



City of
Peterborough

To: Members of the Committee of the Whole

From: Sandra Clancy, Director of Corporate Services

Meeting Date: October 16, 2017

Subject: Report CPFS17-063
Community Major Capital Funding Requests Policy

Purpose

A report to present the Community Major Capital Funding Requests Policy.

Recommendation

That Council approve the recommendation outlined in Report CPFS17-063 dated October 16, 2017, of the Director of Corporate Services, as follows:

That the Community Major Capital Funding Requests Policy attached to Report CPFS17-063 as Appendix A, be approved.

Budget and Financial Implications

There are no budget and financial implications to approving the policy.

Major capital funding requests received from the community will be approved through the normal Capital Budget process or through a separate Report to Council.

Background

At its meeting of April 3, 2017, when considering Report CPFS17-013 Public Capital Requests, Council adopted the following resolution:

That staff prepare a policy on Public Capital Requests for Council consideration that includes topics such as the eligible organizations and projects, criteria for assessment, how the City might contribute, eligible costs and accountability.

A recommended policy is attached to this Report as Appendix A.

In preparing the initial Report CPFS17-013 Public Capital Requests, staff completed an analysis of the historic information which revealed that the 10 year average of major capital funding requests was \$728,970 or \$750,000 in round figures. It also revealed that in recent years, there were even more requests as the five year average was \$939,000 and the amount provided to community organizations for capital requests in 2017 is currently \$1.5 million.

For the most part, considering public capital requests in the absence of a policy has been working, albeit depending on the level of support committed in any particular year, other Council priorities have been bumped to future years.

The attached policy formalizes the process for public capital requests and provides guidance to the requestor, staff and Council as future requests are considered.

Submitted by,

Sandra Clancy
Director of Corporate Services

Contact Name:

Richard Freymond
Manager of Financial Services
Phone: 705-742-7777, Extension 1862
Toll Free: 1-855-738-3755
Fax: 705-876-4607
E-mail: rfreymond@peterborough.ca

Attachments:

Appendix A: Community Major Capital Funding Requests Policy



DRAFT POLICY

COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

Department: Corporate Services

Effective Date:

Division: Financial Services

Approval Level: Council

Section/Facility:

Policy #:

Revision #: N/A

1.0 PURPOSE

- 1.1** The City of Peterborough ("City") recognizes the importance and value of providing funding support to community organizations for Major Capital Projects that benefit our community and/or contribute to the achievement of the City's Strategic Framework.
- 1.2** This Policy establishes the scope, general requirements, and criteria for evaluating major capital project funding requests from community organizations.

2.0 POLICY STATEMENT(S)

2.1 The Community Organization

Capital funding requests will only be considered from community organizations that comply with the following:

- .1 The community organization must be an incorporated not-for-profit organization or Registered Charity.
- .2 The community organization must demonstrate sound financial management and be in good standing with the City of Peterborough.
- .3 The community organization must demonstrate that it has the human resources and expertise, in-house or contracted, to carry out the proposed project.
- .4 The community organization must have a successful track record in undertaking, completing and sustaining similar capital projects.



DRAFT POLICY COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

2.0 POLICY STATEMENT(S)

2.2 The Community Organization Cont'd

Capital funding requests from the following organizations will not be considered:

- .1 Individuals
- .2 For-profit corporations
- .3 Organizations representing a specific political party or having a political affiliation
- .4 Faith based organizations where services/activities include the promotion and/or required adherence to a faith

2.3 The Major Capital Project

Capital funding requests may only be considered for projects that comply with the following:

- .1 The project must be in the public interest and be aligned with the City's Strategic Framework.
- .2 The capital project, once complete, must be open and accessible to the public.
- .3 The project must be a Major Capital Project within the City of Peterborough. Consideration will also be given if it is in the County of Peterborough.
- .4 Requests may relate to an asset that is owned by the City, built on City land, is a Municipal Capital Facility or to an asset that is owned and operated by a community partner who delivers a service on behalf of the City from the facility.
- .5 The appropriateness of the scale of the proposed project.
- .6 The organization is responsible for all development and operational requirements of the project, and must ensure that all necessary permits and approvals are obtained as required.
- .7 Requests must not duplicate existing community capital projects or facilities within the same service area.



DRAFT POLICY

COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

2.0 POLICY STATEMENT(S)

2.4 The Major Capital Project Cont'd

The request for capital funding should include, but not be limited to, the following:

- .1 A detailed business plan that indicates that the completed project is sustainable over at least a 20 year term. The City reserves the right to require an additional review of the cost estimate. The impact on the City future Operating Budgets must be included in the plan.
- .2 The extent of community support for the project and the degree to which it will benefit the City.
- .3 The extent to which the request leverages the amount of funding contributed through other sources.
- .4 The existence of other potential partners and their involvement and contributions to the project.

2.5 Contribution Amount

The impact on the City's Capital Budget for Public Capital Requests in any budget year should be no more than \$1,000,000.

2.6 Due to financial limitations, not all requests which meet the criteria will receive funding and others may only receive partial funding and be funded over one or more budget years.

2.7 The City contribution will consider the appropriateness of the proposed project to the community's need.

2.8 The City contribution towards capital projects will be to a maximum of:

- .1 33% of the eligible cost of the project for City owned-assets.
- .2 25% of the eligible cost of the project for community-owned assets to a maximum threshold of \$1,000,000.



DRAFT POLICY COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

2.0 POLICY STATEMENT(S)

2.9 Contribution Amount Cont'd

The contribution from the City may be provided in one or more of the following ways:

- .1 A cash payment
- .2 Provision of land by way of gift or long-term lease
- .3 Services provided in-kind
- .4 Waiver of municipal fees (if eligible within existing policies)
- .5 To leverage other grants that require municipal support some of which could be through fundraising
- .6 Guarantee of a mortgage with a financial institution.

2.10 Approval in principle may be provided for eligible projects prior to other funding sources being secured.

2.11 If a contribution is approved, the City contribution will fund the following eligible costs - concept and design, construction, site development and equipment.

2.12 If the contribution is approved, the City contribution will not fund the following ineligible costs - fundraising, ongoing repairs, maintenance or renovations in the normal course of operations.

2.13 If the actual costs of the project are less than the original estimate, the amount of the funding will be revised accordingly.

2.14 If the eligible project is cancelled or not completed within a specified number of years after the approval of the funding, any unexpended funds shall be returned to the City unless Council provides otherwise by resolution. The number of years will depend on the scope of the project and will be agreed upon when the agreement is being prepared.

2.15 Exception: Council may approve an amount other than those listed in Section 2.8, on a per project basis.



DRAFT POLICY COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

2.0 POLICY STATEMENT(S)

2.16 Approval Process

If a community organization believes their project is eligible for funding outlined in this Policy, the organization should approach a senior staff member.

2.17 If the senior staff member agrees that the project is a Major Capital Project that may be approved for funding, they will write a report introducing the organization who will present their Major Capital Project to City Council at Budget Committee meeting or Committee of the Whole.

2.18 After such a presentation, Council may:

- .1 Refer the funding request to staff to report back to Council with a recommendation.
- .2 Approve the funding request in principle and ask staff to include it in the next annual capital budget.
- .3 Approve the funding request, the amount of the contribution and the source of funding.

2.19 Agreement

A formal agreement shall be entered into between the City and the community organization. The agreement shall include but not be limited to the following conditions:

- .1 The timing and conditions that must be met prior to the cash flow of funds to the organization.
- .2 All representations and warranties made by the organization.
- .3 The level of insurance that must be maintained during the construction of the project.

3.0 APPLICATION

3.1 This Policy applies to:

- .1 City staff and Members of Council responsible for receiving, processing, reviewing and approving requests for community capital funding.
- .2 Community organizations wishing to apply for community capital funding.



DRAFT POLICY COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

3.0 APPLICATION

- 3.2** This Policy does not apply to requests for funding received under the City's Community Projects Grants and/or Community Investment Grants.

4.0 DEFINITIONS/ACRONYMS (As Required)

Major Capital Project - A project with a value equal to or greater than \$500,000 that: enhances the community's vitality; improves the quality of life within our community; builds, renovates or redevelops a community asset in the area of sports, recreation, community wellness, parks, arts, culture or social services; and/or helps the City achieve its strategic objectives.

Municipal Capital Facility - Facilities that are:

- used by the council;
- for the general administration of the municipality;
- related to the provision of transit and transportation systems;
- for the collection and management of residential waste and garbage;
- municipal community centres and facilities used for cultural, recreational or tourism purposes;
- parking facilities ancillary to any of the facilities described above;
- municipal general parking facilities.



DRAFT POLICY

COMMUNITY MAJOR CAPITAL FUNDING REQUESTS POLICY

5.0 APPENDIX, RELATED POLICIES, PROCEDURES & LINKS

(Note: All references refer to the current version, as may be amended from time to time)

5.1 Pertinent Resources

5.2 Related Policies

5.3 Related Procedures

5.4 Related Forms

5.5 Miscellaneous

6.0 AMENDMENTS/ REVIEWS

Next Review Date	
------------------	--

Date (yyyy-mm-dd)	Section(s) Amended	Comments
----------------------	--------------------	----------