

Bill No.
2016

By-law No. A.- _____

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.-7073-73 being "A by-law to approve and adopt the standard form Grant Agreement (Strategic Funding Framework)"; 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;

AND WHEREAS the Municipal Council of the Corporation of the City of London wishes to repeal By-law No. A.-7073-73 being "A by-law to approve and adopt the standard form Grant Agreement (Strategic Funding Framework)" passed on February 11, 2014;

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 B1 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**

_____ **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/]

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. 3rd 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 – 3rd 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 3rd 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:

Funded Activity Expenditure Categories	Budget Amount
1. Funded Activity Administrative Costs	
1.1 Staff Wages	
1.2 Professional Fees	
1.3 General Administrative Costs	
1.5 Other Administrative Costs	
2. Program Costs	

2.1 Program Supplies	
2.2 Community Meetings & Events	
2.3 Other Program Costs	
TOTAL City of London Funding	\$ [Subtotal of City of London Funded Expenditures]

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			
TOTAL			
	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	- Vibrant, connected and engaged neighbourhoods - Diverse, inclusive and welcoming community - Caring and compassionate services - Amazing arts, culture and recreation experiences - Healthy, safe and accessible city	1. 2. 3.	>8-10	>5-8	>2-5	0-2
Building a Sustainable City	- Robust infrastructure - Convenient and connected mobility choices - Strong and healthy environment - Beautiful places and spaces - Responsible growth - Heritage conservation	1. 2. 3.	>8-10	>5-8	>2-5	0-2
Growing our Economy	- Diverse and resilient economy - Urban regeneration - Local, regional and global innovation - Strategic, collaborative partnerships - Diverse employment opportunities	1. 2. 3.	>8-10	>5-8	>2-5	0-2

2. Community Impact		
<input type="checkbox"/>	illustrates the community need for the proposed service / project (-2, -1, 0, 1, 2)	
<input type="checkbox"/>	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)	
<input type="checkbox"/>	shows a high level of community involvement in the program (-2, -1, 0, 1, 2)	/
3. Community Partnerships/Memberships		
<input type="checkbox"/>	service/project aligns with other local/provincial/federal funding bodies (leveraging opportunities) (/1)	
<input type="checkbox"/>	collaborates and maintains partnerships in service / project delivery (/1)	
<input type="checkbox"/>	participates in local networks/ groups specific to service delivery/target population ie: CYN, ESCLM, etc (/1)	
<input type="checkbox"/>	service / project is not substantially duplicated by other organizations (/1)	
<input type="checkbox"/>	the organization is able to make decisions and take actions with other organizations (-2, -1, 0, 1, 2)	
<input type="checkbox"/>	exchange of information among service providers (-2, -1, 0, 1, 2)	/
4. Organizational Capacity		
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)	
	▪ A Strategic Plan conducted with the last 5 years	
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 measureable 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)	

5. Sustainability

The organizations *diverse funding base*:

- 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)
- identifies partnerships that may cost share in service / project delivery (/1)
- adequate operational reserves and a plan to deal with reserves / surpluses (/1)

The organization can *demonstrate*:

- a sustainability plan to move towards self-sufficiency (/1)
- feasibility of long term sustainability, leadership and institutional support (-2, -1, 0, 1, 2)
- anchor institutions as partners in the community (-2, -1, 0, 1, 2)

/