

## **Municipality of Chatham-Kent**

### **Chief Administrative Office**

#### **Corporate Initiatives**

**To:** Mayor and Members of Council

**From:** Amy Wilcox, FCPA, FCMA, PMP  
Manager, Corporate Initiatives & Communications

**Date:** April 3, 2023

**Subject:** Councillor Ward Funding Program-Update

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#### **Recommendation**

It is recommended that:

1. The revised Councillor Ward Funding Policy attached as Appendix "A" be approved.

#### **Background**

At the Council meeting on September 26, 2022, Council approved the execution of a Community Support Agreement with Hydro One, requesting supports for the Chatham-Kent Community as a host of the transmission projects Hydro One is planning to undertake.

The Community Benefit Contribution of \$1,000,000 annually for ten years is to be used for recreational and cultural purposes within Chatham-Kent. Administration indicated an intention to provide Council with recommendations, via future reports, on how the funds could be distributed to achieve benefits across the Municipality for recreational and cultural purposes. This report addresses one component of those recommendations.

Community engagement will still be performed in relation to the appropriate use of the remaining funds. To date, various groups have identified pools and upgrades to pool facilities and amenities, tennis, rugby, cricket, pickleball, basketball and ball hockey facilities as priorities. The community engagement process will allow for an assessment of those recreational needs, and any other recreational and cultural priorities of our citizens. Additionally, initial community engagement efforts have also highlighted various opportunities for collaborative projects to enhance existing services and community amenities by working with various municipal departments including CKRecreation, Parks, Recreation and Cemeteries and Arts & Culture.

Administration has compiled a list of requests that have been brought forward through both the community engagement feedback provided through the Let's Talk Chatham-Kent platform, as well as anecdotal information that staff have recently collected from

community members to provide context of concepts tabled to date as examples (Appendix C).

At the Council meeting on October 3, 2022, Council approved the partial use of funds from the Hydro One Community Support Agreement to support the development and implementation of a Ward Funding Program. The Ward Funding Program will provide each Councillor with a specified monetary amount, subject to annual approval by Council through regular budget deliberations, for the purposes of projects consistent with the Hydro One Community Support Agreement terms.

## **Comments**

### **Ward Program Overview**

The Ward Funding Program would provide annual funding in the amount of \$25,000 for each Councillor and \$125,000 for the Mayor. This funding will be applied to projects the Councillor or Mayor believes are priorities within their ward, or in the case of the Mayor, throughout Chatham-Kent.

There are restrictions on the application of these funds, as outlined in the policy:

- The use of the funds must be consistent with the terms of the Community Support Agreement from Hydro One.
- The amount of the funds is subject to annual approval by Council through regular budget deliberations.
- Use of the funds is subject to compliance with other municipal policies and bylaws, including the Municipal Purchasing Bylaw. To that end, there is a review process of use of ward funds by certain administrative staff.
- Funds can only be used for recreation, art, and/or culture capital projects, which can be new projects or involve retrofitting, renovation, or refurbishment of current capital items.
- The funds must not be used to cover operational costs of any community group.
- Funds being disbursed to community groups for applicable projects must be subject to a binding legal agreement.
- If other funding for a project has already been approved through operating or capital budgets, the budgeted funds must be used before additional funds are disbursed from the Ward Funding Program for the same project.
- Funds must not be committed or publicly announced for the six-month period immediately prior to a municipal election.

### **Unused Funds**

Per the policy, use of ward funds for a project must not be committed, and the project must not be publicly announced, in the six-month period immediately prior to a municipal election. The policy also provides that any unused funds will be carried forward to the next fiscal period, or term of Council.

In the event that a Councillor with unused funds is not re-elected, the unused funds will be distributed equally among the other newly-elected Councillor(s) in that ward. The same scenario will apply if the Mayor has unused funds and is not re-elected, in that the unused funds will be carried over in the next fiscal period for the new Mayor's spending.

Example:

Ward 1, Councillor A and Councillor B have unused funds. Councillor B is not re-elected. The unused funds from the previous Councillor B are provided to the new Councillor B.

Ward 2, Councillor A and Councillor B used all of their funds but Councillor C had some unused funds and was not re-elected. The unused funds will be split equally among the new Councillor(s) and provided equally to Councillor A, Councillor B and to new Councillor C.

Deadline: Unlike other municipal grant programs, this program does not have a deadline. Request for funds are "open" until the funds have been completely distributed. In an effort to manage operations of the grant program, Partnership Development will post information on the corporate website and Let's Talk Chatham-Kent to inform citizens when Councillors' funds have been fully distributed.

**Requestors: Community groups are eligible to request financial assistance from the Ward Funding Program. To maintain consistency with other municipal grants, the following are not eligible to request or be approved for use of Ward Funds: individuals, businesses, industries, sports teams, schools, sole proprietorships, and/or any groups owing funds to the Municipality.**

### **Ward Program Application, Review and Reimbursement Process**

1. Those wishing to request funds through the program will be asked to complete a short application using Let's Talk Chatham-Kent, the on-line community engagement tool found on the Municipality's website. Using the on-line tool ensures that standard, pertinent information is obtained for use by Council members and staff during the review process. Those looking for funds do not need to be a registered charity or not-for-profit organization.
  - The Manager, Corporate Initiatives & Communications as the grant administrator will review submissions monthly and confirm eligibility.
    - **If not eligible, the grant administrator will connect with the community group and provide explanation.**
    - **If eligible, the grant administrator will proceed to the next step.**
2. The grant administrator will gather and send information to the pertinent members of administration for review and comment, including the Director, Financial Services, Director, Legal Services, Manager, Purchasing & Accounts Payable and the director of the relevant operating department to which the proposal applies.
3. Administration will review each request on a variety of criteria, for example, if the request is accurate based on anticipated costs, if the request supports master

plan(s), if the request supports community strategic plans, if the request is in compliance with the Community Benefit Agreement, whether the project is consistent with the diversity, equity and inclusion principles in Chatham-Kent, if there are any continuing costs of the request and how will those costs would be funded, whether a unique agreement is needed based on the proposed project, etc.

4. Administration will meet each month to review and discuss requests.
5. The grant administrator will send the request and administration's remarks to Councillor(s) for consideration.
6. Council members will review requests and supporting information and will notify grant administrator whether to proceed with request or not.
7. If the request is to proceed, the grant administrator will connect with the requestor and move on to step 8. If the request is not to proceed, the grant administrator will contact the requestor and advise the request has not been approved. If there was an error in the application or some ineligibility, that information would be provided.
8. The grant administrator will send a letter and grant agreement to the requestor via mail.
9. Requestor will be required to review, sign, and return the grant agreement.
10. Upon receipt of the signed agreement, the requestor can request up to 50% of the approved amount, similar to the process in place for the Together CK Grant Program. If funds are to be released, grant administrator will complete a cheque request. To receive the final approved amount, the requestor must provide copies of all invoices they would like reimbursed, up to the maximum grant amount. The grant administrator will request funds to be released. The grant administrator is responsible to keep copies of all agreements, correspondence, invoices, and cheque requests.

### **Accounting**

Accounting will set up accounts for each member of Council's ward funds. The grant administrator will manage these accounts and distribute funds, similar to the Together CK Municipal Grant Program. Quarterly, the grant administrator will notify each Council member of the balance in their account.

At the end of the year, the grant administrator will provide a balance to each member of Council and complete the necessary requests for any unused funds to be rolled over to the next year.

### **Communication of Program**

**A comprehensive marketing strategy will be developed to create a campaign to engage community members and provide education on the parameters of the grant program. Municipal departments directly responsible for the provision of recreation and cultural services will also work directly with community members to promote the program through a variety of platforms.**

**Corporate Communications will work with our Diversity, Equity, Inclusion and Justice colleagues and outside stakeholders to ensure various cultural and special interest groups are notified of the program.**

**Corporate Website:** Information regarding the program will be hosted on the corporate website's "Apply, Pay & Report" section, under the "Grants & Funding" heading.

**Let's Talk Chatham-Kent: Program page** will host information regarding the program, timelines, and host information intake tool.

**Mayor Radio Interviews:** The Mayor will provide the initial announcement that the program is open via radio interview(s) and then periodically, the Mayor will remind the public of the program.

**Corporate Social Media:** Posts will be created to advertise the Ward Funding Program and scheduled at minimum, quarterly.

### **Legal Aspects**

Those projects approved to receive funds will be required to complete a grant agreement, similar to the process currently employed for the Together CK Municipal Grant Program. Grant agreements will be drafted by Legal Services. Template grant agreements may be used for straightforward projects, but unique agreements may also need to be drafted based on the individual proposal brought forward by requestors. The grant administrator will be responsible to obtain a signed copy of the grant agreement before funds are distributed.

### **Purchasing Implications**

Funds and purchases under this program may be subject to the Municipal Purchasing By-Law as purchases may involve projects on municipal property or improvements to municipal assets.

Scenarios where the municipal purchasing by-law applies:

- New capital asset on municipal property and new asset will become municipal property
- Retrofit/renovation/refurbishment of municipal capital asset on municipal property
- Expansion of a project currently funded by the Municipality, whether located on municipal or non-municipal lands

Scenarios where the municipal purchasing by-law does not apply:

- New capital asset but not on municipal property and new asset will not become municipal property
- Retrofit/renovation/refurbishment non-municipal capital asset but not on municipal property and updated asset will not become municipal property

There may also be unique scenarios regarding projects under this program in which Legal Services can provide advice as to whether the purchasing by-law would apply.

### **Areas of Strategic Focus**

This report supports the following areas of strategic focus:

			
<b>Economic Prosperity</b>	<b>Healthy &amp; Safe Community</b>	<b>People &amp; Culture</b>	<b>Environmental Sustainability</b>
—	2.2/2.3/2.4	3.1/3.3	—

### **Consultation**

This report was reviewed and supported by the following positions below:

- Director, Legal Services and Law Clerk, Legal Services
- Manager, Arts & Culture
- Manager, Corporate Accounting
- Manager, Parks, Recreation and Cemeteries
- Manager, Purchasing and Accounts Payable
- Manager, Recreation Programs and Community Engagement

### **Communication**

Communication of this program will occur through, but not be limited to media releases, website page, Let's Talk Chatham-Kent page for requests, radio interviews with the Mayor/Councillors and social media campaigns.

### **Diversity, Equity, Inclusion and Justice (DEIJ)**

This report does not have any direct implications related to diversity, equity, inclusion or justice, however there are some important points that should be noted.

- The division of the Hydro One funds by ward is meant to provide equitable access across geographic areas of Chatham-Kent
- One of the criteria being considered by reviewers will be whether the program promotes diversity, equity, inclusion, and justice in Chatham-Kent
- The grant guidelines and application will be developed using plain language to be accessible to as many audiences as possible and be AODA compliant
- Administration will work with appropriate departments to share information about the grants with equity-deserving communities who may not learn about the grants through mainstream communication methods

### **Financial Implications**

The proposed funds from the Community Support Agreement would cover the costs of this program for the ten-year duration the Community Benefit Contribution is received from Hydro One. Impact of costs was discussed in the comment section of this report.

Prepared by: Amy Wilcox, FCPA, FCMA, PMP, Manager, Corporate Initiatives & Communications

Reviewed by: Michael Duben, BA, LLB, Chief Administrative Officer

Appendix A: Policy-Revised

Appendix B: Questions of Grant Requestor

Appendix C: Summary of Recreation & Art Wish List Community Engagement

## Appendix A: Revised Policy

### 1. POLICY

Each Councillor, and the Mayor, will be provided with a specified monetary amount, subject to annual approval by Council through regular budget deliberations, for the purposes of capital cultural or recreational projects.

### 2. PURPOSE

- 2.1. To reduce administrative time and expense in the approval process of small capital projects related to cultural or recreational priorities.
- 2.2. To better meet specific community needs at the ward level.

### 3. SCOPE

- 3.1. Applies to all wards in the Municipality of Chatham-Kent.

### 4. RESPONSIBILITY

- 4.1. **Councillors and the Mayor** are responsible for:

- 4.1.1. Adhering to the terms of this policy and any other municipal policies or bylaws that apply to the use of these funds.
- 4.1.2 Reviewing proposals and supporting information and notifying the Manager, Corporate Initiatives or designate whether they will use their proportion of the ward funds (*The Fund*) to approve or deny proposals received.

- 4.2. **Manager, Corporate Initiatives**, or designate, is responsible to:

- 4.2.1. Direct the review and update of this policy, at a minimum, every five years.
- 4.2.2. Maintain a record of available ward funds.
- 4.2.3. Complete and submit the Report to Council provided for under section 5.7.
- 4.2.4. Distribute grant agreements for proposals approved by the Mayor and/or Ward Councillors, ensuring said agreements are properly signed by the Municipality and the party receiving the grant before any part of the Fund is distributed.

- 4.3. **Partnership Development** is responsible for:

- 4.3.1. Adhering to the terms of this policy and any other municipal policies or bylaws that apply to the use of these funds.
- 4.3.2. Receiving submissions of proposals, and ensuring that those proposals are reviewed by, and comments are received from:
  - Director, Financial Services
  - Director of the relevant operating department to which the proposal applies.
  - Director, Legal Services
  - Manager, Purchasing & Accounts Payable
- 4.3.3. Ensuring proposals and comments received by administration are sent to the members of Council and/or the Mayor for review.

- 4.4. **Directors and Managers** are responsible for:



**4.4.1.** Where a Director or Manager mentioned in section 4.3.2 receives a proposal, they are responsible for reviewing the proposal and providing any comments and recommendations regarding their respective areas of responsibility applicable to the proposal. Such a review may be delegated to another staff member by the Director or Manager.

## **5. GOVERNING RULES AND REGULATIONS**

**5.1.** Ward Funds (*The Fund*) are to be used as follows:

**5.1.1.** The Fund may be used for the benefit of capital assets owned by the Municipality of Chatham-Kent, or which will become owned by the Municipality under a legal agreement. For the life of the Community Benefit Agreement entered into between the Municipality and Hydro One, approved on September 26, 2022, the funds must be used only in accordance with the terms of that agreement. Any question about a project's compliance with that agreement must be referred to the Director, Legal Services. It is generally intended that the Fund will be used for capital assets, whether new assets or renovations to an asset, that will improve or enhance the asset.

**5.1.2.** The Fund may be used to provide financial assistance to community groups for projects and initiatives that address a community need, provided however that those meet the terms of the Community Benefit Agreement mentioned above, and are subject to a binding legal agreement.

**5.2.** For additional clarification to the details of the policy outlined above, the Fund must not be used to cover operational costs of community groups.

**5.3.** The Fund must not be used in such a way that would contravene an existing municipal policy or bylaw. Except for funds distributed as a grant to a community group as per section 5.1.2., expenditures must be in compliance with the Municipality of Chatham-Kent Purchasing Bylaw.

**5.4.** If funds have been approved and allocated for a particular project, under the operating or capital budgets, the budgeted funds must be used first.

**5.5.** The Fund may be used when the Municipality of Chatham-Kent's share of a project is not available, or the project is a lower priority within established budget or capital plans.

**5.6.** Ward Councillors may use their allocation of the Fund for one single project or multiple projects. Two or more Wards may join together for funding purposes where the project directly affects more than one Ward, or where the project has wider Municipal impacts. The Mayor's use of the Ward funds can be used in any projects throughout Chatham-Kent, subject to compliance with this policy.

**5.7.** A semi-annual report, by ward, will be submitted to Council for review and accountability. The report shall also include information about the capital, lifecycle and operating costs associated with each of the projects that were approved during that time period.

**5.8.** Use of Ward Funds for a project must not be committed, and the project must not be publicly announced, in the six-month period immediately prior to a municipal election. The official commitment date shall be deemed to be the date

on which the Manager, Corporate Initiatives or designate receives the official ward funds use request, in a form duly authorized by signature or attached to an e-mail request by the requesting Councillor. Work may actually be undertaken within the six-month period due to normal work or construction scheduling.

**5.9.** Funds not used in the calendar year or term of Council will be forwarded to the next year or term.

**5.9.1.** In the event that a Councillor with unused funds is not re-elected, the unused funds will be distributed equally among the other newly-elected Councillor(s) in that ward. The same scenario will apply if the Mayor has unused funds and is not re-elected, in that the unused funds will be carried over in the next fiscal period for the new Mayor's spending.

**For example:**

Ward 1 Councillor A and Councillor B both have unused funds before the municipal election. Councillor A is re-elected, Councillor B is not re-elected. The unused funds from Councillor A is carried over to their next term of Council, and the unused funds from the previous Councillor B are then provided to the new Councillor B.


In Ward 6, Councillors A, B, and C used all of their funds and are re-elected. Councillor D used all of his/her funds and was not re-elected. Councillors E and F did not use all of their funds, and were not re-elected. The new Councillors D, E, and F would equally split the remaining funds left over from Councillors E and F.

**5.10.** Funds and purchases under this program may be subject to the Municipal Purchasing By-Law as purchases may involve projects on municipal property or improvements to municipal assets.

**5.11.** Eligible and approved requests will require a grant agreement to be completed.

**5.12.** Forms and files created as a result of funding under this program must be retained and filed in accordance with Municipal Bylaw 167-2020, regarding the retention of records, or successor bylaws.

**Appendix B: Application - Questions of Grant Requestor****Note: All questions require an answer**

- First name.
  - Last name.
  - Contact phone number (e.g. 519-360-xxxx)
  - Email address. (e.g. john.smith@yahoo.ca)
  - Is this request coming from a community group or organization. If so, enter the name of the group in the space provided.
  - Which community will your project take place in? (Choose all that apply)
    - ☐ Ward 1-West Kent
    - ☐ Ward 2-South Kent
    - ☐ Ward 3-East Kent
    - ☐ Ward 4-North Kent
    - ☐ Ward 5-Wallaceburg
    - ☐ Ward 6-Chatham
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- The map shows the geographical layout of Kent County, Ontario, divided into six wards. Wallaceburg is at the top. Below it are North Kent and East Kent. In the center is Chatham. To the south of Chatham are South Kent and West Kent.
- Is your request for funds to support or create either a recreation or cultural capital asset? (Choose any one option)
    - ☐ Yes
    - ☐ No
  - Description of recreation and/or cultural asset(s) and what the funds will be used for.
  - Physical location of the project.
  - Is the property the project will be located on: (Click which applies)
    - ☐ Municipality property
    - ☐ Property is owned by the requestor, Property owner by another (if so, please list)
  - How much funding are you requesting?
  - Do you have financial quotes to share with the Councillors? (Choose any one option)
    - ☐ Yes No
      - Answer this question only if you have chosen Yes (upload file)

- Are there any other community partners working with you on this project? If so, list them in the space provided.
- Why do you think this project should be completed? How will this project benefit the community and/or residents?
- Are there any on-going operational or maintenance costs associated with this project? (Check one answer)
  - Yes
  - No
  - If the applicant chooses “yes”, additional questions will be asked:
    - What is the estimated on-going expenses. Explain and provide cost estimates.
    - How will your group help to cover the on-going expenses or are you asking the Municipality to cover the on-going expenses?