penticton municipal grants, respecting the City's limited financial resources available for this purpose.

Eligibility Criteria

To be eligible for municipal grants from the City of Penticton, organizations must clearly demonstrate meeting the following criteria:

- Not-for-Profit Status (in good standing)
- Community Based
- Accessible to All Residents
- Additional Funding Sources Sought
- No Duplication of Existing Programs/Projects (without proof of excess demand)
- Financial need (as evidenced through budgeted surplus/deficit)

If the organization is forecasting a surplus, or demonstrates a prior surplus in their financial statements, the intended use of any surplus funds must be explained in the application.

Consideration will be given towards the nature of the service being provided to the community and the responsibility for funding the service. Council retains discretion to provide or decline funding to organizations that are considered to be a Provincial service, and to designate one-time or seed funding.

Categories

It is recognized that community organizations contribute significant value to the City. Given the wide variety of organizations and their missions, it is inappropriate to assess value using a “one-size-fits-all” approach. The City asks organizations applying for municipal grants to self-identify in one of the following categories:

- Arts, Culture & Heritage
- Health, Safety & Social Services
- Parks, Recreation & Sport

The City determines in its evaluation whether organizations are eligible for annual funding. Consideration for grants will be given to organizations that enhance community services.

Applications for Special Events can be made under the Municipal Special Events Grant Policy.

Longer-Term Funding Agreements (Two Year Pilot Program)

It is recognized that some community organizations are providing a service to the City by occupying and providing maintenance to particular City-owned facilities or property, where a longer-term funding agreement may be more appropriate than an annual municipal grant.

A two (2) year pilot program will be in effect for the 2024 and 2025 grant years, where select organizations may enter into two (2) year funding agreements with City administration in lieu of annual municipal grant applications. At the conclusion of the pilot program, Council will evaluate the outcome and determine whether to proceed with a full implementation.

Evaluation Criteria

Organizations requesting assistance will be evaluated by the following outcomes:

Community Value:

- Number of Participants/Residents and Volunteers
- Number of Partners (letters of support, list of donations)
- Number of Sponsors (total budget/total grant request)
- Demonstrated Need for This Service Within the Community

City Value:

- Alignment with City Priorities
 - Past Performance
 - City Recognition
 - Report Submission
- Assistance (Lease/License, Maintenance, Rent, Tax) from City and/or to Partners

Category Value (Based on Organization-Identified Outcomes):

- Arts, Culture & Heritage
- Health, Safety & Social Services
- Parks, Recreation & Sport

The City may use additional criteria or other considerations during the evaluation process. The City reserves the right to award or decline municipal grants at its discretion.

Additional Assistance

Organizations must disclose in their application other forms of financial assistance they receive from the City, whether that assistance is in the form of cash, value in-kind, leases or licenses to use, maintenance, rent, tax exemptions or other forms. Organizations offering donations or other forms of financial assistance to partner organizations as a result of City-assisted programs or projects must provide a list of past or potential recipients as part of their application.

The City may adjust an award based on additional assistance when municipal grants are allocated.

Approvals

The application and reporting out forms must be submitted by the authorized representative of the organization acknowledging that the applicants have fully read and understand the policy conditions and agree to be bound by them and that the information included in the application or report is true and correct to the best of their knowledge and that all completed applications, reporting out forms, and correspondence must be completed in the City's grant software program.

Related Policies and Legislation

City Manager Grant Approval Policy CP#2023-08
Municipal Special Events Grant Policy CP#2023-07
Community Charter Section 25

Approval History			
Previous revisions/replaces: Municipal Grants Policy CP#2020-02			August 18, 2020
Approved by Council on:	June 20, 2023	Resolution No.:	244/2023

Certified Correct:



Paula McKinnon, Deputy Corporate Officer

Attachments:

Attachment A: Policy Conditions
Attachment B: Procedural Considerations

Policy Conditions

By submitting an application through the grant process, applicants required to agree are agreeing to the following conditions:

- 1) Certification that, to the best of the applicant's knowledge, the information provided in this application is accurate and complete and endorsed by the organization he or she represents. If the organization receives a municipal grant it acknowledges and agrees to the conditions set out in the policy and to any other conditions approved by Council.
- 2) Applications for municipal grants must be submitted on the fully completed standard grant application forms using the City's grant software. At the discretion of the City, partially completed applications may be delayed or declined. This includes but is not limited to formal financial statements. In all cases where the application form is not fully completed, the applicant can provide an explanation for the incomplete application and the Chief Financial Officer will adjudicate whether the application will be accepted.
- 3) Public notification for municipal grants commences three weeks prior to the application deadline. The application deadline for municipal grants is September 30, or 4 pm on the last business day before September 30, of each calendar year and applications must be received by the deadline. The City reserves the right to change or extend the application deadline as required. Applications received after the deadline will not be considered.
- 4) Under paragraph 25(1) of the *Community Charter* assistance may not be granted by the City to an industrial, commercial or business undertaking except under a partnering agreement. **Applications for partnership agreements can be made from in the City's grant software program during the main intake period.**
- 5) The receipt of leases, licences to use, maintenance, permissive tax exemptions or rent may impact the amount an organization is eligible for in community grants. It is hereby understood that the organization has disclosed any lease, license to use, maintenance, permissive tax exemption or rent it or an affiliated organization has or is receiving from the City. Failure to disclose may result in disqualification of the applicant.
 - a. Provided they have disclosed all assistance from the City, organizations in good standing may annually apply for a municipal grant to cover or offset a lease rate, license fee, maintenance costs or operating/rent costs.
- 6) In the event that grant funds are not used for the project/program indicated in the application the organization hereby acknowledges that:
 - i) If all or part of the funds remains unspent, the funds must be returned to the City to the attention of the Grant Administrator.
 - ii) Subject to the next paragraph, if funds have been expended inappropriately or for a purpose other than the program/project indicated in the application, Council may at its discretion disqualify the organization from all subsequent lease, license to use, rent, tax exemption, cash or in-kind assistance from the City.
- 7) In the event the organization makes changes to the program/project indicated on the application for which the grant has been provided, written notification must be forwarded prior to the change to the City of Penticton to the attention of the Grant Administrator.

- 8) The organization must make, and continue to make, attempts to secure funding from other sources as indicated in the application.
- 9) The organization will keep financial records which meet generally accepted standards of good business practice. For the purpose of this policy, the determination of those standards will be wholly at the discretion of the City of Penticton or its auditors. The organization's financial records must be made available to the City or its auditors as may be requested from time to time. If, upon examination of the financial records, they are deemed inadequate the City may at its discretion:
 - i) Direct remedial action with respect to the financial record keeping;
 - ii) Deem the grant to be void and demand the funds be returned immediately to the City of Penticton to the attention of the Grant Administrator.
- 10)
 - i) Grant recipients must acknowledge funding support from the City of Penticton in all communications materials, media coverage, and verbal promotion pertaining to the program/project being supported by the grant. Evidence of acknowledgement must be included in the reporting out form.
 - ii) Grant recipients agree that all related communications materials, including signs, websites, posters, etc. will contain a visible and current City of Penticton logo. Current logo files are available through the Communications & Engagement Department and must be used in accordance with the City's Visual Identity Standards manual. The City of Penticton logo should only be used in reference to the program/project supported by grant funding.
 - iii) Grant recipients are encouraged to tag the City of Penticton in social media posts (Facebook, Instagram, Twitter) in recognition of grant support.
 - iv) For all promotion, communications and acknowledgement of the City, the primary contact with the City is the Communications & Engagement Department.
- 11) Notwithstanding the previous section, the program/project may not be represented as program/project hosted by the City of Penticton, nor may the organization hold itself out as an agent of the City of Penticton in any way.
- 12) The City of Penticton reserves the right to use any information related to the organization and the grant assistance to the organization in its promotions and advertising. The use of any such information will be at the discretion of the City and may be done so upon notification to the organization by the City.
- 13) The organization will complete and submit a reporting out form no later than October 31, or 4 p.m. on the last business day before October 31, of the year in which grant assistance was provided. Organizations shall include a copy of externally prepared financial statements along with their reporting out form. If the program/project is not complete within six weeks of the deadline, the organization may before the deadline request an extension to the City of Penticton to the attention of the Grant Administrator.
- 14) Based on the results reported in the form, the City may at its discretion discontinue funding and any other assistance to the organization for any time period.

- 15) Advances of grant funds must be requested via the City's grant software program. **For greater certainty, cash grants will not be forwarded in the absence of a request by the organization that the funds be advanced or a reporting out form from prior years.** The City at its discretion may determine that funding will be forwarded by a series of two or more instalments.
- 16) With respect to value in-kind grants, where the value of facilities used by the organization exceeds the amount approved as the in-kind portion of the grant assistance, the organization hereby acknowledges that the City will invoice the organization for the difference and the organization is liable to pay the amount invoiced.
 - a. Examples of in-kind grants include but are not limited to:
 - i. Use of City facilities (Community Centre rooms, Library/Museum Auditorium, etc)
 - ii. Rental of City parks including misc rentals (bleacher, tables, etc.)
 - iii. City fees (Road closure permits, season licence fees, etc.)

In-kind grants are valued either at actual cost (labour) or the value as set out in the City's current Fees and Charges Bylaw.

- 17) All grants are subject to all requirements specified in this policy and are also subject to the following additional guidelines:
 - i) Consideration may be given to requests submitted by a non-Penticton community organization if its membership includes Penticton residents;
 - ii) No consideration shall be given to requests to waive or reduce a development cost charge.
 - iii) Requests for grants for subsequent years property taxes will be referred to the Permissive Tax Exemption process
 - iv) In-Year Grant applicants are expected to apply during the annual intake for continued funding for subsequent grant requests. Applicants applying through the in-year intake for a second year may be delayed and referred to the main intake.
- 18) All documentation submitted to the City as part of the municipal grants process becomes the property of the City, will not be returned to the applicants and will be retained by the City at its discretion. The City acknowledges that information submitted may be proprietary to the applicants and is confidential. All submitted information shall be treated as confidential and retained securely as provided by in the Community Charter.
- 19) The City may at any time enter into an agreement with a qualified community foundation for the purpose of managing municipal grants on its behalf. Pursuant to any such agreement, this may be done for all or part of the funds the City has budgeted for grants as part of its annual budget for any particular year.
- 20) Where the value in-kind portion of a municipal grant includes facility or amenity, the City reserves the right at any time to substitute an appropriate alternative facility, amenity or dates at its sole discretion.

Procedural Considerations

How to Apply

The City will offer separate intakes for municipal grant applications, a main intake that will be approved in relation to the financial plan deliberation process and an in-year intake available for any grants that were not submitted during the main intake. All grant requests through the main intake will be for the upcoming calendar year. All grant requests made during the in-year intake will be for the City's current budget calendar year. Grant requests for future years will not be considered in advance. All cash grants and in-kind grant requests over \$500 must be submitted through the formal grant application process. For in-kind grant requests under \$500 please email grants@penticton.ca.

Main Intake:

Eligible community groups must complete an application form and submit with all required documentation by the deadline of September 30. **Incomplete or late applications may not be considered by the City.** The City reserves the right to change or extend the application deadline as required. Applications and documentation can be submitted electronically using the City's grant software.

The City notifies the public as to the availability of municipal grants at least three weeks prior to the application deadline. Questions about the application process can be directed to the City of Penticton Grant Administrator at (250) 490-2423.

In-Year Intake:

In-year grant requests must be initiated by submitting an application online with all required documentation using the City's grant software, unless they are for in-kind requests less than \$500. In-year intake periods will be made available April and July of each year. **Incomplete applications may not be considered by the City.** Some cash and in-kind requests may be approved by the City Manager consistent with the City Manager Grant Approval Policy. All other requests will be approved by City Council. In-kind requests under \$500 can be sent to grants@penticton.ca detailing the organization making the request, what in-kind is being requested and the dollar amount.

How to Report

The City requires all organizations receiving municipal grants to complete a reporting out form and submit with required documentation within six weeks of their program or project completion. All reporting out forms must be received by the annual deadline of October 31. If a program or project is not complete in time to meet the deadline, the organization must submit before the deadline a request for an extension to the attention of the City Grant Administrator. Reporting out forms are available through the City's grant software.

In order to be eligible for municipal grants in subsequent years or to receive funding from previously approved grants, all organizations are required to submit the reporting out form. Additional documentation can be submitted electronically to grants@penticton.ca or dropped off at:

City of Penticton
Attn: Grant Administrator
171 Main Street
Penticton, BC V2A 5A9

Questions about the reporting out process can be directed to the City of Penticton Grant Administrator at (250) 490-2423.