

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON DECEMBER 7, 2015</b>
<b>FROM:</b>	<b>LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</b>
<b>SUBJECT:</b>	<b>CITY OF LONDON COMMUNITY GRANTS PROGRAM: PROPOSED EVALUATION CRITERIA AND REVISED COMMUNITY GRANTS POLICY &amp; GRANT AGREEMENT</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director of Neighbourhood, Children and Fire Services, the following actions be taken with respect to the municipal granting process for not-for-profit organizations:

- 1) the attached proposed By-law (Appendix 1) with the effective date July 1, 2016 **BE INTRODUCED** at the Municipal Council meeting of December 8, 2015 to delete the Grants and Capital Grants Policy 8(11) and replace it with the new City of London Community Grants Policy (attached as Schedule "A" to the By-law);
- 2) the attached proposed By-Law (Appendix 2) with the effective date July 1, 2016 **BE INTRODUCED** at the Municipal Council Meeting of December 8, 2015 to repeal the current By-law A.-7073-73 being a By-law to:
  - (a) approve the standard form for Grant Agreement (attached as Schedule "B1" to the By-law) for the City of London Community Grants Program;
  - (b) delegate to the City Manager, the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, City's Managing Director, Neighbourhood, Children & Fire Services, or their respective written designate, the authority to act as City Representative and to insert the details into the respective Agreements in the form approved in (a) above; and
  - (c) delegate to the City Manager, the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, City's Managing Director, Neighbourhood, Children & Fire Services, or their respective written designate, the authority to execute the Agreements; and,
- 3) the proposed City of London Community Grants Program evaluation criteria (Appendix 3) **BE ENDORSED**.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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- Modernizing the Municipal Granting Process for Not-for-profit Organizations (October 26, 2015)
- City of London Municipal Granting (June 15, 2011)
- Strategic Funding Framework: City Council Directed Funding to Not-for-profit Organizations (April 30, 2012, June 10, 2013)
- Strategic Funding Framework: Revised Grant Agreement (February 3, 2014)

<b>BACKGROUND</b>
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The Municipal Council, at its meeting held on October 27, 2015 resolved:

That, on the recommendation of the Managing Director of Neighbourhood, Children and Fire Services, the following actions be taken with respect to the municipal granting process for not-for-profit organizations:

- a) the proposed City of London Community Grants Program model and process for modernizing the municipal granting process **BE ENDORSED**;

- b) the Civic Administration BE DIRECTED to implement the revised model and process for municipal granting for 2017 onwards;
- c) the Civic Administration BE DIRECTED to re-allocate funding to support the modernized City of London Community Grants Program from the base budget of the current municipal granting program within Neighbourhood, Children & Fire Services; and,
- d) funding for the Community Grants Program continue to BE ALLOCATED from the tax levy.

it being noted that:

- any increases to Community Grants between 2016 and 2019 will be consistent with the administrative targets established for the development of the 2016-19 multiyear budget;
- Ontario Lottery and Gaming (OLG) revenues may be allocated towards a portion of these incremental increases to the Innovation and Capital Community Grants Program funding stream from 2017 through 2019;
- 2016 is a transition year where organizations currently receiving core funding in 2015, will receive the same amount of funding in 2016. There will be no process for new or increased funding requests as part of the 2016 budget process. All new or increased requests will be referred to the 2017- 2019 City of London Community Grants program; and,
- the amount of funding allocated to the modernized City of London Community Grants Program will be confirmed each year as part of the annual budget update process;

it being noted that the Managing Director, Neighbourhood, Children and Fire Services provided the attached presentation with respect to this matter. (7/23/SPPC).

In the October 26, 2015 Strategic Priorities and Policy Committee report, Civic Administration stated that by early 2016, a revised standard form for Grant Agreement for the Community Grants Program, an updated City of London Community Grants Policy, and the evaluation criteria to be used to evaluate Community Grants application would be brought to Council for endorsement.

The purpose of this report is to bring forward these outstanding proposed tools and the resources that Civic Administration will use to evaluate applications under the new Community Grants Program for Council endorsement. Specifically, this report will provide Council with the following:

- An updated Community Grants Policy;
- The revised standard form for Grant Agreement for the new Community Grants Program, and;
- A proposed evaluation criteria to be used by the community review panel for the evaluation of applications to the Community Grants Program.

#### 1. City of London Community Grants Policy

Civic Administration has provided Council with an updated Community Grants Policy (Schedule "A") to make certain the new grant program is effective in its implementation. The grant policy required pertinent changes to reflect the new modernized municipal granting process and had not been updated to adequately reflect the City's grant programs. This policy was updated to include the following:

- Inclusion of the City of London Strategic Plan 2015-2019 and the Strategic Areas of Focus;
- Guiding principles for the modernized municipal granting process, and;
- The new granting streams for the Community Grants Program (Strengthening our Community, Building a Sustainable City, and Growing our Economy), and Innovation and Capital grants.

Civic Administration will continue to update and add to the City of London Community Grants Policy pending the review of Council directed funding to other community granting programs (such as Community Arts Investment Program Category Two, Community Heritage Investment Program, SPARKS!, Neighbourhood Matching Fund, TreeME Matching Fund, etc.) in 2016/2017.

#### 2. Revised Standard Grant Agreement

In consultation with Risk Management, Legal and Finance, the attached Standard Grant Agreement for the City of London Community Grants Program (Schedule "B1") has been **revised** in order to bring consistency and standardization to the process of allocating operational and/or capital funding to not-for-profit organizations. This standardized agreement meets the needs of the Community Grants Program and community partners while protecting

the interest of the Corporation.

Highlighted below are the key proposed changes to the standard form:

1. Update to the requirements for the Police Vulnerable Screening Check as per recommendations from the London Police Service to reflect the following added wording in bold: a Police Vulnerable Sector Check is required for all employees, Board Members, volunteers, and students **who have direct contact with clients**.
2. Adjustments to the name of the grant program to reflect the change to “London Community Grants Program”.

The Municipal Act provides that a municipal power be exercised by By-law. In order to administer the agreement process, it is recommended that the authority to sign the contracts be delegated as requested in the attached By-law (Appendix 2).

The administration of the City of London Community Grants Program will be managed by the Manager of Community Development and Funding. This position will also administer the attached standard grant agreements.

### 3. Proposed Evaluation Criteria

Civic Administration has drafted the proposed evaluation criteria (Appendix 3) that has been developed to assess new applications under the Community Grants Program. These criteria were drafted using existing internal tools for grant applications, as well as best practices for effective grant making.

The evaluation criteria considers five categories of information: funding alignment with the Strategic Plan, community impact, community partnerships/memberships, organizational capacity, and sustainability.

The evaluation criteria is structured to be used as a score card by the community review panel and the application for the Community Grants Program for 2017 onwards will be aligned with this tool. The evaluation criteria will also be available to community organizations who are applying for funding as part of the application process.

#### **Next Steps:**

1. Civic Administration will allocate funding to organizations in 2016 as part of the transition year pending the implementation of the new Community Grants Program. This means that all organizations currently receiving core funding through the Strategic Funding Framework in 2015, will receive the same amount of annual funding in 2016 pending budget approval. There will be no process for new or increased funding requests in 2016
2. In 2016/2017, Civic Administration will undertake a review of Council directed funding to other community granting programs (such as Community Arts Investment Program Category Two, Community Heritage Investment Program, SPARKS!, Neighbourhood Matching Fund, TreeME Matching Fund, etc.) and explore innovative funding mechanisms for the funding of various small community events.

#### **SUMMARY**

As a City, we continue to focus on investments that enhance local capacity, support accessible, responsive programming, increase quality of life for all, and continue to make London *a leader in commerce, culture and innovation – our regions connection to the World*.

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
<b>CHERYL SMITH MANAGER, COMMUNITY DEVELOPMENT &amp; FUNDING</b>	<b>LYNNE LIVINGSTONE, MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</b>

- C. Martin Hayward, Managing Director, Corporate Services, City Treasurer, Chief Financial Officer  
Kyle Murray, Financial Business Administrator

## APPENDIX 1

Bill No.  
2015

By-law No.

A by-law to delete the current Grants and Capital Grants Policy 8(11) and replace it in its entirety with the City of London Community Grants Policy.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 10 of the *Municipal Act, 2001* provides that the City may provide any service or thing that the City considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting economic, social and environmental well-being of the City, and the health, safety and well-being of persons;

AND WHEREAS the Municipal Council of The Corporation of the City of London wishes to delete the current Grants and Capital Grants Policy 8(11) and replace it in its entirety with the City of London Community Grants Policy.

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Grants and Capital Grants Policy 8(11) is hereby deleted in its entirety and replaced with the new City of London Community Grants Policy attached as Schedule "A".
2. This by-law shall come into force and effect on July 1, 2016.

PASSED in Open Council on December 8, 2015.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First reading -  
Second reading -  
Third reading -

**SCHEDULE A**  
**City of London Community Grants Policy**

**The Corporation of the  
City of London**

London Community Grants Policy  
(to come into effect July 1, 2016)

Prepared by:

Community Development and Funding  
Neighbourhood, Children & Fire  
Services

The Corporation of the City of London  
151 Dundas Street, P.O. Box 5045  
N6A 4L6

Website: [www.london.ca](http://www.london.ca)

Revised: November 2015

## 1.0. DEFINITIONS

- 1.1. “**Not-for-profit**” refers to an organization incorporated without share capital, under Part III of the *Corporations Act* or under the *Not-for-Profit Corporations Act*.
- 1.2. “**Grant Application**” refers to the application associated with each granting program to be completed at the time of application.
- 1.3. “**Grant Agreement**” refers to the legal agreement that is signed after an application has been deemed successful under the City of London Community Grants program. The Grant Agreement defines the terms and conditions under which the City of London grant will be made and cannot be altered in any way.
- 1.4. “**Strategic Areas of Focus**” refer to the priorities of the City of London Strategic Plan. These guidelines will refer to the Strategic Areas of Focus as “strategic priorities.”
- 1.5. A “**Procedural Error**,” in reference to the Appeals Process (s. 4.5), refers to a mistake that has been made as a result of not following the proper process for the allocation of grants as outlined in the City of London Community Grants Policy and/or the Council endorsed evaluation criteria for the assessment of grant applications.

## 2.0. GENERAL POLICY AND PROCEDURE FOR GRANTS

### 2.1. Goal

Through community investment and planning, the City provides opportunities to build social and cultural infrastructure, and strengthen neighbourhoods as key strategic determinants for the health and well-being of our local communities. Through this type of upstream investment in our people, neighbourhoods and communities, it is possible to deter downstream costs and impacts such as reduced crime and violence, reduced reliance on the social safety net and a reduction in poverty. Upstream investment will also result in improved outcomes such as increased literacy rates and improved health and physical activity levels, improved quality of life, improved cultural programming, economic development and enhancement of London’s desirability as a community.

[Strategic Plan 2015-2019](#) “Strategic Areas of Focus” (herein referred to as “Strategic Priorities”):

- Strengthening our Community
- Building a Sustainable City
- Growing our Economy

### 2.2. Objectives

- (a) To ensure that an adequate administrative review of grant requests takes place;
- (b) To provide funding amounts to community groups or organizations that are eligible and approved under the grants criteria and according to their suitability in relation to the City’s goal and other submitting organizations;
- (c) To ensure that those applying for assistance are evaluated on an equitable basis, utilizing the same evaluation criteria;
- (d) To ensure that a system of accountability is developed and maintained between the organization requesting funds and the City of London; and,
- (e) To review the City of London Grants Policy with each new Strategic Plan.

The City of London retains the right to share funding information received on the "grant application" form with other relevant funding bodies. The City of London also retains the right to obtain information from other funders regarding grant requests. This is for the purpose of providing additional information so that a co-ordinated approach to the funding of organizations in London might be achieved.

Interviews between the City of London staff and the Board of Directors and senior staff of organizations applying may, in some cases, be requested for the purposes of reviewing grant requests and assessing service or program needs.

### **3.0. CATEGORIES**

Applications for Municipal Grants are considered under the following categories:

#### **3.1. Community Grants**

- These are up to four year agreements with the City of London for organizations in the community pursuing one or more of the strategic priorities in alignment with the City of London Strategic Plan.

#### **3.2. Innovation**

- These grants are provided to new, emerging organizations and/or initiatives that engage in dynamic community partnerships, innovative improvements to service delivery and system collaboration, and/or generate new ideas.

#### **3.3. Capital**

- These grants are provided for projects involving construction or purchase of physical assets, including but not limited to, land, building and equipment.

### **4.0. PROCEDURES**

4.1. All agencies who meet the eligibility criteria for the grant applied for are given the opportunity of making an application for City of London grants, except those excluded by law. The City will annually contact agencies who have expressed interest, notifying them of the process. Where possible, availability of grants will be advertised.

4.2. The relevant Application is to be completed with all pertinent information and forwarded to the designated City Staff person within the time frame specified for that category. No applications will be accepted after the due date.

4.2.1 The application process includes a mandatory community information session for all interested organizations. It will be held at the beginning of the application process (see complete process as outlined in the attached flow chart for the London Community Grants program below).

4.2.2 Organizations may request an “application interview” meeting with Civic Administration (designated city staff) prior to the application deadline date to review their application and ask questions related to the application form itself and/or the granting process.

4.3. Grant applications will be assessed by the community review panel in accordance with the program’s respective guidelines:

4.3.1 A community review panel of up to 11 individuals will be convened to make decisions regarding the allocation of municipal grants. The community review panel will be comprised of community members and city staff as outlined below:

- Community member (2-3)
- Expert in subject matter (specific to each funding stream) (2-3)
- Funder (1)
- Outcomes measurement expert (1)
- Financial expert (1)
- City Staff (2-3)

4.3.2 Members of the community review panel will assess applications and make decisions based on the strategic areas of focus for the City of London Strategic Plan and the criteria laid out in the evaluation criteria document.

#### **4.3.3 Role of Staff**

- Staff will provide relevant contextual and historical information to support informed decision making;
- City of London staff will sit on the community review and will participate in

the decision making process.

#### 4.3.4 Selection of Committee

- Civic Administration will seek qualified London residents to be part of the community review panel based on the make-up of the panel outlined above (relevant experience) and the requirements outlined under Confidentiality and Conflict of Interest below;
- Priority will be given to community members from diverse backgrounds, and staff will aim to have a cross representation of the community on the panel.

#### 4.3.5 Confidentiality and Conflict of Interest

- Any community member directly or indirectly connected to organizations submitting an application to receive funding from the City of London will not be a member of the community review panel;
- Community review panel members will be required to sign a confidentiality and conflict of interest agreement prior to participation in a meeting and/or allocation of funding decisions;
- Members of the community review panel will remain anonymous until all funding decisions have been made. At this time, the committee membership will be released to the public;
- Members of the panel will be strictly required to adhere to the confidentiality and conflict of interest policies in order to uphold the values of integrity and fairness throughout the granting process. Adherence includes, but is not limited to the following:
  - Maintaining the confidentiality of information received, including the applicant's information, financials, etc.
  - Disclosing any potential or perceived conflict of interest at the time of their application to the committee, as well as throughout the duration of the funding deliberations
  - Keeping their involvement with the committee confidential until the funding decisions have been publicly released.

4.4. Applicants will be notified of the funding decision in a timely manner, dependent on the grant to which they have applied.

#### 4.5. **Appeal Process:**

4.5.1. All decisions related to allocation, suspension, repayment and/or termination of funding in the London Community Grants Program will be communicated in writing and are open to appeal by the applicant/recipient.

4.5.2. Applicants to the London Community Grants Program may only appeal a procedural error or present new information that, for good reason, could not be submitted at the time of application.

4.5.3. Organizations may be notified that their appeal will not proceed if there has been no procedural error and/or no new information is available.

4.5.3.1. The appeal must be received in writing no sooner than 48 hours after the funding decision is released and no later than 10 business days after having been notified of the decision.

4.5.3.2. The appeal must be signed by the Board Chair/Treasurer of the appellant organization.

4.5.3.3. The Manager of Community Development and Funding will review all appeals and determine which appeals will be referred to the City's Managing Director/Director.

4.5.3.4. Managing Directors/Directors will review applications that relate to their priority area as follows:

4.5.3.4.1. Strengthening our Community: Managing Director, Neighbourhood, Children & Fire Services

4.5.3.4.2. Building a Sustainable City: Managing Director, Planning

4.5.3.4.3. Growing our Economy: Director, Community and Economic Development



- 4.5.3.5. The review will include the initial funding decision, funding submissions, contribution agreements/letters of agreement, procedural guidelines, letters, emails, payment histories, community need as well as the capacity of the organization.
- 4.5.4. Following the 10<sup>th</sup> business day after funding decisions have been released, a meeting may be requested by the Manager of Community Development and Funding if additional information is required to determine the viability of the appellant organization's appeal.
  - 4.5.4.1. After this meeting, viable appeals will be referred to the corresponding Managing Director/Director under which the appeal has been filed.
- 4.5.5. Organizations will be advised of the result of the appeal in writing within 30 business days of having received the appeal.
- 4.5.6. An appeal does not delay or suspend the city's disbursement of allocated funds to approved organizations.
- 4.5.7. Decisions of all appeals will be final.

## **5.0. POLICY**

### **5.1. The Application:**

- 5.1.1. Each applicant is required to complete (where applicable) an appropriate "Grant Application Form" within the specified time frame. Late or incomplete applications will not be accepted.
- 5.1.2. Grant Applications must be accompanied by financial statements for the previous year (preferably the audited statements), budgets or forecasts as well as evidence of adequate effort to secure financial support from the public or other levels of government, if applicable.
  - 5.1.2.1. The City has the right to request additional financial information to determine the viability of an organization.
- 5.1.3. All applicants receiving funding from the Municipality in order to provide a service to the citizens shall produce on request, adequate information which may be required. This is to ensure that the service being provided is in the best interest of the people served and that the City funds are being used in an effective and efficient manner.
- 5.1.4. In most cases, only one request per organization is to be considered in a fiscal year. All programs, projects and undertakings should be consolidated in the one request.
  - 5.1.4.1. An additional application may be made in the same fiscal year to the Capital and/or Innovation grants.
- 5.1.5. All grant applications must meet all of the required criteria in order to be considered for a City grant. All grants will be assessed in terms of their alignment with the Strategic Plan; need for the project; cost/effectiveness; financial viability; contribution to the quality of life in the community; community response and apparent quality.

### **5.2. The Organization**

- 5.2.1. Organizations must be located in London and intending to use grant funds for services to the London community.
- 5.2.2. The organization must demonstrate strong managerial responsibility, capability, program planning and organization.
- 5.2.3. Only community groups and/or organizations are eligible to be considered for funding.
- 5.2.4. Organizations applying should have an active Board of Directors that is independent of senior staff of the organization.
- 5.2.5. The organization applying for a City of London grant shall be incorporated as a not-for-profit corporation. Proof of incorporation must be submitted with the application, if not already on file with the City. Notwithstanding that proof of incorporation may be on file, the City reserves the right to require proof that such incorporation has not been revoked.

5.2.5.1. An organization may submit an application to the Community Grants Program or Innovation Grants if not yet incorporated, but must be officially incorporated before any funding decision is made. The City of London cannot provide funding to an organization that is not incorporated.

5.2.6. All organizations applying for capital grants must be incorporated.

5.2.7. In general, organizations from which the City of London purchases services or with which it has contracts, will not be eligible. Priority will be given to organizations to which the City has not already contributed through other means.

### 5.3. **The Grant**

5.3.1. The length of the grant will be defined in the signed grant agreement.

5.3.2. A City of London grant should not be considered as the sole source of funding for the organization. City of London grants are intended to be supplementary to other sources of funding. Organizations will be expected to leverage opportunities for funding from other funders and to provide information about other sources of funding, both received and applied to, to the City of London.

5.3.3. A grant made to an organization in any year is not to be regarded as a commitment by the City to continue the grant in future years.

5.3.4. The City of London, through its grants process will not contribute to outstanding deficits.

5.3.5. In making grants, the City may impose such conditions as it deems fit.

### 5.4. **Financial:**

5.4.1. The organization must demonstrate strong financial responsibility and capability in carrying out its service to this community.

5.4.2. The organization must show that it has thoroughly explored all other available sources of funding.

5.4.3. The organization must demonstrate fund-raising capabilities and illustrate a future plan for the project.

5.4.4. The organization must indicate a clear financial plan and demonstrate efficient use of City funds in the project.

5.4.5. The organization must indicate other City contributions that are made to the organization (purchase of service, tax exemptions, etc.).

## GRANT PROGRAMS

### 6.0. LONDON COMMUNITY GRANTS PROGRAM

#### 6.1. **Purpose:**

The multi-year granting streams will provide funding to programs and initiatives that advance the strategic areas of focus for the City of London Strategic Plan. Applications for the multi-year streams will be assessed on their ability to achieve outcomes that will support the Strategic Plan.

#### 6.2. **Principles of Funding:**

The following are overriding principles of funding and must be addressed in each application:

- the project/program responds to a community need and aligns with at least one of the Strategic Areas of Focus from the City of London Strategic Plan;
- support for innovation and collaboration among community organizations, funders and the City;
- encouragement of diversity, equity, accessibility and environmental friendliness;
- recognition of community support for the proposed activity;
- demonstration of community outreach, neighbourhood accessibility and value to the community;

- accountability of outcomes and benefits related to the proposed activity;
- demonstrated financial viability, no deficits or loans will be considered for assistance;
- commitment to multi-year funding;
- increased accountability and commitment;
- simple, clear, fair and transparent process; and,
- strong/responsible financial management and stewardship.

The Corporation of the City of London will ensure fairness in allocation based upon the merits and type of a proposed project/program and will encourage organizations to achieve self-sufficiency.

#### 6.3. **Methods of Funding:**

Community Grants align with the strategic priorities of the City of London Strategic Plan. Applications for Community Grants will be considered for their ability to advance the following strategic priorities:

- Strengthening our Community
- Building a Sustainable City
- Growing our Economy

#### 6.4. **Eligibility Criteria:**

The amount of funding allocated to the municipal granting program will be confirmed each year as part of the annual budget process.

Eligibility Criteria is based on the purpose and principles as reflected above and will consider the following criteria:

- applicants must demonstrate the need for the specific project/program
- applicants will demonstrate their ability to leverage funding for their program from other funders;
- applicants are not-for-profit community groups and organizations - individuals are not eligible;
- applicants must demonstrate how their proposal complies with the purpose and principles as reflected above;
- applicants may only submit one application to the multi-year funding streams, and may indicate more than one Strategic Area of Focus in the application;
- applicants must be located within the City of London;
- applicants will support a community/neighbourhood based activity;
- each proposal must specifically identify the defined impacts and outcomes;
- organizations must be governed by a community based volunteer board of directors;
- applicants must provide a letter of confirmation from the board of directors showing board approval of the proposal;
- applicants must provide the latest financial statement, audited or approved by the board of directors; and
- applicants must provide an organizational budget and a proposed project budget.

#### 6.5. **Evaluation Criteria:**

Applications for the Community Grants Program will be assessed by a Community Review Panel for each round of applications. Grants will be awarded in accordance with this policy and will be considered in relation to the evaluation criteria for the Community Grants Program. These criteria will be made public once applications for this program have been opened.

#### 6.6. **Progress Reports:**

Organizations must adhere to the reporting timelines laid out in the signed Grant Agreement. Organizations will be required to submit their reports by the specified time on the Agreement or the City will reserve the right to withhold further payments and/or request repayment of previous advances related to the funded project.

## **7.0. INNOVATION GRANTS**

### **7.1. Purpose:**

Innovation grants will be provided to projects or organizations that can demonstrate:

- Proven or promising early stage innovations that need additional support to create the capacity and conditions to be effectively sustained
- Creative new approaches to social innovation that engage multiple stakeholders in creative collaboration to improve system delivery, coordination, and/or generate new ideas.

### **7.2. The Project:**

- 7.2.1. Organizations seeking a grant from the City must demonstrate a need for the proposed project and must indicate how the particular organization is best suited to meet this need.
- 7.2.2. Organizations must present an idea that is innovative and meet at least one of the purposes of the fund.
- 7.2.3. Organizations requesting grants will not be eligible if, in the opinion of the City of London, the project for which funds are requested is superfluous to the requirements of the Community.
- 7.2.4. Projects for which grant funds are requested should be available to a broad cross-section of the London Community.
- 7.2.5. Priority will be given to projects that make a unique contribution to or are of special significance to the City.
- 7.2.6. All projects must conform to all relevant legal standards and requirements and should be physically accessible to all persons.
- 7.2.7. Preference will be given to organizations that are willing to create dynamic partnerships and share learned experiences with the community.

## **8.0. CAPITAL GRANTS**

### **8.1. Purpose:**

Capital Grants will be considered for the following purposes:

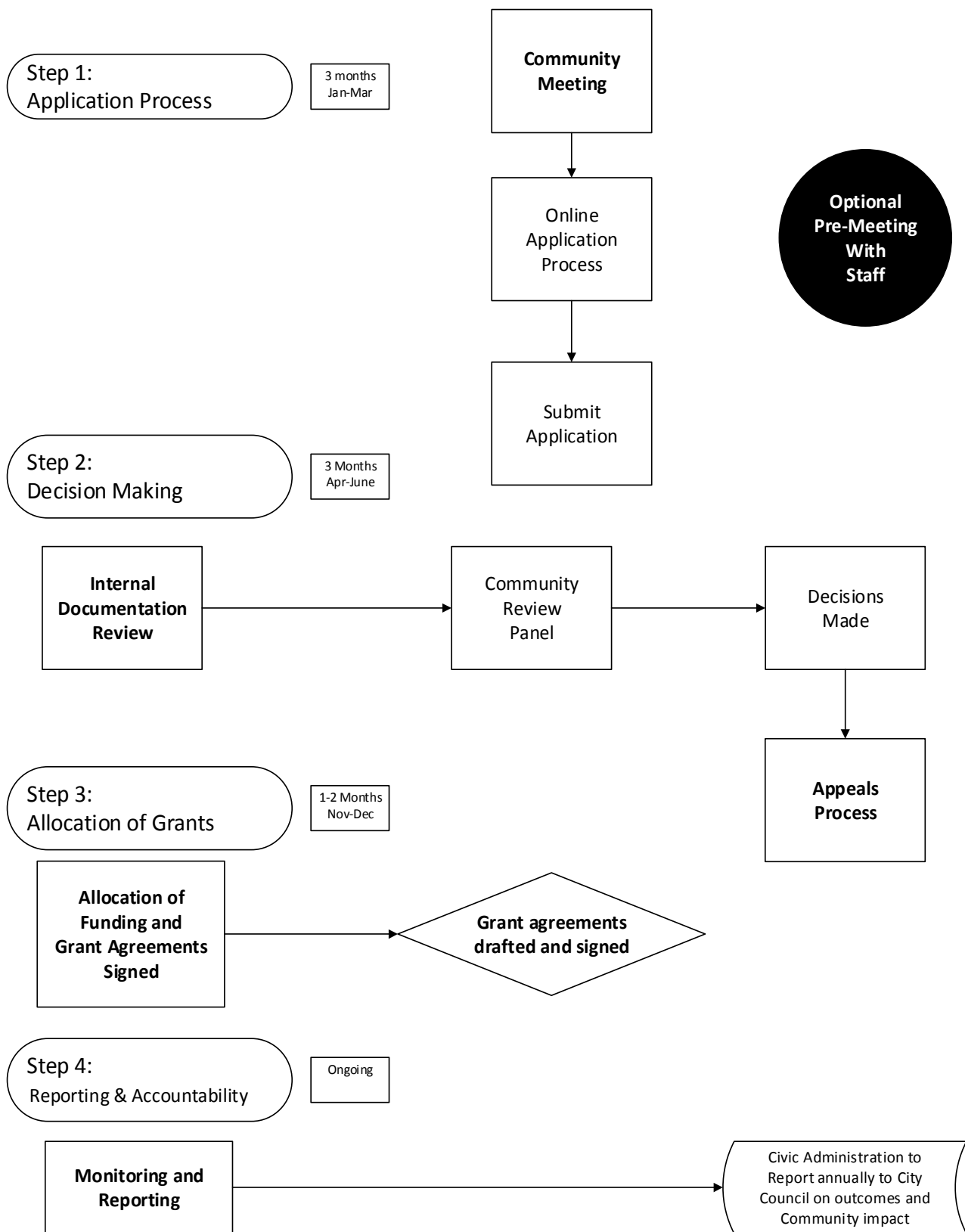
- Purchase of Land and Buildings: Grants are made in this category only when the purchase is required for the immediate capital project.
- Construction Costs: Grants in this category will be for costs associated with new facilities or renovation costs associated with the provision of additional program/service space.

### **8.2. The Project:**

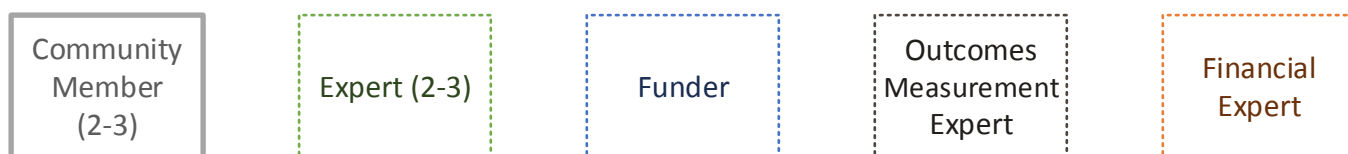
- 8.2.1. Organizations seeking a grant from the City must demonstrate a need for the proposed project and must indicate how the particular organization is best suited to meet this need.
- 8.2.2. The organizations requesting grants will not be eligible if, in the opinion of the City of London, the project for which funds are requested is unnecessary for the requirements of the community.
- 8.2.3. Projects for which grant funds are requested should be available to a broad cross-section of the London community.
- 8.2.4. Priority will be given to projects that make a unique contribution to or are of special significance to the City.
- 8.2.5. All projects must conform to all relevant legal standards and requirements and should be physically accessible to all persons.
- 8.2.6. All projects must be either tendered or open to competitive bidding by two or more parties.
- 8.2.7. Rehabilitation and replacement of existing facilities will be preferred as opposed to projects involving the construction of new facilities.

8.2.8. Preference will be given to organizations that demonstrate a willingness to co-operate in the sharing of their facilities with other organizations.

**City of London Community Grants Program “Granting Process”**



**City of London Community Grants Program: Structure of Community Review Panel**



**APPENDIX 2**

Bill No.  
2015

By-law No.

A By-law to approve and adopt the standard form Grant Agreement (London Community Grants Program); and to authorize a City Representative to insert information and execute agreements which employ this form and to repeal by-law A.07073-73 being a by-law to approve and adopt the standard form Grant Agreement (London Community Grants Program); and to authorize a City Representative to insert information and execute agreements which employ this form.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 10 of the *Municipal Act, 2001* provides that the City may provide any service or thing that the City considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting economic, social and environmental well-being of the City, and the health, safety and well-being of persons;

AND WHEREAS section 23.1 of the *Municipal Act, 2001* provides that sections 9 and 10 of that Act authorize a municipality to delegate its powers and duties to a person;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The standard form Grant Agreement (London Community Grants Program) to be entered into between The Corporation of the City of London and corporations who have applied to the City for a grant, attached as Schedule B to this by-law, is approved and adopted as the standard form for all such agreements.
2. Any one of the City Manager, Managing Director, Corporate Services & City Treasurer, City's Managing Director, Neighbourhood Children and Fire Services, and their respective written designate(s), have delegated to them:
  - (1) the authority to act as City Representative for the purposes of this standard form Grant Agreement;
  - (2) the authority to amend the standard form Grant Agreement approved above as follows:
    - Page 1 – insert date of the Agreement;
    - Page 1 – insert name of Recipient;
    - Page 1 – section 1.2 – mark applicable Schedules with an “X”;
    - Page 5 – insert name of the individual who will execute the Agreement;
    - Page 5 – insert name of Recipient;
    - Schedule A – insert information required to complete the schedule;
    - Schedule A – delete shaded provisions that do not apply;
    - Schedule B – insert information required to complete the schedule;
    - Schedule B – delete shaded provisions that do not apply;

Schedule D – insert information required to complete the schedule; and

(3) the authority to execute on behalf of The Corporation of the City of London the Grant Agreement approved under section 1 above, provided that any agreement does not require additional funding or such funding is provided for in the City's current budget.

3. By-law No. A.-7073-73 is hereby repealed.

4. This by-law shall come into force and effect on July 1, 2016.

PASSED in Open Council on December 8, 2015.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First reading -  
Second reading -  
Third reading –

## SCHEDULE B1

THIS IS A STANDARD FORM AGREEMENT – TERMS CANNOT BE ALTERED WITHOUT THE APPROVAL OF MUNICIPAL COUNCIL

### Grant Agreement (London Community Grants Program)

THIS AGREEMENT dated the [REDACTED] day of [REDACTED], 20[REDACTED].

Between

**The Corporation of the City of London**  
(the "City")

-and-

[REDACTED]  
(the "Recipient")

WHEREAS s. 107 of the *Municipal Act, 2001*, S.O. 2001, c. 25, provides that a municipality may make grants, on such terms and conditions as to security and otherwise as the council considers appropriate, to any person, group, or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS the Recipient has applied to the City for a grant to assist the Recipient in the Recipient's activities as described in **Schedule A** ("the Funded Activity");

AND WHEREAS the City approved that a grant be made to the Recipient in connection with the Recipient's activities upon such terms and conditions as are more particularly described in this agreement;

NOW THEREFORE in consideration of the mutual covenants and other terms and conditions in this Agreement, the parties agree each with the other as follows:

#### 1. Definitions & Schedules

##### 1.1 Definitions

In this Agreement, the following definitions apply:

"**City Representative**" means an individual delegated by by-law to act as City Representative for the purposes of this Agreement;

"**Eligible Expenditures**" means the expenditures that are listed in the Funded Activity Budget (**Schedule B**), and in compliance with the Conditions Governing Eligible Expenditures set out in **Schedule B**;

"**Outcomes**" means the outcomes that are listed in the Application (**Schedule D**) for the Funded Activity;

"**Property**" with respect to capital grants, means the real property for which the capital grant was provided.

##### 1.2 Schedules Forming Part of Agreement

The following Schedules, marked with an "X" (or where not marked with an "X", attached to this Agreement), form part of this Agreement:

[REDACTED] **Schedule A:** Description of Funded Activity - **Operating Grant or Capital Grant**

[REDACTED] **Schedule B:** Maximum Contribution & Eligible Expenditures – **Operating Grant or Capital Grant**



**Schedule C: Repayment of Capital Grant – Capital Grant**

**Schedule D: Application – Operating Grant**

and the parties agree that all references in this Agreement to “this Agreement” shall be deemed to include such Schedules.

**2. Term**

2.1 The Agreement shall commence on the date this Agreement is signed by both parties, and shall terminate on the Funded Activity End Date as set out in **Schedule A** (“Term”), or shall terminate on such earlier date as set out in this Agreement.

**3. Grant**

3.1 (a) Subject to the terms and conditions of this Agreement, the City shall make a grant to the Recipient as set out in **Schedule B**, which amount shall be payable as set out in **Schedule B**.

(b) Payment of any grant under this Agreement is subject to the availability of funds in the City’s current approved budget.

**4. Use of Grant**

4.1 The Recipient covenants and agrees that the Recipient shall use the grant solely for the purpose of paying the Eligible Expenditures in connection with the Funded Activity and for no other purpose.

4.2 The Recipient shall achieve the Outcomes as set out in the Application attached as Schedule D.

**5. Repayment of Grant**

5.1 For operating grants, the City, in its sole discretion, may require the Recipient to repay to the City some or all of the grant for the Funded Activity based upon the City’s assessment of the current year’s final audited statement provided to the City under this Agreement.

5.2 For capital grants, the City, in its sole discretion, may require the Recipient to repay to the City some or all of the grant in accordance with **Schedule C** [Repayment of Capital Grant].

5.3 If the Recipient uses some or all of the grant funds for purposes other than Eligible Expenditures, the Recipient covenants and agrees that it shall return such funds to the City.

5.4 If the Recipient does not comply with the provisions of this Agreement, the Recipient shall be considered in default of this Agreement and all grant funds the City advanced to the Recipient shall be deemed to be a loan and shall be immediately due and payable in full upon the written demand of the City Representative.

5.5 The City reserves the right to demand interest on any amount owing by the Recipient at the then current rate charged by the City on accounts receivable.

5.6 The Recipient shall return all unexpended grant funds to the City within 90 days of the end of the Term, unless the City Representative has given prior written approval for such grant funds to be spent on a specific program or activity.

**6. Reports**

6.1 Where required by the City Representative, to be eligible for funding, the Recipient shall submit the reports as set out in **Schedule A**, on or before the date set out in **Schedule A** to the City Representative in a form and content satisfactory to the City Representative. The reports shall include a financial statement for the period covered by the reports.

**7. Right of Audit**

7.1 (a) The City auditor or anyone designated in writing by the City auditor may audit and inspect accounts, records, receipts, vouchers, and other documents relating to the grant and shall have the right to make copies thereof and take extracts. For the purposes of this clause, audit includes any type of audit.

(b) The Recipient shall make available all facilities, physical and otherwise, for such audits and inspections and shall furnish the City and its authorized representatives with all such information as it, or they, may from time to time require with reference to such accounts, records, receipts, vouchers, and other documents.

(c) The Recipient shall cause all such accounts, records, receipts, vouchers, and other documents required under this clause, to be preserved and kept available for audit and inspection at any reasonable time, and from time to time, until the expiration of seven years from the date of

disbursement of the grant under this Agreement, or until the expiration of such lesser or greater period of time as shall be approved in writing by the City.

## 8. Official Notification

8.1 (a) Any notice required or permitted to be given under this Agreement shall be given or provided by personal delivery, mail, courier service, or fax at the postal address or fax number, as the case may be, of the receiving party as set out below:

The City  
City Clerk  
300 Dufferin Avenue  
London, Ontario N6A 4L9

The Recipient  
As set out in **Schedule A**

(b) Any notice that is delivered personally or by courier service shall be deemed to have been received upon delivery, or if sent by mail five working days after the date of mailing, or in the case of fax, one working day after they are sent.

(c) Either party to this Agreement may, at any time, give notice under this section to the other of a change of address and thereafter such changed address shall be substituted for the previous address set out in subsection (a).

## 9. Informing the Public of the City's Contribution

9.1 (a) The Recipient acknowledges that the City may publicize the name of the Recipient, the amount of the contributions and the nature of the activity supported under this Agreement.

(b) The Recipient shall recognize the City as a funding contributor in all Funded Activity-related publicity.

## 10. Termination

### Termination Without Default

10.1 Despite any other provisions in this Agreement, the City may terminate this Agreement for any reason, effective upon the giving of fifteen (15) days' prior written notice to the Recipient.

### Termination Where Default

10.2 The following are considered defaults of the Agreement for which the City may terminate the Agreement immediately:

- (a) If any proceeding in bankruptcy, receivership, liquidation or insolvency is commenced against the Recipient or its property, and the same is not dismissed within **30 days**; or
- (b) If the Recipient files a voluntary petition in bankruptcy or insolvency, makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, ceases to do business as a going concern, or seeks any arrangement or compromise with any or all of its creditors under any statute or otherwise.

10.3 Any termination by the City under this Agreement shall be without compensation, penalty or liability on the part of the City, and shall be without prejudice to any of the City's legal or equitable rights or remedies.

## 11. Indemnity

11.1 The Recipient shall indemnify and save the City, its officers, directors, employees, agents and Councillors, harmless from and against all claims, actions, losses, expenses, costs or damages of every nature and kind that the City may suffer, caused or alleged to be caused by any wilful or negligent act, omission or delay on the part of the Recipient or its officers, directors, employees, contractors or agents, in connection with anything purported to be or required to be done by the Recipient in connection with this Agreement or the Funded Activity.

## 12. Insurance

12.1. Throughout the term of this Agreement, the Recipient agrees to obtain and maintain at its sole expense:

- (a) Comprehensive general liability insurance on an occurrence basis for an amount of not less than Two Million Dollars (\$2,000,000.00) and shall include the City as an additional insured to cover any liability resulting from anything done or omitted by the Recipient or its employees, or agents, in carrying out the Funded Activity, such policy to include non-owned automobile liability, personal liability, personal injury, broad form property damage, contractual liability, owners' and contractor's protective products and completed operations, contingent employers liability, cross liability and severability of interest clauses. The Recipient shall submit a completed standard Insurance Certificate (Form #0788).
- (b) In addition, those Recipients with Grants greater than Ten Thousand Dollars (\$10,000) shall

furnish the City with a Blanket Position Policy or equivalent Fidelity Bond in an amount not less than the maximum single payment amount or fifty percent (50%) of the City's contribution of this grant; whichever is greater, to a maximum of One Hundred Thousand Dollars (\$100,000). The City shall be shown on the Policy as a named Obligee as their interest may appear with respect to any loss or misuse of funds held by the Recipient as described in this Agreement.

(c) The City reserves the right to request such higher limits of insurance or other types of policies appropriate to this Agreement as it may reasonably require.

(d) Failure to satisfactorily meet these conditions relating to insurance shall be deemed a breach of this Agreement.

(e) On the signing of this Agreement and within thirty (30) calendar days after any subsequent change or renewal of its insurance coverage, the Recipient shall provide the City with evidence that it has obtained the insurance coverage required under this section. The Recipient shall notify the City forthwith of any lapse, cancellation or termination of any such insurance coverage.

### **13. Services to Vulnerable Populations**

13.1 The Recipient shall ensure that where services are provided to vulnerable populations, it obtains a Police Vulnerable Sector Check (PVSC) for all employees, Board Members, volunteers and students who have direct contact with clients. Failure to do so may result in immediate termination of this Agreement.

13.2 Where the Recipient provides services to vulnerable populations, it shall ensure it has appropriate policies and procedures in place with respect to providing services to those vulnerable populations including Criminal Offence Discretion, Serious Occurrence Reporting, Orientation and Training, Safe Sharps and Waste Handling, Fire Safety and Emergency Information.

### **14. Compliance with Laws**

14.1 The Recipient shall carry out the Funded Activity in compliance with all applicable federal, provincial and municipal laws, by-laws, policies, guidelines, rules and regulations, including applicable privacy legislation, environmental legislation, and s. 72 of the *Child and Family Services Act*. The Recipient shall obtain, prior to the commencement of the Funded Activity, all permits, licenses, consents and other authorizations that are necessary to the carrying out of the Funded Activity. It is a condition of this Agreement that the Recipient will not infringe upon any right under the *Human Rights Code* in carrying out the Funded Activity.

### **15. *Municipal Freedom of Information and Protection of Privacy Act and The Municipal Act, 2001***

15.1 The Recipient acknowledges that all records in the City's control (including any records provided by the Recipient to the City) are subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, and such records may be disclosed by the City to the public upon request under that Act. The Recipient further acknowledges that pursuant to the *Municipal Act, 2001*, the proceedings of City Council are matters of public record. The Recipient acknowledges that the City does not make any covenants with respect to maintaining the confidentiality of any records the Recipient provides to the City.

### **16. Assignment**

16.1 The Recipient shall not assign this Agreement or any interest in this Agreement without the prior written consent of the City, and for the purposes of this Agreement, assignment shall include any transfer in the majority ownership or controlling interest in the Recipient, whether through the sale of shares, direct acquisition of assets or otherwise.

### **17. Relationship Between the Parties**

17.1 The Recipient is not in any way authorized to make a promise, agreement or contract on behalf of the City. This Agreement is a funding agreement only, not a contract for services or a contract of service or employment. The City's responsibilities are limited to providing financial assistance to the Recipient towards the Eligible Expenditures. The parties hereto declare that nothing in this agreement shall be construed as creating a partnership, an employer-employee, or agency relationship between them. The Recipient shall not represent itself as an agent, employee or partner of the City.

### **18. Facsimile Copy of Recipient's Signature Sufficient**

18.1A facsimile copy of the Recipient's signature on this Agreement shall be sufficient and binding.

### **19. Executed in Counterparts**

19.1 This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together, and shall constitute one and the same Agreement.

## **20. Headings**

20.1 The headings in this Agreement are for ease of reference only and shall not be taken into account in the construction or interpretation of any provision to which they refer.

## **21. Entire Agreement**

21.1 This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, arrangements, letters of intent, understandings, negotiations and discussions, whether oral or written, of the parties pertaining to the Funded Activity. The Recipient acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms and conditions.

## **22. Waiver**

22.1 Failure by either party to exercise any of its rights, powers or remedies shall not constitute a waiver of those rights, powers or remedies.

## **23. Circumstances Beyond the Control of Either Party**

23.1 Neither party shall be responsible for damage caused by delay or failure to perform under the terms of this Agreement resulting from matters beyond the control of the parties including strike, lockout or any other action arising from a labour dispute, fire, flood, act of God, war, riot or other insurrection, lawful act of public authority, or delay or default caused by a common carrier that cannot be reasonably foreseen or provided against.

## **24. Payment of Grant is Subject to City Budget Approval**

24.1 (a) Any payment under this Agreement is subject to the approval by City Council for the fiscal year in which the payment is to be made. In the event that the City Council cancels or reduces the level of funding for the grants for any fiscal year in which payment is to be made under the Agreement, the City may terminate the Agreement in accordance with the termination provisions of this Agreement or reduce the amount of its contribution payable under the Agreement in that fiscal year by such amount that it deems advisable.

(b) Where, pursuant to this section, the City intends to reduce the amount of its contribution under the Agreement, it shall give the Recipient not less than 1 months' notice of its intention to do so. Where, as a result of reduction in funding, the Recipient is unable or unwilling to complete the Funded Activity, the Recipient may, upon written notice to the City, terminate the Agreement. The Recipient shall not hold the City liable for any reduction or termination of funding.

## **25. Governing Law**

25.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

## **26. Headings**

26.1 Descriptive headings are inserted solely for convenience of reference, do not form part of this Agreement and are not to be used as an aid in the interpretation of this Agreement.

## **27. Canadian Currency**

27.1 Any reference to currency is to Canadian currency and any amount advanced, paid or calculated is to be advanced, paid or calculated in Canadian currency.

## **28. Other Agreements**

28.1 If the Recipient:

- (a) has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with the City;
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the City may suspend the payment of the grant for such period as the City determines appropriate or terminate the Agreement at any time, including immediately, upon giving Notice to the Recipient.

## **29. Execution of Agreement.**

29.1 The Recipient represents and warrants that:

- (a) It has the full power and authority to enter into the Agreement; and
- (b) It has taken all necessary actions to authorize the execution of the Agreement.

**30. Survival**

30.1 The provisions relating to liability, indemnity, Right of Audit and Repayment of Grant shall survive termination or expiry of this Agreement for a period of seven (7) years from the date of termination of this Agreement.

IN WITNESS WHEREOF the parties to this Agreement have set their hands and seals:  
**SIGNED SEALED AND DELIVERED**

**For the City:** **THE CORPORATION OF THE CITY OF LONDON**

Date: \_\_\_\_\_

**For the Recipient, by the following authorized officer(s):**

**[INSERT NAME OF RECIPIENT]**

Date: \_\_\_\_\_  
\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name)

\_\_\_\_\_ (Print Title)

I/We have authority to bind the Corporation

Date: \_\_\_\_\_  
\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name)

\_\_\_\_\_ (Print Title)

I/We have authority to bind the Corporation

**SCHEDULE A - Operating or Capital Grant**

**THE FUNDED ACTIVITY**

Full Legal Name of Recipient: \_\_\_\_\_

Address for Service of Notice: \_\_\_\_\_

Primary Contact Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_ E-mail: \_\_\_\_\_

Funded Activity Start Date (date for which funding will be commenced):  
(yy/mm/dd) \_\_\_\_\_

Funded Activity End Date (date for which funding will end):  
(yy/mm/dd) \_\_\_\_\_

**FUNDED ACTIVITY DESCRIPTION:**

[Insert Funded Activity Description / Plan/]

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Application attached as Schedule D

**A. REPORTING - OPERATING GRANTS**

The following requirements apply to Operating Grants:

**REPORTS:**

The Recipient shall provide the following reports to the City Representative, on or before the dates set out below, or on such other date as agreed to in writing by the City Representative:

**If Grant is ≤ \$20,000 /year:**

Annual Report – due 31 days after the anniversary of the Funded Activity start date for each year of the grant agreement to include:

- Outcome Reporting – Yearly activity plan, and highlighting full year’s Outcomes
- Financial Reporting – Year-end financial monitoring includes a final revenue and expenditure statement; to be signed by the Board Chair and an authorized employee
- Board Contact Information – A complete list of the Board of Directors for the organization which includes the home address and contact information for each member

**If Grant is > \$20,000 to ≤ \$80,000 /year:**

1. Mid-Year Report – seven months after the anniversary of the Funded Activity Start Date for each year of the grant agreement to include:

- Outcome Reporting – Mid-year report highlighting first 6 months Outcomes
- Financial Reporting – Mid-year financial monitoring includes a 6 month revenue and expenditure statement; to be signed by the Recipient Board Chair or Treasurer of the Board, and authorized employee; and

2. Annual Report – due 31 days after the anniversary of the Funded Activity start date for each year of the grant agreement to include:

- Outcome Reporting – Yearly activity plan, and highlighting full year’s Outcomes
- Financial Reporting – Year-end financial monitoring includes a final revenue and expenditure statement; to be signed by the Recipient Board Chair or Treasurer of the Board, and authorized employee.
- Board Contact Information – A complete list of the current Board of Directors for the organization which includes the home address and contact information for each member

**If Grant is > \$80,000 /year:**

1. Mid-Year Report – due seven months after the anniversary of the Funded Activity Start Date for each year of the grant agreement to include:

- Outcome Reporting – Mid-year report highlighting first 6 months Outcomes
- Financial Reporting – Mid-year financial monitoring includes a 6 month revenue and expenditure statement; to be signed by the Recipient Board Chair or Treasurer of the Board and authorized employee; and

2. 3<sup>rd</sup> Quarter Financial Monitoring Report – ten months after the anniversary of the Funded Activity Start Date for each year of the grant agreement to include:
    - Financial Reporting – 3<sup>rd</sup> quarter financial monitoring includes a 9 month revenue and expenditure statement; to be signed by the Recipient Board Chair or Treasurer of the Board, and authorized employee; and
  3. Annual Report – due 31 days after the anniversary of the Funded Activity start date for each year of the grant agreement; to include:
    - Outcome Reporting – Yearly activity plan, and highlighting full year's Outcomes
    - Financial Reporting – Year-end financial monitoring includes a final revenue and expenditure statement; to be signed by the Recipient Board Chair or Treasurer of the Board, and authorized employee;
    - Board Contact Information – A complete list of the current Board of Directors for the organization which includes the home address and contact information for each member, and;
  4. Audited Financial Statement – due within 8 months from the end of the Term;
    - to be signed by authorized by Recipient's Board member and Recipient's auditor. In order to be an **auditor** of a corporation, a person must be permitted to conduct an audit of the corporation under the *Public Accounting Act, 2004* and be independent of the corporation, any of its affiliates, and the directors and officers of the corporation and its affiliates.
    - The audited financial statement **must include** an audited special purpose statement showing separately the total City of London funding and Funded Activity expenditures outlined in schedule B indicating any deficit or surplus funds to be returned to the City of London as per section 5.6.
    - The City will only release funding for the following year upon receipt of the Audited Financial Statement
- 

## **B. REPORTING – CAPITAL GRANTS**

The following requirements apply to Capital Grants:

### **REPORTS:**

The Recipient shall provide the following reports to the City Representative, on or before the dates set out below, or on such other date as agreed to in writing by the City Representative:

1. Annual Report – due 31 days after Funded Activity End Date; to include:
  - Outcome Reporting - Yearly activity plan, and highlighting full year's outcomes.
  - Financial Reporting – Year-end financial monitoring includes a final revenue and expenditure statement; to be signed by the Recipient's Board Chair and an authorized employee of the Recipient.
2. Audited Financial Statement – due within 8 months from the end of the Term;
  - to be signed by authorized by Recipient's Board member and Recipient's auditor. In order to be an **auditor** of a corporation, a person must be permitted to conduct an audit of the corporation under the *Public Accounting Act, 2004* and be independent of the corporation, any of its affiliates, and the directors and officers of the corporation and its affiliates.
3. The Recipient shall provide the City Representative with proof of ownership of the Property whenever requested by the City Representative.

**SCHEDULE B – OPERATING GRANT OR CAPITAL GRANT  
MAXIMUM CONTRIBUTION & ELIGIBLE EXPENDITURES**

**1.0 Maximum Contribution of the City**

1.1 For Operating or Capital Grants, the total amount of the City's contribution annually towards the Funded Activity under this Agreement is \$ \_\_\_\_\_.

**2.0 Disbursement of Grants**

2.1 For Operating or Capital Grants, subject to the Recipient's compliance with the provisions of this Agreement, the grant shall be disbursed to the Recipient over the Term of this Agreement, as set out below.

[FOR CAPITAL GRANTS - OTHERWISE REMOVE:]

Capital Grants >\$200,000/year

2.2 The following portions of the grant will be paid upon the following triggering events occurring:

- (i) sum of \$ \_\_\_\_\_ will be paid by the City to the Recipient upon confirmation of the following triggering event occurring \_\_\_\_\_ <insert triggering event> \_\_\_\_\_;
- (ii) sum of \$ \_\_\_\_\_ will be paid by the City to the Recipient upon confirmation of the following triggering event occurring \_\_\_\_\_ <insert triggering event> \_\_\_\_\_;
- (iii) sum of \$ \_\_\_\_\_ will be paid by the City to the Recipient upon confirmation of the following triggering event occurring \_\_\_\_\_ <insert triggering event> \_\_\_\_\_.

[FOR OPERATING GRANTS – OTHERWISE REMOVE:]

Operating Grants

2.3 For Operating Grants, the grant will be payable as follows, subject to the Recipient's compliance with the provisions of this Agreement:

[delete inapplicable paragraphs:]

**If Grant is ≤\$20,000 /year:**

One payment of grant funds annually for the entire Funded Activity, to be paid within 30 days of execution of this Agreement, in the amount of: \$ \_\_\_\_\_.

**If Grant is > \$20,000 to ≤ \$80,000 /year:**

Two payments of grant funds, as follows:

- (1) First annual payment of grant funds to be paid within 30 days of execution of this Agreement and annually thereafter, in the amount of: \$ \_\_\_\_\_;
- (2) Second payment of grant funds to be paid within 30 days of receipt of Mid-Year Report satisfactory to the City, in amount of: \$ \_\_\_\_\_.

**If Grant is > \$80,000 /year:**

Four payments of grant funds, as follows:

- (1) First annual payment of grant funds to be paid within 30 days of execution of this Agreement and annually thereafter, in the amount of: \$ \_\_\_\_\_;
- (2) Second payment of grant funds to be paid within 60 days of execution of this Agreement and annually thereafter, in the amount of: \$ \_\_\_\_\_;
- (3) Third payment of grant funds to be paid within 30 days of receipt of Mid-Year Report satisfactory to the City, in amount of: \$ \_\_\_\_\_;
- (4) Fourth payment of grant funds to be paid within 30 days of receipt of 3<sup>rd</sup> Quarter Financial Monitoring Report satisfactory to the City, in amount of: \$ \_\_\_\_\_.

**3.0 ELIGIBLE EXPENDITURES**

**3.1 FUNDED ACTIVITY BUDGET**

[FOR OPERATING GRANTS – OTHERWISE REMOVE]

The following is the Funded Activity Budget – OPERATING GRANT:

<b>Funded Activity Expenditure Categories</b>	<b>Budget Amount</b>
<b>1. Funded Activity Administrative Costs</b>	
1.1 Staff Wages	
1.2 Professional Fees	
1.3 General Administrative Costs	
1.5 Other Administrative Costs	
<b>2. Program Costs</b>	
2.1 Program Supplies	
2.2 Community Meetings & Events	
2.3 Other Program Costs	
<b>TOTAL City of London Funding</b>	<b>\$ [Subtotal of City of London Funded Expenditures]</b>



**Budget notes:**

“**Funded Activity Administrative Costs**” is the sum total of costs described in expenditure categories 1.1 through 1.5 incurred by the Recipient to carry out the Funded Activity.

“**Staff Wages**” includes *Mandatory Employment Related Costs (MERCs)* which refer to payments an employer is required by law to make in respect of its employees such as EI and CPP/QPP premiums, workers’ compensation premiums, vacation pay and Employer Health Tax; and *Benefits* which refer to payments an employer is required to make in respect of its employees by virtue of company policy or a collective agreement. Examples of Benefits include contributions to a group pension plan or premiums towards a group insurance plan.

“**Professional Fees**” include contracting for goods or services such as bookkeeping, janitorial services, information technology, equipment maintenance services, security, if contracted specifically to support the Funded Activity, audit costs and legal fees.

“**General Administrative Costs**” are general administration-type costs, normally incurred by any organization, that are hereby incurred to enable effective delivery of the Funded Activity. These include costs such as rent, phone/fax, postage/courier, office supplies, internet/website, bank charges, office moving expenses, office cleaning, security system, garbage removal/recycling, publication purchases, equipment maintenance and membership fees.

“**Other Administrative Costs**” are other administrative-type costs explicitly linked to the Funded Activity activities described in **Schedule A** that are not covered by any other expenditure category.

“**Program Costs**” is the sum total of costs described in categories 2.1 through 2.3 incurred by the Recipient to carry out the Funded Activity.

“**Program Supplies**” includes supplies incurred to deliver programs and services for approved funded activity.

“**Community Meetings & Events**” includes expenditures incurred to support community meetings, neighbourhood and community events for the approved funded activity.

“**Other Program Costs**” are other program-type costs explicitly linked to the Funded Activity activities described in **Schedule A** that are not covered by any other expenditure category.

[FOR CAPITAL GRANTS – OTHERWISE REMOVE]:

The following is the Funded Activity Budget – CAPITAL GRANT:

Expenditure Categories	Other Sources		Total
	Cash	In-Kind	
Capital Expenditures			
<b>TOTAL</b>			
	0		

**4.0 BUDGET FLEXIBILITY**

4.1 The Recipient shall not, without the express prior written approval of the City Representative, make adjustments to its allocation of funds between any of the expenditure categories identified in the Funded Activity Budget.

4.2 Written approval by the City Representative of adjustments under section 4.1 may be required by the City Representative to be documented by way of a formal amending agreement signed by both parties.

**5.0 CONDITIONS GOVERNING ELIGIBLE EXPENDITURES**

5.1 The Eligible Expenditures set out in the Funded Activity Budget above are subject to the following conditions:

- (a) expenditures must be incurred during the Funded Activity Start Date and End Date;
- (b) expenditures must, in the sole opinion of the City Representative, be reasonable;
- (c) the portion of the cost of any goods and services purchased by the Recipient for which the Recipient may claim a tax credit or reimbursement are not eligible;
- (d) depreciation of capital assets is not eligible;
- (e) fines and penalties are not eligible;
- (f) the cost of alcoholic beverages or travel expenses are not eligible.

**6.0 TERMS OF PAYMENT**

**For Operating Grants:**

- 6.1 (1) Section 6.1 applies to Operating Grants only.
- (2) Subject to subsections (3) and (4), the City will make payments of its contribution by way of advance payments. Each payment shall cover a specific period as set out in paragraph 2.0 of **Schedule B** (hereinafter referred to as the “Payment Period”) from the start to the end of the Funded Activity.
- (3) Each advance shall cover the Recipient’s estimated financial requirements for each Payment Period. Such estimate shall be based upon a cash flow forecast that, in the sole opinion of the City Representative, is reliable and up-to-date.
- (4) If the amount of an advance payment for a Payment Period exceeds the actual amount of Eligible Expenditures incurred by the Recipient during the Payment Period, the City reserves the right to deduct the excess amount from any subsequent advance payment to be made under this

Agreement, or to require repayment of that part of the grant.

**For Capital Grants:**

6.2 (1) Section 6.2 applies to Capital Grants only.

- (2) The City will make payments of its contribution upon proof that expenses have either been incurred or a contract has been awarded. Each payment shall cover a specific activity as set out in section 2.0 of **Schedule B** (hereinafter referred to as the "Payment Period") from the start to the end of the Funded Activity.

**For All Grants**

6.3 The City may withhold any payment due to the Recipient under this Agreement:

- (a) if the Recipient has failed to submit when due any report required by the City under this Agreement;
- (b) pending the completion of an audit of the Recipient's books and records, should the City decide to undertake such an audit;
- (c) if the Recipient is not in compliance with any applicable laws, regulations, by-laws, Council Policies, or if applicable the Vulnerable Populations requirements;
- (d) in the event that an audit of the Recipient's books and records indicates mismanagement or misuse of funds, in the sole opinion of the City Representative; or
- (e) in the event the City determines the Recipient has not or likely will not achieve the Outcomes as set out in the Application attached as Schedule D.

6.4 The City may retain a holdback of an amount up to 10% of its maximum contribution at the end of the Term pending:

- (a) receipt and acceptance by the City of a final report for the Funded Activity, and
- (b) receipt of any other Funded Activity-related record or product that may be required by the City.

6.5 Grants may only be provided to Recipients that do not budget on a deficit basis and that do not operate on a deficit basis.

**7.0 Capital Assets**

(1) The Recipient shall preserve any capital assets acquired with the grant, whether or not such acquisition is authorized as an Eligible Expenditure. Where a Capital Grant under this Agreement authorizes the purchase of capital assets, the Recipient shall use the capital assets for the purposes of the Funded Activity during the Term, unless the City Representative authorizes their disposition.

(2) For any capital assets valued at \$1,000 or more, the Recipient recognizes that, either at the end of the Term, or upon termination of this Agreement, if earlier, the City may, at its discretion, direct that the capital assets be:

- (a) sold at fair market value and that the funds realized from such sale be applied to the Eligible Expenses of the Funded Activity to offset the City's contribution;
- (b) turned over to another organization designated or approved by the City; or
- (c) disposed of in such other manner as may be determined by the City.

(3) Where a direction is made under subsection (2), the Recipient undertakes and agrees to comply with such direction.

## SCHEDULE C - REPAYMENT OF CAPITAL GRANT

### 1.0 Repayment of Capital Grant

- (1) Further to section 5.2 of this Agreement, the grant shall be forgivable by the City over a 10 year period whereby the City shall forgive 1/10 of the value of the grant annually on the anniversary date of this Agreement until the grant is totally forgiven.
- (2) In addition to section 10.2 of the Agreement, the City shall have the right to declare that the Recipient has breached this Agreement and cause this Agreement and the obligations of the City under it to terminate if any one or more of the following occurs:
  - (a) the Recipient fails to fulfil all of the terms, conditions and obligations set out in this Agreement;
  - (b) the Recipient persists in violation of any of the provisions of this Agreement;
  - (c) the Recipient refuses or neglects to comply with any reasonable requirement from the City Treasurer which he or she is entitled to stipulate under this Agreement;
  - (d) the Recipient assigns or transfers, or attempts to assign or transfer, this Agreement;
  - (e) the Recipient transfers, sells, leases, mortgages or otherwise disposes of the Property or asset of its interest in the Property or asset;
  - (f) the Recipient ceases to use the Property solely for the purposes of providing programs consistent with its mandate;
  - (g) the Recipient ceases to be a non-share capital, not-for-profit Ontario Corporation; or
  - (h) the Recipient ceases to exist.
- (3) Any declaration as to termination made under this clause shall be made in writing and delivered by the City to the Recipient in the manner specified in this Agreement for the giving of notices to the Recipient.
- (4) If the City has terminated this Agreement in accordance with this clause, the City shall have no further responsibility or liability with regard to this Agreement and the Recipient shall forthwith repay to the City the unforgiven balance of the Grant. It is understood and agreed that these conditions are for the sole benefit of the City and may be waived in whole or in part by the City at any time.

**SCHEDULE D – OPERATING GRANT**

Application {to be attached}

**APPENDIX 3  
Proposed Evaluation Criteria for the City of London Community Grants Program**

**Community Grant Program Evaluation Criteria**

Yes/No = 1 point  
Likert scale = strongly disagree -2, disagree -1, neutral 0, agree 1, strongly agree 2  
Max Score: 52

**Eligible applications must meet all of the following requirements:**

- Not-for-profit corporation
- Organization based in London
- Service/project conducted in London, for London residents
- Organization has an active, registered voting list (board)
- Conducts an Annual General Meeting
- Has provided current financial statements
- Organization has no outstanding arrears to the City of London
- The organization can provide proof of valid liability insurance up to \$2M

If previously funded by the City of London:

- All previous City of London funding agreements and conditions have been met (where applicable)

Applications must satisfy all requirements in order to be considered under this grant program.

**1. Funding Alignment**

The service / project *align* with City of London and community priorities by demonstrating Outcomes align with:

- the Council Strategic Plan for the City of London Strategic Areas of Focus (/10):

- Strengthening Our Community
- Building a Sustainable City
- Growing our Economy

Strong alignment with the City of London Strategic Plan will demonstrate how the outcomes of the proposed funded service will advance the sub areas of focus for the Strategic Plan. Organizations should have at least 2 outcomes connected to the sub areas of focus listed below.

	Sub Areas of focus	Related outcomes	Excellent	Good	Fair	Poor
Strengthening our Community	<ul style="list-style-type: none"> <li>- Vibrant, connected and engaged neighbourhoods</li> <li>- Diverse, inclusive and welcoming community</li> <li>- Caring and compassionate services</li> <li>- Amazing arts, culture and recreation experiences</li> <li>- Healthy, safe and accessible city</li> </ul>	1. 2. 3.	>8-10	>5-8	>2-5	0-2
Building a Sustainable City	<ul style="list-style-type: none"> <li>- Robust infrastructure</li> <li>- Convenient and connected mobility choices</li> <li>- Strong and healthy environment</li> <li>- Beautiful places and spaces</li> <li>- Responsible growth</li> <li>- Heritage conservation</li> </ul>	1. 2. 3.	>8-10	>5-8	>2-5	0-2
Growing our Economy	<ul style="list-style-type: none"> <li>- Diverse and resilient economy</li> <li>- Urban regeneration</li> <li>- Local, regional and global innovation</li> <li>- Strategic, collaborative partnerships</li> <li>- Diverse employment opportunities</li> </ul>	1. 2. 3.	>8-10	>5-8	>2-5	0-2

**2. Community Impact**

- illustrates the community need for the proposed service / project (-2, -1, 0, 1, 2)
- service / project has the ability to demonstrate added value to the London community and advance the strategic area of focus to which the organization applied (-2, -1, 0, 1, 2)
- shows a high level of community involvement in the program (-2, -1, 0, 1, 2)

**3. Community Partnerships/Memberships**

- service/project aligns with other local/provincial/federal funding bodies (leveraging opportunities) (/1)
- collaborates and maintains partnerships in service / project delivery (/1)
- participates in local networks/ groups specific to service delivery/target population ie: CYN, ESCLM, etc (/1)
- service / project is not substantially duplicated by other organizations (/1)
- the organization is able to make decisions and take actions with other organizations (-2, -1, 0, 1, 2)
- exchange of information among service providers (-2, -1, 0, 1, 2)

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<b>4. Organizational Capacity</b>	
The organization is <i>financially viable</i> , providing:	
<input type="checkbox"/> a multi-year budget that indicates a clear financial plan and demonstrates efficient use of City funds (/1)	
<input type="checkbox"/> Through the provision of financial statements, the organization demonstrates a recent history of prudent financial management (e.g. does not demonstrate a pattern of annual deficits of expenditures or revenues) (/1)	
The organization is able to <i>mitigate risk</i> to the agency and funder by demonstrating:	
<input type="checkbox"/> Compliance/alignment with required City of London internal processes, current agreements, etc (/1)	
<input type="checkbox"/> an accountable organizational structure including: (/1)	
<ul style="list-style-type: none"> <li>▪ A Strategic Plan conducted with the last 5 years</li> </ul>	
The organization has the <i>capacity to deliver</i> identified outcomes:	
<input type="checkbox"/> clearly identified objectives, targets and outcomes (/1)	
<input type="checkbox"/> defined and applicable evaluation that is measurable over the course of implementation of the grant(/1)	
<input type="checkbox"/> organization has resource capacity to deliver the service / project and achieve stated outcomes (-2, -1, 0, 1, 2)	
<input type="checkbox"/> recognized within the community as a respected, stable organization (conversation with other funders) (-2, -1, 0, 1, 2)	
<input type="checkbox"/> organizational readiness and current capacity to implement proposed program or service (-2, -1, 0, 1, 2)	
<input type="checkbox"/> <u>For organizations that have received City of London funding:</u> The organization can demonstrate a record of success with similar initiatives where applicable (-2, -1, 0, 1, 2)	
<input type="checkbox"/> <u>For new organizations that have NOT received funding:</u> The organization is recognized as a credible, stable organization by other stakeholders in the community.	
The organization is responsive to <i>community needs</i> :	
<input type="checkbox"/> level of resident leadership and organization (-2, -1, 0, 1, 2)	
<input type="checkbox"/> uses multiple community sources in the community for goal setting and the prioritization of actions (-2, -1, 0, 1, 2)	
<input type="checkbox"/> if organization has already received City of London funding, can demonstrate improved organizational performance consistent with community plans and clear operational procedures (-2, -1, 0, 1, 2)	
	/
<b>5. Sustainability</b>	
The organizations <i>diverse funding base</i> :	
<input type="checkbox"/> demonstrates that it has applied to a number of "relevant" funding sources (provincially, federally, locally) showing that the City of London is not to be the sole funder of service/ project (/1)	
<input type="checkbox"/> identifies partnerships that may cost share in service / project delivery (/1)	
<input type="checkbox"/> adequate operational reserves and a plan to deal with reserves / surpluses (/1)	
The organization can <i>demonstrate</i> :	
<input type="checkbox"/> a sustainability plan to move towards self-sufficiency (/1)	
<input type="checkbox"/> feasibility of long term sustainability, leadership and institutional support (-2, -1, 0, 1, 2)	
<input type="checkbox"/> anchor institutions as partners in the community (-2, -1, 0, 1, 2)	
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