

DATE OF MEETING DECEMBER 1, 2022

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PROJECTS

SUBJECT **OTHER GRANTS PROGRAM**

OVERVIEW

Purpose of Report:

To provide the Finance and Audit Committee with background on the Other Grants program and rationale for consideration on adjusting the funding level and undertaking a policy review.

BACKGROUND

The purpose of the 'Other Grant' program is to provide funding for organizations that do not fit into any of the City's other grant programs.

The criteria for awarding Other Grants are:

- large number of volunteers;
- registered non-profit society;
- sound financial and administrative management;
- financial need;
- accessible to a large portion of the community;
- must have a broad base of support;
- must have another source of financial support;
- must be local in focus and must adhere to all City of Nanaimo's bylaws and policies;
- cash grants will not be provided if the organization receives a Permissive Tax Exemption, or where the facility is provided by the City of Nanaimo free of charge or at a substantially reduced rate. Notwithstanding the above statement, organizations facing critical financial difficulties are eligible to apply for emergency funding.

The kind of funding available includes:

- educational funding;
- emergency funding;
- capital grants on a matching basis up to a maximum of \$5,000;
- in-kind funding for facility rental.

Historically, the annual budget for Other Grants has been set at \$7,000. Each year the City receives a number of requests for these funds. In addition, delegations appear before Council seeking funding for activities that fall outside of the City's current grant program streams and exceed the budget in the Other Grants program. In the past few years, Council has funded a number of these requests including the SPCA's Spay/Neuter Incentive Program (SNIP), Old City Quarter Security, Community Connect, Cat Nap Society and a one-time grant to the VI Symphony.

Prior to 2019 Council had a contingency budget available to them to address requests/issues that are brought forward during the year. In 2019, Council contingency was eliminated so in many cases when Council's wishes to support a request in excess of the baseline budget the additional funding is now allocated from Council's Strategic Infrastructure Reserve.

The Strategic Infrastructure Reserve is meant for any initiatives that Council supports, however smaller requests may be more appropriately funded through operations. |

DISCUSSION

|To ensure the Other Grants program is meeting the intended need a review is appropriate.

The Other Grants program baseline budget of \$7,000 has not increased since 2010. In recent years, the City has provided grants in excess of the baseline budget for requests that fall within the Other Grants program and requests outside the current criteria.

The current 'Grants Policy and Guidelines' document was last updated in 2003 and is scheduled to be reviewed in 2023. While there is some valuable content included in this document, staff believe that a review to update the policy including a comparison with other municipalities would be beneficial.

Municipal best practice is to not provide ongoing operational grant funding for non-profit entities, as municipalities do not have the financial ability to be able to support them all, nor audit how the grant funds are used. Consequently, the City's Other Grants program does not have an application stream for ongoing funding, and staff recommend that this should stay consistent.

However, there are organizations that provide services that may require one-time other grant payments in order to continue providing those services. Examples of this are the SPCA's SNIP Program, or the Cat Nap Society's TNR (Trap, Neuter, Release) program.

There are also circumstances where organizations would like to appeal to Council for a one-time payment for an event or program that would provide community-wide benefit. Currently, the Other Grants program does not provide specific eligibility criteria for these types of requests, so they have to be noted as an exception to the current policy.

As part of the Policy review, staff will also look at options for establishing an intake process. A copy of the current policy is included as Attachment A. |

SUMMARY POINTS

- The Other Grants program baseline budget was last increased in 2010.
- The current 'Grants Policy and Guidelines Document' was last updated in 2003 and a review is recommended.
- The City receives requests for funding that provide a community benefit that exceed available funding and/or fall outside current program criteria.

ATTACHMENTS

Attachment A: Grants Policy and Guidelines Document

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