




CITY OF HAMILTON
CITY MANAGER'S OFFICE
Digital, Innovation & Strategic Partnerships Division

TO:	Mayor and Members Grants Sub-Committee
COMMITTEE DATE:	May 28, 2021
SUBJECT/REPORT NO:	2020 City Enrichment Funding Recommendations (GRA20003(d)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Rebecca Hicks (905) 546-2424 Ext. 1947
SUBMITTED BY:	Cyrus Tehrani Chief Digital Officer City Manager's Office
SIGNATURE:	

RECOMMENDATIONS

- (a) That 2020 grant recipients in the Creation and Presentation stream be given a project deadline extension until November 1, 2021 pending the receipt of a written request for said extension by the recipient to the Arts Program Manager be received by June 30, 2021.
- (b) That any 2020 grant recipients in the Creation and Presentation stream who have withdrawn approved applications and returned surplus funds to the City of Hamilton be eligible to reactivate their project and be given a project deadline extension until November 1, 2021 pending the receipt of a written request for said extension by the recipient to the Arts Program Manager be received by June 30, 2021.
- (c) That 2020 grant recipients in the Arts and Communities Culture and Heritage Capacity Building (CCH) streams be given a project deadline extension until November 1, 2021 pending the receipt of a written request for said extension by the recipient to the Arts Program Manager be received by June 30, 2021.
- (d) That Appendix "A" to Report GRA20003(d), 2020 City Enrichment Fund (CEF) Recipients Owing Funds to the City of Hamilton be received.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

The Mayor's Task Force on Economic Recovery noted that the local cultural sector is one of the most negatively impacted by the pandemic. Planned programs and projects in 2020, approved for funding through the City Enrichment Fund were affected by such factors as public health restrictions prohibiting live performances, limits on audience size, facility closures and supply chain pressures.

City Enrichment Fund final reports submitted by grant recipients show an increase in the number of Arts and Communities Culture and Heritage recipients across multiple streams that are required to repay funds to the City of Hamilton as all, or a portion of, the funds they received are deemed "surplus". Surplus funds are defined by CEF policies to be City of Hamilton investment in excess of 30% of an applicant's eligible project expenses in the calendar year.

One-time Projects Affected by the Recommendations:

The Report Recommendations apply to a maximum of 14 projects in the Arts Creation and Presentation stream and three projects in the Arts and Communities Culture and Heritage Capacity Building streams. The proposed extension of the project completion date will provide the opportunity and option for these grant recipients to successfully complete their projects and utilize the previously approved grants.

Annually Funded Organizations with Amounts Owing to the City of Hamilton Unaffected by the Recommendations:

It is anticipated that there are up to 16 recipients in the Arts Operating, Arts Festivals, CCH Events and Established Activities and CCH New Projects streams that will have their original eligible grant funding reduced due to lower overall eligible expenses. Amounts owing have been confirmed for 12 organizations; four recipients that have not submitted any financial reporting and/or project status reporting and are showing as owing 100% of the grant amount. These recipients and respective funds owed to the City of Hamilton are outlined in Appendix "A" to Report GRA20003(d).

Alternatives for Consideration - Not Applicable

N/A

FINANCIAL - STAFFING - LEGAL IMPLICATIONS

Financial: There is no additional cost to the City of Hamilton. With a one-time, deadline

extension, surplus funds from Arts Creation and Presentation, Arts Capacity Building and CCH Capacity Building are estimated to be net zero. Recipients will be able to continue and or complete their projects resulting in the incursion of additional expenses, thereby eliminating any funds owing to the City of Hamilton. If after the extension grant recipients are still unable to complete their proposals by November 1, 2021 or do not submit their final reports per CEF existing requirements recipients would be required to return funds.

Staffing: There are no staffing impacts.

Legal: There are no legal implications.

HISTORICAL BACKGROUND

In 2020 due to the implications of the COVID-19 pandemic, CEF funding was approved through a phased approach. Applicants indicated that their programming had no change, had to be modified or was cancelled outright. The approach was considered successful and allowed recipients, who, where possible, developed innovative ways to conduct programming. Following Council approvals, many recipients continued to modify and or cancel programs in response to the pressures of the pandemic, resulting in changes to overall budgets.

As per CEF guidelines, all recipients were required to submit final reports on February 1, 2021 to ensure that grant funds were spent in accordance with CEF guidelines. Surplus funds were identified, and recipients informed.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The Recommendations provide an exemption to CEF policy requiring all projects to be completed within the calendar year. All other CEF policies have been maintained.

RELEVANT CONSULTATION

- City Manager, City Manager's Office
- General Manager, Planning and Economic Development Department
- Director, Tourism and Culture, Planning and Economic Development Department

ANALYSIS AND RATIONALE FOR RECOMMENDATIONS

One-time Projects Affected by the Recommendations:

Multiple recipients have expressed a preference to complete planned projects. The Recommendations maximize the opportunity for the successful completion of approved projects by extending the project completion deadline. Project completion will further CEF objectives to create and provide cultural content or increase the capacity of organizations. These Recommendations will help mitigate further financial hardship and destabilization of cultural organizations and artists.

Arts Creation and Presentation, Arts Capacity Building and CCH Capacity Building are one-time project streams. As applicants can only apply to these streams every two years, recipients are not eligible for funding in 2021 thus allowing the project deadline to be extended without any overlap in financial contribution from the City of Hamilton.

**Annually Funded Organizations with Amounts Owing to the City of Hamilton
Unaffected by the Recommendations:**

It is anticipated that there are up to 16 recipients in the Arts Operating, Arts Festivals, CCH Events and Established Activities, and CCH New Projects streams that will have funds clawed back from their annual grant. The loss of revenue from sales and sponsorships and modified program expenses resulted in changes in anticipated budgets. This in turn has changed the balance of the mix of revenues and expenses and, in general, increased the percentage of the total budget represented by the CEF grant beyond the 30% maximum.

Amounts owing have been confirmed for 12 organizations; four recipients that have not submitted any financial reporting and or project status reporting and are showing as owing 100% of the grant amount. These recipients and corresponding funds owed to the City of Hamilton are outlined in Appendix "A" to Report GRA20003(d). Once amounts owed are confirmed, these recipients will be asked to return surplus funds in accordance with the Council approved CEF Repayment Plan.

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 - 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities

to grow and develop.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" - 2020 CEF Recipients Owing Funds to the City of Hamilton

RH:ac