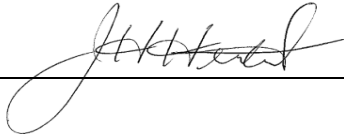




CITY OF HAMILTON
CITY MANAGER'S OFFICE
Strategic Partnerships and Communications Division

TO:	Chair and Members of Council
COMMITTEE DATE:	May 27, 2020
SUBJECT/REPORT NO:	2020 City Enrichment Funding Recommendations (GRA20003) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Mimi John (905) 546-2424 Ext. 4524
SUBMITTED BY:	John Hertel Director, Strategic Partnerships and Communications
SIGNATURE:	

RECOMMENDATION

- (a) That, the 2020 City Enrichment Fund recommended funding allocation for Operating grants, in the amount of **\$2,541,713** (as outlined in the attached Appendix "A" to Report GRA20003), be approved;
- (b) That staff be directed to work with organizations to determine whose Programs have not been changed from the description outlined in their original 2020 City Enrichment Fund application and report back with funding recommendations by July 2020;
- (c) That, staff be directed to work with organizations whose Events were scheduled up to July 2, 2020 and have been cancelled or postponed (as outlined in the attached Appendix "B" to Report GRA20003) and to include that information in the forthcoming report;
- (d) That staff be directed to work with organizations whose Programs have been redesigned, cancelled, postponed, or whose future is unknown, (as outlined in Appendix "C" to Report GRA20003) and to include that information in the forthcoming report; -
- (e) That, staff be directed to work with organizations whose Events are scheduled between July 2, 2020 and December 31, 2020 (as outlined in Appendix "D" to Report GRA2003) and report back regarding funding recommendations on or before November 18, 2020;
- (f) That any funds not required in 2020 by organizations, as a result of programs or events being cancelled, reduced, or redesigned, be transferred to the City

Enrichment Fund Reserve # 112230, to be utilized for potential one-time reallocation to organizations that are experiencing extraordinary financial pressures in 2020 due to COVID-19; and, are current participants in the City Enrichment Fund program;

- (g) That, Appendix “E” to Report GRA20003, being the City Enrichment Fund Payment Plan, be approved; and
- (h) That, Appendix “F” to Report GRA20003, being the 2020 City Enrichment Fund Application Summary, be received.

EXECUTIVE SUMMARY

During the 2020 budget process, Council approved a budget for the City Enrichment Fund of \$6,088,340. This amount includes an enhancement request of \$2,730 and a 2019 base transfer of \$30,280 to CANUSA. The approved budget by categories:

Agriculture	\$ 143,360
Arts	\$2,770,540
Communities, Culture & Heritage	\$ 567,700
Community Services	\$2,164,360
Environment	\$ 146,390
Sports & Active Lifestyles	\$ 245,990
Administration	\$ 50,000
Total 2020 Budget	\$ 6,088,340

In this extraordinary year, Staff have recognized that the needs expressed in the grant application intake process, which closed in November of 2019, are very different than the needs of these organizations and our community today as a direct result of COVID-19.

Staff are recommending that funds be allocated to organizations based on their unique circumstance and the impacts of COVID-19. For example, their event may have been cancelled or postponed and they have incurred expenses and lost revenue streams from the event; an organization may have had to modify their program delivery to a virtual format versus in-person creating additional financial challenges. In some cases, the organization may be positioned to deliver their programs as planned.

Staff are also recommending that any funds approved in the budget process that are not required in 2020 because of cancelations or lower cost modified program delivery, be transferred to the City Enrichment Fund Reserve for potential one-time allocation to organizations experiencing abnormal financial pressures to deliver their service to the

community. The COVID-19 virus has put a spotlight on, and further exaggerated inequities in our community. Staff will make every effort to include an equity lens in a redistribution of funds recommendations to come later in the year.

Due to the CEF COVID approach, the City Enrichment Fund budget allocation as presented in this document, recommends funding allocation of \$2,541,713. The remainder of \$3,546,627 in allocations will be submitted to the Grants Sub-Committee at later dates and outlined in the recommendations within this report.

As in past years, adjudication committees met to review and rate all applications. The result of the reviews and resulting recommended allocations using previously approved guidelines are outlined in Appendix A to Report GRA20003, as attached.

Staff applied the same funding model as the previous year for returning applicants and a modified rationale for new applicants to work within the approved 2020 CEF budget. All funding recommended was contingent upon funds remaining in the program envelope.

Alternatives for Consideration:

Alternative 1.

Approve Staff funding recommendations for 'Operating' and 'Program' applications and leave only the 'Events' applications to be further investigated for funding recommendations as per Recommendations (e) and (f) above in Report GRA20003.

This alternative would have the benefit of paying out monies to the majority of organizations quickly e.g. all but Events applications. The disadvantage of this alternative is that the organizations' needs for 'Programs' outlined in the original application may currently be significantly different in terms of both delivery of services and the cost of delivering those services.

Alternative 2.

Approve Staff funding recommendations for all organizations based on their original application.

Not recommended as staff are not fully aware of the impacts of COVID-19 on each organization, creating an additional risk of further expanding the inequities caused by the virus.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The 2020 approved budget for the City Enrichment Fund is \$6,088,340. All recommendations are within the approved 2020 budget. Payments of grants will be

made based on the approved City Enrichment Fund payment plan (per Council approved guidelines).

Staffing: There are no additional staff required to execute this revised approach, but there are additional work load and scheduling implications associated with the recommendations in Report GRA20003.

Legal: There are no legal implications associated with the recommendations in Report GRA20003.

HISTORICAL BACKGROUND

Each year, various community organizations apply for funding offered through the City Enrichment Fund. The applications are reviewed and rated by adjudication committees and recommendations are forwarded to the Grants Sub-Committee for consideration and approval by Council.

The City of Hamilton has played a significant role in enriching the community through grant programs that have been in place in various forms both pre and post amalgamation. As the City of Hamilton continues to grow and evolve, the population and needs within the community have continued to transform. The City Enrichment Fund Program currently offers funding to community organizations within 6 (six) program areas: Agriculture; Arts; Communities, Culture & Heritage; Community Services; Environment and Sport & Active Lifestyles.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

All policies with respect to the City Enrichment Fund have been adhered.

RELEVANT CONSULTATION

Healthy & Safe Communities – Recreation and the Neighbourhood and Community Initiatives section has provided input into the development of this report and were represented on the City Enrichment Fund Evaluation Team.

Planning and Economic Development – The Business Development and Tourism and Culture section has provided input into the development of this report and was represented on the City Enrichment Fund Evaluation Team.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

In 2020, there were 336 applications received for the following program areas: Arts; Communities Culture & Heritage (CCH); Community Services (CS); Sport and Active Lifestyles (SAL); Agriculture (AGR) and Environment (ENV) that requested \$9,857,229 in funding. Of that amount, due to the COVID approach, \$2,541,713 (42%) has been recommended for funding.

Administration:

In 2019, the deadline for submission of funding agreements was extended from November 2nd to December 5th, 2019 in order to accommodate payment of all approved grants.

Recommended COVID 2020 CEF Approach to Release of Funds

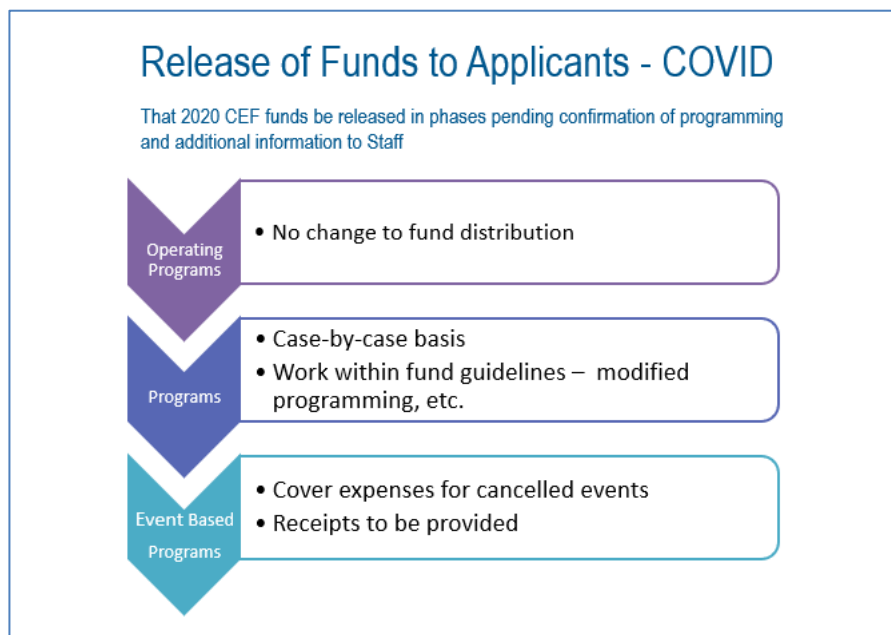
The current COVID-19 pandemic has potentially caused impacts to organizations and programs at this time. Many programs are being modified, postponed, cancelled or are in a holding pattern. Some have recently received or may be receiving funding from other sources. Staff have taken that into account and tried simplifying this complex situation by breaking down the recommendations for funding this year.

With our community's health and wellbeing top of mind during this time, while still working within the fund's mandate, Staff recommend that programs are separated into 3 categories with action- based recommendations. With this approach, Operating programs are recommended to be approved and distributed; and, all other programs and events are to be referred back with recommendations. This provides the staff the opportunity to work with applicants on a case-by-case basis for further confirmation of programming, modifications and impacts to the organizations.

1. **Operating funds** – e.g. Sustainable Hamilton Burlington, HPO, Theatre Aquarius, AGH, Telling Tales
 - a. **Action - Recommend approval** of their funding request and to distribute their funds as per their allocation in Appendix A.

2. **Programs** – e.g. Hamilton Youth Poets, Afro-Canadian Caribbean Assoc., Wesley Ministries, Big Bros. Sisters
 - a. Programs that have not changed from the description outlined in their original application
 1. **Action - Report back to Council with recommendations July 2020**

- b. Redesigned, cancelled, postponed, or future unknown
 - i. Work with them individually to determine financial and other impacts on their organization such as loss of employees, sponsorships, ticket revenues, etc. and to secure receipts for expenses incurred where appropriate
 - 1. **Action - Report back with recommendations in a forthcoming report**
- 3. **Events** – e.g. Pride, Dundas Cactus Festival, Waterdown Ribfest. Winona Peach Festival
 - a. Cancelled, postponed, or future unknown
 - i. Jan to July : For events cancelled up to July 2nd – work with them individually to determine other financial impacts on their organization such as loss of sponsorships, ticket revenues etc. and to secure receipts for expenses incurred
 - 1. **Action - Report back with recommendations in a forthcoming report**
 - ii. July to Dec: For events tentatively scheduled between July 2nd and December 31st 2020 – work with them ongoing to determine the final outcome of their event, and
 - 1. **Action - Report back with recommendations on or before November 18, 2020**



This fund allotment and distribution approach would allow Staff to work with and support grant recipients on a case-by-case basis and apply the established CEF funding agreement which takes into account modified programming, 30% cap and supporting the community within the CEF guidelines and mandate.

Any remaining funds not required in 2020 by organizations as a result of programs or events being cancelled, reduced, or redesigned, be transferred to the City Enrichment Fund Reserve for potential one-time reallocation to organizations that are experiencing extraordinary financial pressures in 2020 due to COVID-19; and are current participants in the City Enrichment Fund program

Program Areas:

Community Services:

The Community Services program area received 107 applications in 2020 in both the established and emerging streams. A total of 70 programs were recommended for funding in the Established Program stream (Categories A-G) this year. The Emerging Needs and Program Innovation stream received a total of 38 applications in 2020, which was a 60% increase over requests received in 2019. Funding stability continues to be provided for established programs, while also continuing to foster and incubate new and emerging programs. By supporting both established and emerging needs funding requests, City Enrichment funding in the Community Services stream continues to provide significant investment in the local social safety net.

Agriculture:

The Agriculture Program received 18 applications for this year's intake. The number of agriculture and rural-based organizations applying for funding in 2020 remains in-line and consistent with the last two years. The Organizations recommended for funding would support both new and established programming and events across the city that celebrate, educate and provide impact to Hamilton's rural communities. Agricultural and rural-based organizations continue to improve on the quality of applications and understanding of the City Enrichment fund requirements after transitioning from Operating Grants a couple years ago - all while providing quality initiatives that build and maintain the strength of Hamilton's agriculture sector.

Arts:

82 applications were received through the Arts program area, with a total of 45 from new applicants across four unique funding streams. A total of 72 applications are recommended for funding.

The arts sector continues to receive recognition for the innovative programming and projects it presents to growing audiences of citizens and visitors. The Arts program area supports programs, festivals, and projects from both emerging and established applicants, whose work continues to enhance the social, economic and cultural prosperity of the city.

For the 2020 funding year, staff hosted 4 Information Sessions with 106 attendees and provided one-on-one support to returning and new applicants. Staff will continue to work directly with all applicants, successful and unsuccessful, to assist them to strengthen the responsiveness, effectiveness and accessibility of Hamilton's arts community. The Arts program continues to adjudicate with an arms-length jury.

Environment:

The Environment Program area received 14 applications, including applications from three new applicants. The number of overall applications and new applicants to this program area continues to increase each year. The sector continues to demonstrate innovation and growth as the number of returning applicants submitting multiple applications has increased and, for the first time, two organizations have partnered to apply for funding for a program that will be implemented collaboratively.

The request for funding from new and returning applicants continues to grow and now substantially exceeds the total amount of funding available through the Environment Program funding envelope, demonstrating the continued need within the sector. Staff continue to engage with environmental organizations to ensure CEF continues to receive applications for high quality initiatives that will build the strength and resilience of Hamilton's environmental sector.

Communities, Culture & Heritage:

69 applications were received through the Communities, Culture & Heritage program area, with a total of 24 applications from new applicants and / or in support of new programming. A total of 57 applications are recommended for funding.

The funding recommended supports both new and established cultural programming that engages the public in strengthening and celebrating community identities across the city. The Communities, Culture & Heritage program area celebrates the diverse people and places that make up Hamilton. Staff will continue to work directly with all applicants, successful and unsuccessful, to assist them to strengthen the responsiveness, effectiveness and accessibility of Hamilton's cultural community.

Sport & Active Lifestyles:

In 2020, the Sport and Active Lifestyle program for the City Enrichment Fund, received 46 applications. Thirty-five percent of our total applications this year were for new programs. Promotion of the grant and education on the application process has increased the number of organizations applying. The funding envelope for the Sport and Active Lifestyle stream could have been used in its entirety based on the need. The demand for sport funding within the City of Hamilton is obvious and reflects the need for increased support.

ALTERNATIVES FOR CONSIDERATION

(Include Financial, Staffing, Legal and Policy Implications and Pros and Cons for each alternative)

Outlined with the Executive Summary.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse municipal economy where people have opportunities to grow and develop.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report GRA20003: 2020 City Enrichment Fund – Operating Grants

Appendix “B” to Report GRA20003: 2020 Events–Cancelled Postponed till July 2

Appendix “C” to Report GRA20003: 2020 Program Grants –TBD

Appendix “D” to Report GRA20003: 2020 Events TBD – July 2 to Dec

Appendix “E” to Report GRA20003: 2020 CEF Payment Plan (Revised)

Appendix “F” to Report GRA20003: 2020 CEF Summary Sheets