



## **Staff Report for Budget Committee of the Whole Meeting**

**Date of Meeting:** November 25, 2024

**Report Number:** SRCS.24.19

**Department:** Community Services  
**Division:** Recreation and Culture Services

**Subject:** **SRCS.24.19 - Community and Cultural Grant Program and Community Enhancement and Economic Vitality Reserve Fund**

---

### **Purpose:**

To obtain approval for revisions to the Community and Cultural Grant Program including a change in the funding source to the Community Enhancement and Economic Vitality Reserve Fund.

### **Recommendations:**

- a) That staff report SRCS.24.29 be received;
- b) That changes to the Community and Cultural Grant Program as outlined in SRCS.24.29 be approved including:
  - i. An expansion to the program to include funding for annual programs,
  - ii. An increase to the annual operating budget for the program to \$100,000,
  - iii. Use of the Community Enhancement and Economic Vitality Reserve Fund as the program funding source.

### **Contact Person(s):**

- Dan DiRuscio, Manager of Cultural Services, extension 5513
- Donald Hearn, Director of Recreation and Cultural Services, extension 2503
- Gigi Li, Treasurer and Director of Financial Services, extension 6435
- Tracey Steele, Commissioner of Community Services, extension 2476

### **Report Approval:**

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

## Page 2

### Key Messages:

- Since the Community and Cultural Grant Program (the “CCGP”) was initiated, it has contributed funding to 124 projects including art exhibitions, theatrical and musical productions, cultural festivals, environmental initiatives, and youth programs, which involved over 450 activities, 94,412 participants, and 3,240 volunteers.
- The CCGP will be improved and rejuvenated by clarifying program goals, simplifying the evaluation process, expanding eligibility, and allocating additional funding.
- The proposed CCGP annual operating budget of \$100,000 should be funded from the Community Enhancement and Economic Vitality Reserve Fund given direct alignment between the goals of the program and the intent of this funding source.

### Background:

In 2015, Richmond Hill’s two granting programs (the Mayor’s Endowment Fund for the Arts and the Richmond Hill Community Grant Program) were combined to create a single Community and Cultural Grant Program (the “CCGP”) with a more efficient application and review process, and a streamlined approach to communication and promotion. The new CCGP was intended to “support activities that increase the quality of life in our community and enhance the image of the Town” through two distinct program streams – one for the cultural sector and one for community organizations. The CCGP was allocated an annual operating budget of \$65,000 with a maximum grant per project to be 50% of the project budget up to \$5,000.

CCGP funding was awarded to projects taking place in 2016, 2017, 2018 and 2019. On February 12, 2020, Council voted not to award CCGP funding for the 2020 project year. The CCGP did not operate in the years following this Council decision during the Covid-19 pandemic (2021 and 2022).

On November 23, 2022 Council directed staff to reinstate the CCGP for 2023, and on December 7, 2022, Council approved a new Recreation and Culture Plan, which included the following recommendation:

Conduct a review of the impact of the CCGP for the [four year] period it was active in the community. Identify opportunities to improve and revitalize the program or establish a new funding source for creative projects.

The CCGP ran with a budget of \$65,000 in both 2023 and 2024.

This report responds to the Recreation and Culture Plan recommendation to review the CCGP, as well as to questions and comments that arose around the program during the 2024 funding award process.

**Page 3**

**Discussion:**

**Impact of the Community and Cultural Grant Program**

CCGP applications and funding awards over the lifespan of the program are summarized in Table 1.

**Table 1: Summary of CCGP Applications and Awards (2016 – 2024)**

<b>Year</b>	<b>Applications Received</b>	<b>Applications Funded</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>
2016	29	19	\$87,460	\$53,900
2017	29	21	\$108,390	\$49,870
2018	31	26	\$132,733	\$65,000
2019	29	21	\$129,340	\$64,985
2023	49	17	\$208,016	\$64,460
2024	38	20	\$151,128	\$59,964
<b>Total</b>	<b>239</b>	<b>124</b>	<b>\$817,107</b>	<b>\$358,179</b>

Overall, the CCGP has awarded \$358,179 to a diverse array of projects directly benefiting the Richmond Hill community, including art exhibitions, theatrical and musical productions, cultural festivals, environmental initiatives, and youth and cultural programs. The grants supported over 450 activities, engaged over 94,000 participants, and involved contributions from approximately 3,200 volunteers.

Only three projects that received CCGP grants have been cancelled by applicants and returned funds to the City. The City has not identified a failure to implement a project or required funding to be returned.

**Program Review Process**

Review of the CCGP included a benchmarking analysis of 14 nearby municipalities (Aurora, East Gwillimbury, Georgina, King, Markham, Newmarket, Vaughan, and Whitchurch-Stouffville, Barrie, Burlington, Kitchener, Oakville, St. Catharines, and Windsor), surveys of previous applicants, community groups, and Council members, and general review of program documentation and data.

## Page 4

### Proposed Program Improvements

Based on the review, the following changes are proposed to update and rejuvenate the CCGP:

#### 1. Alignment of CCGP Goals with the Strategic Plan

Council discussions related to the award of 2024 CCGP grants, comments from the community and general review of the CCGP Program Guidelines have all contributed to the conclusion that the goals of the CCGP should be more clearly identified. As a result, it is recommended that the CCGP have three clear goals aligned directly with the 2024 to 2027 Strategic Plan Vision of “A vibrant and inclusive city of neighbours” as follows:

- i. To increase the vibrancy of Richmond Hill.
- ii. To support programs and events which are inclusive of the diverse community, reduce barriers to participation, or seek to encourage the participation of those who might have historically been left out.
- iii. To bring people together and encourage connections.

#### 2. Clarification and Simplification of the Application Evaluation Process

Currently, grant applications are reviewed by the CCGP Selection Committee that is comprised of three City Staff and three community members. The Selection Committee uses the eight Project Funding Criteria identified in the Program Guidelines (see page 5 of Attachment 1) to rank the applications. The highest ranking applications that best align with the funding criteria are recommend to Council for award of funding. As the process uses eight criteria and a weighed evaluation system it is very complicated and time-consuming.

Moving forward, it is recommended that the evaluation process should be simplified using a three-step process as follows:

Step 1 – Projects will be reviewed to confirm that they meet minimum requirements including:

- Applying organization or individual must be eligible (requirements not to change, see page 4 of current Program Guidelines),
- Proposed project must be eligible (annual programs to be included as eligible projects as described in #4 below),
- Project expenses must be eligible (requirements not to change, see page 6 of current Program Guidelines),
- Matching funds must be confirmed,
- Project must not result in unreasonable risk, and
- Project must have a one year completion timeframe.

Step 2 – All projects deemed eligible through Step 1 will be scored and ranked based on the extent to which they meet the three CCGP goals identified above.

## Page 5

Step 3 – Project rankings will then be adjusted based on two additional criteria:

- Applications submitted by organizations or artists based in Richmond Hill will be given priority for funding, and
- Applications for new projects will be prioritized over those for projects that have received funding in previous years.

Applicants based outside Richmond Hill will continue to be eligible for funding given that the program goals focus on project contributions to the City in terms of vibrancy, inclusion and connection. Additionally, various organizations operate on a geographic scale that includes Richmond Hill even though their base is located outside of Richmond Hill.

### **3. Increase to the overall CCGP Budget to \$100,000**

The total annual budget of the CCGP has been \$65,000 in every year the program has run since its inception in 2015. Representatives of community organizations and the cultural sector have suggested increasing this amount to reflect inflation. Additionally, benchmarking research found that grant programs in other Ontario municipalities have an annual budget of \$0.36 to \$2.85 per capita, with an average of \$0.99 per capita. The City of Richmond Hill's \$65,000 annual funding translates to \$0.31 per capita, which is lower than all other benchmarked municipalities. Increasing to a \$100,000 annual budget will put Richmond Hill at approximately \$0.49 per capita.

### **4. Expand the CCGP to fund annual programs (in addition to events)**

Currently the Community and Cultural Grant program covers “projects” which are defined in the Program Guidelines as “An event or activity taking place within a defined period of time.” Community responses to the survey suggests that various groups and individuals would appreciate an expansion to grant funding opportunities. Benchmarking research also showed that other municipalities are granting funding for a wider breadth of projects and programs and eligible expenses than Richmond Hill.

While it was initially contemplated that an expansion to the CCGP based on “operating” and, or “capital” streams might make sense, staff do not recommend this approach for various reasons. Most significantly, there is concern that an attempt to define eligibility for funding in operating or capital terms will cause additional confusion amongst the community who may not be familiar with this terminology. Instead, consistent with the Strategic Plan vision and rejuvenated goals of the CCGP, it is recommended that day-to-day operating costs associated with annual programming be eligible for CCGP funding. A specific annual program will only be funded once given that the intent is for the funding to act as seed money to assist new programs that increase vibrancy, inclusivity and connection to become established.

## Page 6

Other elements of the CCGP that were reviewed, but are recommended to remain status quo, include the \$5,000 maximum funding award to any individual project, the requirement for 50% matching funding, the composition of the Selection Committee and the two main community and cultural program streams. These elements of the Richmond Hill CCGP are in-line with other benchmarked municipal grant programs, were generally acceptable to participating groups and individuals, and are consistent with CCGP goals to increase vibrancy and inclusivity in Richmond Hill.

### **Financial Implications:**

As discussed above, it is recommended that the overall annual budget of the CCGP be increased from \$65,000 to \$100,000.

Since its inception in 2015, the CCGP has been funded through the operating budget by the tax rate. Moving forward, in order to reduce the impact of this discretionary program on taxes, it is recommended that it be funded from the Community Enhancement and Economic Vitality Reserve Fund (the “CEEV”). The CEEV is a reserve fund that was established in 2003, with an initial balance of \$40.0 million, using proceeds from the sale of Richmond Hill Hydro. The fund was set up to “provide funding for projects that will enhance the quality of life and, or enrich the economic vitality of the community.”

Since its inception, the CEEV has been utilized for operating expenditures (for example, \$11.8 million to date for the Public Works Enhancement/Windrow Program), donations to community groups (including a \$10.0 million donation to York Central Hospital), and capital expenditures (such as \$11.8 million for construction of the Richmond Hill Centre for Performing Arts, \$0.9 million for restoration of the exterior of the Old Post Office heritage building, and \$0.5 million towards the Terry Fox memorial at Ransom Parkette).

The CEEV accumulates interest over time. Additionally, 1.2 million in surplus operating dollars from the 2023 budget year was deposited to the CEEV. The projected 2024 year-end balance of the CEEV Reserve Fund is \$51.8 million.

An estimated \$1,332,600 is committed to be drawn from the CEEV in 2025 for Heritage Grants (\$35,000), 16 new firefighters hired in 2022 (\$471,900), and the Public Works Enhancement/Windrow Program (\$825,700). In 2026, the commitments reduce to \$825,400, and 2026 is the final year of CEEV draws for the Public Works Enhancement/Windrow Program and the new firefighters.

### **Relationship to Strategic Plan 2024-2027:**

The Community and Cultural Grant Program relates to Pillar 2, Focusing on People. Specifically, it is consistent with Priority 2 “Supporting Richmond Hill’s unique character and sense of community through programs, services and events”, as it “facilitates programming and events for the community that foster connections between the City and residents, as well as among community members themselves.”

## **Page 7**

### **Attachments:**

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Attachment 1 - 2024 Community and Cultural Grant Program Guidelines (note that these Program Guidelines will be updated for 2025 consistent with direction arising from SRCS.24.19)

## Page 8

### Report Approval Details

Document Title:	SRCS.24.19 - Community and Cultural Grant Program and Community Enhancement and Economic Vitality Fund .docx
Attachments:	- SRCS.24.19 - Appendix A - 2024 Community and Cultural Grant Program Guidelines.pdf
Final Approval Date:	Nov 18, 2024

This report and all of its attachments were approved and signed as outlined below:

**Donald Hearn - Nov 18, 2024 - 11:45 AM**

**Tracey Steele - Nov 18, 2024 - 11:51 AM**

**Darlene Joslin - Nov 18, 2024 - 11:51 AM**