REGIONAL MUNICIPALITY OF WATERLOO  
ECONOMIC DEVELOPMENT AND  
PROMOTION COMMITTEE  
AGENDA  

Wednesday, February 6, 2013  
4:00 P.M.  
Waterloo County Room  
150 Frederick Street, Kitchener, ON

1. DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

2. REPORTS - Finance


3. OTHER BUSINESS

4. NEXT MEETING

5. ADJOURN
TO: Chair T. Galloway and Members of the Economic Development and Promotion Committee

DATE: February 6, 2013

FILE CODE: F25-00

SUBJECT: ECONOMIC DEVELOPMENT AND PROMOTION GRANTS – POLICY REVIEW

RECOMMENDATION:
For Discussion and Direction

SUMMARY:
Nil

REPORT:

Background
The Region of Waterloo recognizes that certain events held in the Region provide an economic benefit to the Region and the Area Municipalities, and accordingly Regional Council has adopted a policy for providing financial assistance for such events. The policy is administered by the Economic Development and Promotion (EDP) Committee which forwards recommendations to Regional Council. The policy addresses the criteria to be considered when reviewing requests, the amount of assistance, requests for Transit Services for events, use of funds and recognition of the Region’s contribution. A copy of the current policy is attached as Appendix 1.

The Region also recognizes the benefit of providing funding for and developing partnerships with organizations that foster economic development such as those that promote increased employment opportunities. Providing assistance to organizations that increase apprenticeship numbers, enhance the educational experience for students, better prepare young people making the transition from school to work, develop community-based solutions, provide in-school programs to deliver business education, and provide stay-in-school programs enhances the work force and benefits the Region. While the Region has been providing grants for organizations that foster economic development, there is currently no specific policy to guide the decision making process.

Other Regional Economic Development Initiatives
EDP grants are just one of several economic development initiatives currently funded by the Region. Annual support to Canada’s Technology Triangle Inc. ($468,000 for 2013), Communitech ($35,000 for 2013) and the Waterloo Region Tourism and Marketing Corporation ($300,000 for 2013) assists with attracting new businesses, developing economic partnerships, supporting the continued development of the tech sector and promoting the Region as a tourism destination. In addition, the Region’s Brownfield Financial Incentive Program includes a number of initiatives to promote remediation and redevelopment of existing brownfield sites.
Policy Review

As part of the 2011 and 2012 EDP grant allocation processes, EDP Committee suggested that they meet to have an in-depth review of the policy on assistance. One of the potential aspects for review is the need for a written policy with respect to groups that foster employment opportunities and promote economic development. Such a policy would require specific criteria for these types of grants but could mirror the existing policy relative to process.

Based on comments from Committee, other potential considerations include reduced grants or a phasing out of grants for agencies that are maturing, building equity and turning a profit over time and whether a percentage of the EDP grant budget should be ear-marked for new grants.

Establishing procedures or a policy related to sponsorships could also be addressed as part of the EDP grants policy review. The Region, through the CAO’s office or various program areas, receives sponsorship requests which are generally related to events happening in the Region. There is currently no set policy or procedures to address sponsorship requests.

EDP Grants Process

Applications for annual EDP grants are generally sent out by mid-March with a return date of April. A meeting of EDP Committee is then scheduled for May or June with Council approval and payment of approved grants completed by mid-year. Grant requests outside the annual process are considered by EDP Committee at its discretion. To date, 4 new organizations have approach the Region and are interested in applying for EDP funding for 2013. The new requests include the Mill Race Folk Society in Cambridge; the University of Waterloo’s Canada Day Celebrations; Cambridge Celebrates Canada Day; and the Canada Wood Carvers.

Given Committee’s interest in reviewing the EDP policy on assistance, the limited budgeted funds and the interest from new groups, staff are seeking direction from the Committee for the 2013 EDP grants process. If the Committee wishes to amend the policy, the scope or parameters of such amendments should be provided to staff who can then complete the necessary research and report back to Committee at a later date.

CORPORATE STRATEGIC PLAN:

Economic Development and Promotion grants support the Growth Management Focus Area of the Strategic Plan and the objective of fostering a diverse, innovative and globally competitive economy.

FINANCIAL IMPLICATIONS:

The EDP budget for grants and the approved grants for the last five years (2008-2012) is shown in Appendix 2. The total for on-going or annual grants ranges from $121,700 in 2008 to $154,600 in 2012. In addition, a number of one-time grants were approved over those same years. The Region’s operating budget contingency has generally been the funding source for EDP grants in excess of the budget amount. The Capital Levy Reserve Fund was the source of funding for the $150,000 grant for the 2012 Plowing Match and the $30,000 grant for the Art Gallery Collaborative Marketing.

The 2013 budget for EDP grants is $154,000, unchanged from 2012. The annual budget for EDP grants also includes $10,000 for the Regional float.
OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE: Nil

ATTACHMENTS:

Appendix 1 – Policy on Financial Assistance for Events Providing an Economic Benefit to the Region
Appendix 2 – History of EDP Budget and Grants 2008-2012

PREPARED BY:  A. Hinchberger, Director of Financial Services, Treasury & Tax Policy

APPROVED BY:  C. Dyer, Chief Financial Officer
Appendix 1

THE REGIONAL MUNICIPALITY OF WATERLOO

POLICY ON FINANCIAL ASSISTANCE FOR EVENTS PROVIDING AN ECONOMIC BENEFIT TO THE REGION

POLICY OBJECTIVE

The Regional Municipality of Waterloo recognizes that certain events held in the Region of Waterloo may provide an economic benefit to Region and the area municipalities. As such, Regional Council has adopted a policy, as recommended by the Economic Development and Promotion Committee, with respect to providing financial assistance for these events. Financial assistance provided under this policy may be in the form of cash grants, transit services or other in-kind services.

The objective of the policy is to ensure that funding assistance is provided in accordance with an established set of criteria and processes. In addition, the policy recognizes that the economic benefits to the community may change over time and the financial assistance provided to events should reflect the changes.

This policy is specific to financial assistance for events having an economic benefit to the Region. Grants for voluntary organizations; capital grants for hospitals; grants for disaster relief activities; and grants for events taking place at the invitation of Regional Council are covered under separate policies of Regional Council.

LEGISLATIVE AUTHORITY

Section 107(1) of the Municipal Act:

Despite any provision of this or any other Act relating to the giving of grants or aid by a municipality, subject to section 106, a municipality may make grants, on such terms as to security and otherwise as the council considers appropriate, to any person, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interest of the municipality.

APPROVAL

This policy was approved by Regional Council on September 24th, 2003.
1) CRITERIA

The following criteria will be considered when reviewing requests for financial assistance for events having an economic benefit:

- events are to be one-time events or special events being held in the Region;
- objectives and values of the event are to be consistent with those of the Region;
- events are to be non religious / non–denominational;
- events should provide a quantifiable economic benefit to the region;
- sponsorship of the event by charitable or non-profit organizations which does not in-turn provide grants to other organizations;
- use of the proceeds from the event;
- planned use of financial assistance requested from the Region (assistance not provided to cover deficits);
- the appeal of the event to a broad sector of persons;
- the accessibility of the event for spectators;
- the ability of the event to bring people into the Region;
- the ability of the event to result in repeat visits by those attending;
- the ability of the event to enhance the Region’s image;
- the ability of the event to promote the Region within and beyond its boundaries;
- media coverage for the event (including television, newspaper and radio);
- how the Region’s support would be recognized;
- the heritage, cultural or recreational significance of the event;
- overlap with other Regionally funded programs (e.g. Grants to Voluntary Organizations);
- other sources of funding for the event;

It is recognized that some of the above criteria will be difficult to quantify or measure and there will need to be some reliance on the organization making the request to provide such information.

For specific requests for Transit Services or for opportunities to provide transit services in lieu of a cash grant, consideration will also be given to the ability of the event to create additional riders for Grand River Transit.

2) AMOUNT OF FINANCIAL / IN-KIND ASSISTANCE

Unless otherwise approved, $5,000 is the maximum financial assistance to be provided as either cash or services in-kind for events having an economic benefit.

In-kind assistance in the form of advertising on the Region’s buses may be available subject to certain limitations. Use of exterior space for advertising is a contracted service and while the contractor has the exclusive right to handle the lease of exterior space for advertising, some advertising space may be available at discounted rates. In addition, the Region will provide some of its own exterior advertising space, if available, to a maximum of one community event per area municipality per year. The Region has some rights over the use of interior space for advertising and may provide the use of such space as an in-kind service subject to availability.
3) LOCAL / COMMUNITY REQUESTS FOR TRANSIT SERVICES

Grand River Transit will accommodate “smaller” local or community requests for service or charters within the Transit budget. Generally such requests are from charitable, non-profit and community organizations linked to a fund raising campaign or community event.

In reviewing these requests, consideration will be given to the following:

- the nature of the organization as a registered local charitable or non-profit organization;
- the nature of the event as a charitable fund raiser with all funds raised donated to the local organization or a subsidized or “no fee” community event;
- the marketing value of the event;
- the extent of Regional involvement and Regional presence at the event;
- other Regional funding for the group or the event; particularly funding provided through the Grants to Voluntary Organizations program.

Grand River Transit will accommodate “smaller” local and community requests subject to the following limitations:

- for charitable fund raising events, up to 5 hours free service; services in excess of 5 hours provided at 50% of the full charter rate;
- for non-profit community events, services provided at 50% of the full charter rate for a maximum of 5 hours per event;
- existing annual subsidized services for Oktoberfest, New Years Eve and Seniors Christmas Lights Tour will continue to be provided as per previous arrangements.

Requests for such services under Section 3 are to be provided at least 30 days in advance and the provision of services is subject to the availability of resources (including funds within the transit budget) and shall not impact on the delivery of regularly scheduled service.

4) PROCESS FOR REQUESTING FINANCIAL ASSISTANCE

a) Requests for financial assistance for events are to be submitted to the Chief Financial Officer by March 1st in the year in which the event is to be held. Finance staff will prepare a report on the requests for consideration by the Economic Development and Promotion Committee with recommendations going forward to Regional Council. Requests for financial assistance received after March 1st will be considered at the discretion of the Committee. In either case, requests for financial assistance must be submitted no later than 60 days prior to the event. Committee will not consider requests for financial assistance that are received after the event has occurred.

b) Requests for transit services for local or community events (per Section 3) are to be submitted to the Director of Transit Services. Requests for services received by Grand River Transit that do not fall under Section 3 will be forwarded to the Chief Financial Officer for review by the Economic Development and Promotion Committee per Section 4 a) above.
5) PAYMENT OF FUNDS

Cash grants may be provided prior to the event or at the completion of the event as recommended by the Economic Development and Promotion Committee and approved by Regional Council and payment is subject to any reporting conditions established by Regional Council.

6) GRANTS IN-KIND

The awarding of a grant in-kind is subject to any conditions that Regional Council may impose such as insurance, safety of regional employees and participants in the activity and indemnification of the Regional Municipality of Waterloo.

In-kind services will be accounted for once the event has been completed and the final costs for the in-kind services are known.

7) USE OF FUNDS

Any financial assistance provided by the Region of Waterloo must be used for the purposes approved by Regional Council unless subsequent approval is given by Regional Council to change the purpose of the assistance.

8) RECOGNITION OF THE REGION’S CONTRIBUTION

Organizations receiving financial assistance for an event from the Region of Waterloo will recognize the Region’s contribution in promotional literature prepared for the event or other agreeable advertising. Use of the Region’s logo in advertising and promotional literature will be coordinated through the Region’s Communications Department.
Appendix 2

History of EDP Budget and Grants 2008-2012

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*Approved in 2011; paid from 2012 EDP budget*