



City of  
Peterborough

## Community Major Capital Funding Requests Policy

<b>Department:</b>	Corporate and Legislative Services
<b>Division:</b>	Financial Services
<b>Section/Function:</b>	N/A
<b>Approval Level:</b>	Council
<b>Effective Date:</b>	2017-10-23
<b>Revision #:</b>	1

### 1.0 Purpose

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

### 2.0 Application

- 2.1. This Policy applies to:
  - .1 City staff and Members of Council responsible for receiving, processing, reviewing and approving requests for community capital funding.
  - .2 Community organizations wishing to apply for community capital funding.
- 2.2. This Policy does not apply to requests for funding received under the City’s Community Projects Grants and/or Community Investment Grants.

### 3.0 Definitions/Acronyms (As Required)

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

**Municipal Capital Facility** – Facilities that are:

- used by the council;
- for the general administration of the municipality;

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

## **4.0 Policy Statement(s)**

### **The Community Organization**

- 4.1** Capital funding requests will only be considered from community organizations that comply with the following:
- .1 The community organization must be an incorporated not-for-profit organization or Registered Charity.
  - .2 The community organization must demonstrate sound financial management and be in good standing with the City of Peterborough.
  - .3 The community organization must demonstrate that it has the human resources and expertise, in-house or contracted, to carry out the proposed project.
  - .4 The community organization must have a successful track record in undertaking, completing and sustaining similar capital projects.
- 4.2** Capital funding requests from the following organizations will not be considered:
- .1 Individuals
  - .2 For-profit corporations
  - .3 Organizations representing a specific political party or having a political affiliation
  - .4 Faith based organizations where services/activities include the promotion and/or required adherence to a faith

### **The Major Capital Project**

- 4.3** Capital funding requests may only be considered for projects that comply with the following:
- .1 The project must be in the public interest and be aligned with the City's Strategic Framework.
  - .2 The capital project, once complete, must be open and accessible to the public.

## **The Major Capital Project Cont'd**

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

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

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

## **Contribution Amount**

- 4.5** The impact on the City's Capital Budget for Public Capital Requests in any budget year not exceed \$1,000,000.
- 4.6** Due to financial limitations, not all requests which meet the criteria will receive funding and others may only receive partial funding and be funded over one or more budget years.
- 4.7** The City contribution will consider the appropriateness of the proposed project to the community's need.
- 4.8** The City contribution towards capital projects will be to a maximum of:

## **Contribution Amount Cont'd**

- .1 33% of the eligible cost of the project for City owned-assets.
  - .2 25% of the eligible cost of the project for community-owned assets to a maximum threshold of \$1,000,000.
- 4.9** The contribution from the City may be provided in one or more of the following ways:
- .1 A cash payment
  - .2 Provision of land by way of gift or long-term lease
  - .3 Services provided in-kind
  - .4 Waiver of municipal fees (if eligible within existing policies)
  - .5 To leverage other grants that require municipal support some of which could be through fundraising
  - .6 Guarantee of a mortgage with a financial institution.
- 4.10** Approval in principle may be provided for eligible projects prior to other funding sources being secured.
- 4.11** If a contribution is approved, the City contribution will fund the following eligible costs – concept and design, construction, site development and equipment.
- 4.12** If the contribution is approved, the City contribution will not fund the following ineligible costs – fundraising, ongoing repairs, maintenance or renovations in the normal course of operations.
- 4.13** If the actual costs of the project are less than the original estimate, the amount of the funding will be revised accordingly.
- 4.14** If the eligible project is cancelled or not completed within a specified number of years after the approval of the funding, any unexpended funds shall be returned to the City unless Council provides otherwise by resolution. The number of years will depend on the scope of the project and will be agreed upon when the agreement is being prepared.
- 4.15** Exception: Council may approve an amount other than those listed in Section 4.8, on a per project basis.

## **Approval Process**

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

## **Approval Process Cont'd**

- 4.17** If the senior staff member agrees that the project is a Major Capital Project that may be approved for funding, they will write a report introducing the organization who will present their Major Capital Project to City Council at Budget Committee meeting or Committee of the Whole.
- 4.18** After such a presentation, Council may:
- .1 Refer the funding request to staff to report back to Council with a recommendation.
  - .2 Approve the funding request in principle and ask staff to include it in the next annual capital budget.
  - .3 Approve the funding request, the amount of the contribution and the source of funding.

## **Agreement**

- 4.19** A formal agreement shall be entered into between the City and the community organization. The agreement shall include but not be limited to the following conditions:
- .1 The timing and conditions that must be met prior to the cash flow of funds to the organization.
  - .2 All representations and warranties made by the organization.
  - .3 The level of insurance that must be maintained during the construction of the project.

## **5.0 Appendix, Related Documents & Links**

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

- 5.1. Pertinent Resources:**
- 5.2. Related Policies:**
- 5.3. Related Procedures:**
- 5.4. Related Forms:**
- 5.5. Miscellaneous:**

## **6.0 Amendments/Reviews**

<b>Date</b> (yyyy-mm-dd)	<b>Section # Amended</b>	<b>Comments</b>
2017-10-23	N/A	Policy approved by Council via Committee of the Whole Report CPFS17-063 Community Major Capital Funding Requests Policy
2019-05-06	4.5	Revision # 1 - Policy to go to Finance Committee for review. Policy; revised to clarify language to cap funding at \$1,000,000.; revision approved by Council on May 27, 2019

<b>Next Review Date:</b>	<b>2023-01-01</b>
--------------------------	-------------------