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## City of Kelowna

# MEMORANDUM

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DATE: July 22, 2003  
FILE: 1850-20  
  
TO: City Manager  
  
FROM: Community Planning Manager  
  
RE: Process for Emergency Grants From the Social Development Grant Reserve  
  
REPORT PREPARED BY: Theresa Eichler

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### RECOMMENDATION:

THAT Council approve a process for authorizing emergency grant requests, to be funded by the Social Development Grant Reserve, as outlined in the attached draft Council Policy.

### PURPOSE:

To introduce a process for providing emergency grants to agencies experiencing a financial crisis, using funds from the Social Development Grant Reserve (R117).

### REPORT:

Within Community Planning, there are two grant programs that are administered by the processes outlined in Council Policies 218 and 277: Community Social Development Grants and Grants to Address the Sexual Exploitation of Youth. Each program has an annual budget, as approved by Council and both are administered simultaneously. The timeframe for receiving applications and achieving a decision by the City is from January to April each year.

On a regular basis, every year, the City is approached by agencies, outside of the grant timeframe, with requests for emergency funding. The financial climate of the non-profit sector is never stable and the continuation of most non-profit agencies and the services they provide is dependent upon seeking grants and other funding from numerous sources every year. When the City is approached with a request for emergency funding, there is no set process to handle the request. Occasionally agencies benefit from directly approaching Council and obtaining assistance from contingency funds. Staff, nor committees of Council, cannot advise Council regarding the use of contingency funds. These are at the sole discretion of Council.

A few years ago, the City established a reserve fund for grants administered under Council Policies 218 and 277. This reserve fund is derived from funds not spent out of a given year's annual budget or due to an agency not coming forward to claim an authorized grant in accordance with the City's process. Its purpose is to enable the City to fund outstanding initiatives that would require more than the annual budget allocation in a given year. It has been used for this purpose once, to date, in 2002.

When staff or the Social Planning or Housing Committee is approached outside the grants timeframe to consider emergency funding requests, there is no process or budget available to

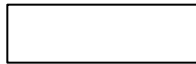
deal with such requests. At the Committee's July 8<sup>th</sup>, 2003, meeting, the committee and staff discussed the initiation of such a process, using the Social Development Grant Reserve, including suggested requirements. The process recommended has been reviewed by the Committee and is in accordance with their suggestions. It was acknowledged that at this time there is about \$27,000 in total within the reserve fund and that this amount in its entirety would probably not resolve any individual financial crisis. However, staff and the committee are recommending this process based on advice of the non-profit sector that indicates any contribution from the City helps to strengthen their ability to secure other funding. The City is not in a position to fund social services, but it has always had the ability to provide operational grants within the Community Social Development Grant program to assist agencies providing valued services to the community through a difficult year. The intent of the emergency grants would be similar. It is seen as the City's recognition of the importance of retaining services that are needed within the community, when they are in danger of being lost due to financial hardship experienced by the service provider.

The requirements for an emergency grant process are provided in the attached draft Council Policy. Staff will need to make minor alterations to the grants documents to add in the opportunity for emergency grant applications.

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Theresa Eichler, MCIP  
Community Planning Manager

Approved for Inclusion



David Shipclark  
Manager, Community Development and Real Estate

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Attachment: Electronic – Copy of Draft Council Policy Outlining Process for Emergency Grant Requests.



# CITY OF KELOWNA

## COUNCIL POLICY MANUAL

POLICY: 312  
PAGE: 1 of 2  
APPROVAL DATE: July 21, 2003  
RESOLUTION #:  
REPLACING #:  
DATE OF LAST REVIEW:

SUBJECT: PROCESS FOR HANDLING EMERGENCY GRANT REQUESTS FUNDED BY THE SOCIAL DEVELOPMENT GRANT RESERVE

1. Emergency funding is only available to an organization once every three-year period.
2. Funding will depend on the availability of funds within the Social Development Grant Reserve (R117);
3. The maximum amount of any grant will not exceed \$5,000.
4. The principles of an operational grant within the Community Social Development Grant Policy 218 will be used as a guide, as follows:
  - Funds will be to assist established non-profit groups, and non-profit organizations, with expenditures incurred in the operation and the delivery of their existing programs;
  - Funding would be for administrative costs, program delivery, facility costs, and technical/material assistance;
  - Registered non-profit societies and organizations delivering social programs (*must have a established a set of working rules and regulations and a banking account in the group's name*) in the City of Kelowna are eligible;
  - Grants shall not exceed \$5,000. The balance of the funds required shall be provided by the applicant or from other public or private resources;
  - The information required on the conventional grant application form for Community Social Development grants will be required, including, but not limited to:
    - audited financial statements for the last two (2) years. If the organization is newer than that, the most current official financial statement must be provided;
    - how the service relates to the City's social policy direction in the OCP;
    - a list of the Board of Directors;
    - Board meeting minutes approving the application for emergency grant funding.
5. A business plan for securing more permanent sources of funding to resolve the temporary funding crisis will be required as part of the application.
6. The Grants Sub-Committee of the Social Planning & Housing Committee shall review an application for emergency funding at a special meeting no later than 2 weeks following receipt of the application by the City. An interview with the applicant will be conducted. Recommendations of the sub-committee must be ratified by the Social Planning & Housing Committee, then will be forwarded to City Council for consideration. Funding is at the discretion of City Council. Notification of a decision by City Council will be provided to the applicant no later than 5 weeks following receipt of the application.



# CITY OF KELOWNA

## COUNCIL POLICY MANUAL

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7. The funded agency will need to sign a letter of agreement with the City, and have liability insurance in place, as outlined on the City's certificate of insurance, in order to claim the grant. This includes the requirement for a year-end report indicating how the money was spent and what action was taken to secure more permanent funding from other sources. Format for these documents will be the same as those used for Community Social Development grants.
8. The organization must claim the grant within one month following written notification of the grant approval. Any unclaimed funds will be returned to the Social Grant Reserve.

REASON FOR POLICY: To make available to non-profit organizations and community organizations offering social programs in the city of Kelowna emergency funds for the purpose of assisting an organization through a financial crisis. It is anticipated that the funding will be short-term bridging funding only, pending more secure or ongoing funding.

LEGISLATIVE AUTHORITY: Section 176, *Local Government Act* and Council Resolution.

PROCEDURE FOR IMPLEMENTATION: As outlined in the policy.