

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 14.1.3
Halifax Regional Council
May 22, 2018

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

DATE: May 10, 2018

SUBJECT: Amendments to Administrative Order 2014-007-ADM - Respecting Grants to Professional Arts Organizations

ORIGIN

February 13, 2018 amended motion of Regional Council:

That Halifax Regional Council:

1. Consider the inclusion of an additional \$100,000 in 2018-19, \$150,000 in 2019-20, and \$250,000 in 2020-21, to the grants operating budget process for the Grants to Professional Arts Organizations Program;
2. Direct the Chief Administrative Officer to prepare amendments to Administrative Order 2014-007-ADM, the Grants to Professional Arts Organizations Program, prior to the call for applicants for the 2018-19 fiscal year and return to Council for approval, as follows:
 - a. delegate the approval of grant awards to the Chief Administrative Officer;
 - b. revise the process for selecting a peer jury to be a procurement to permit payment for the services of the peer jurists; and
 - c. amend the financial levels of the professional arts grants;
3. Request a staff report regarding requesting legislative amendments to the HRM Charter to allow the Municipality to allow a specific set of arts grants to individuals and business to be governed by by-law, overseen by an arm's length citizen only advisory committee that shall report annually to Council; and
4. Repeal Administrative Order 2014-019-GOV.

MOTION, AS AMENDED, PUT AND PASSED.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, 79(1) The Council may expend money required by the Municipality for...(av) a grant or contribution to (v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province.

Recommendation on page 2...

RECOMMENDATION

It is recommended Halifax Regional Council:

1. Adopt the amendments to Administrative Order 2014-007-ADM, the Administrative Order on Grants to Professional Arts Organizations, as set out in Attachment 1, to:
 - a. formally delegate approval of awards under the Grants to Professional Arts Organization Program to the Chief Administrative Officer;
 - b. allow for the payment of peer jurors; and
 - c. increase the maximum award levels under the Operating Assistance and Project Assistance categories.

BACKGROUND

On May 12, 2015, Regional Council approved the terms of reference for the ArtsHalifax Advisory Committee. The Committee had a three-year mandate and was tasked with delivering recommendations related to the municipality's arts and culture program. The Committee's recommendations were submitted and staff responded in a report delivered to the Community Planning and Economic Development Standing Committee (CPED) on January 18, 2018.

Included with the Committee's recommendations on the governance model and mandate of a successor committee were a series of recommendations pertaining to the funding and administration of the Grants to Professional Arts Organization Program. On February 13, 2018, Regional Council approved an amended motion directing staff to complete corresponding amendments to the Administrative Order governing the Grants to Professional Arts Organizations Program. This report outlines those amendments to the Administrative Order for Regional Council's consideration and approval.

DISCUSSION

The proposed amendments to Administrative Order 2014-007-ADM *Respecting Grants to Professional Arts Organizations* are set out in Attachment 1, with the amended administrative order showing changes included in Attachment 2. The amendments address the changes required to:

- Provide payment to peer jury members for the evaluation of applications under this program;
- Reflect the Chief Administrative Officer (CAO) as the approving authority for all recommended awards under this program; and
- Amend the maximum funding levels for both the Operating Assistance to Arts Organizations and Project Assistance to Arts Organizations' program streams.

These amendments will allow staff to begin the implementation of the updated program in the spring of 2018/19. As per Regional Council's direction, the call for applications has not yet been released, pending the approval of the amendments. Once approved, staff would finalize the administrative process and subsequently release the call.

Peer Jury Remuneration and Recruitment under Municipal Procurement Processes

The amendments to the Administrative Order include necessary changes to enable remuneration for the peer jury. A peer jury roster will be established through a procurement process with terms of remuneration established at a rate of \$150/per day for selection committee participation and a \$100 (under 40 applications) or \$150 (over 40 applications) reading fee, which is in line with the structure used by Arts Nova Scotia.

CAO Approval of Grant Award Recommendations

The ability for peer jury recommendations, supported by staff review, to be directed to the CAO for approval requires that Regional Council delegate the authority to the CAO. That delegation has been outlined in the amendments.

Under this model, Regional Council would approve the program budget as part of HRM's annual operating budget, but would not consider nor approve the individual applications. Subsequent to the approval of awards, an information report outlining all recommended and non-recommended applications would be submitted to CPED.

Increase in Maximum Funding Levels for Operating and Project Assistance Categories

The ArtsHalifax Committee recommended increased overall funding for the program. Staff subsequently recommended that additional funding be considered in the 2018/19 operating budget process. On March 28, 2018, as part of its consideration of a number of budget increase requests, Regional Council deferred consideration of additional funding to the Grants Program for Professional Arts Organizations to the 2019/20 budget deliberations.

The proposed increases to the maximum award levels in each category were recommended based on the recommended overall increase to the program budget. While the program budget was not increased for 2018/19, the changes to the maximum award levels have been included in the amendments to the Administrative Order.

The maximum award level for operating assistance has been doubled. Anchor Organizations (those with over \$3 million annual operating expenses) can now apply for up to \$100,000, and all other eligible arts organizations can now apply for a maximum of \$50,000 annually. In this category, the maximum funding available cannot exceed 15% (previously 10%) of the applicant's annual budget. The maximum award under the Project Assistance category has been increased to \$25,000 from \$10,000.

While the amount of funding in the program budget was not increased in the 2018/19 fiscal year, the amendments to the maximum amounts do not require that award amounts be increased. Therefore, while it is not anticipated that the increased maximum amounts will impact the 2018/19 awards, the changes will be in place should Regional Council choose to increase the program budget in 2019/20 without further amendments to the Administrative Order being required.

FINANCIAL IMPLICATIONS

The proposed payment schedule for peer jury members assumes an annual financial commitment ranging between \$1,500 - \$2,500. It is anticipated that this program cost can be accommodated within the existing annual operating budget for Parks & Recreation.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. The risks considered rate Low. To reach this conclusion, consideration was given to operational, financial and reputational risks.

COMMUNITY ENGAGEMENT

The ArtsHalifax Advisory Committee was a volunteer based advisory committee with representation from the arts sector of HRM. When making their recommendations, the committee reviewed information compiled by their precursor committee, the Special Arts and Culture Advisory Committee, in addition to

stakeholder engagement and a review of best-practice models for municipal arts administration from across Canada.

ENVIRONMENTAL IMPLICATIONS

None.

ALTERNATIVES

Alternative 1: Halifax Regional Council may choose to not adopt the proposed amendments to the Administrative Order 2014-007-ADM Respecting Grants to Professional Arts Organizations and maintain the existing processes.

Alternative 2: Halifax Regional Council may direct additional or different amendments to Administrative Order 2014-007-ADM Respecting Grants to Professional Arts Organizations, which may require a supplementary staff report depending on the nature of the changes.

ATTACHMENTS

Attachment 1: Amending Administrative Order

Attachment 2: Showing Proposed Changes

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Jamie MacLellan, Community Developer, Culture and Events 902.490.1039

**Attachment 1
(Amending Administrative Order)**

**HALIFAX REGIONAL MUNICIPALITY
ADMINISTRATIVE ORDER NUMBER 2014-007-ADM
Respecting Grants to Professional Arts Organizations**

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality that Administrative Order 2014-007-ADM, Respecting Grants to Professional Arts Organizations, is amended as follows:

1. clause (ba) of section 2 is repealed;
2. section 4 is amended as follows:

(a) sub-clause (a)(ii) is amended by striking out the numbers and symbol "\$50,000.00" after the word "of" and before the word "per" and adding the numbers and symbols "\$100,000.00" after the word "of" and before the word "per";

(b) sub-clause (a)(iii) is amended by:

(i) striking out the numbers and symbols "\$25,000.00" after the word "of" and before the word "per" and adding the numbers and symbols "\$50,000.00" after the word "of" and before the word "per"; and

(ii) striking out the numbers and symbol "10%" and adding the numbers and symbol "15%" after the word "or" and before the word "of";

(c) sub-clause (b)(ii) is amended by striking out the numbers and symbol "\$10,000" after the word "of" and before the word "per" and adding the numbers and symbol "\$25,000.00" after the word "of" and before the word "per";

3. section 13C is amended by:

(a) striking out the words "issue an open call for interested individuals to be included in" after the word "shall" and before the word "a" and adding the word "solicit" after the word "shall" and before the word "a"; and

(b) adding the words and punctuation "; using a method of procurement as determined with the procurement section" after the word "chosen" and before the period at the end of the section;

4. section 13D is amended by:

(a) striking out the words "The roster of jurors shall be comprised of all those individuals who responded to the call and who" at the beginning of the section and before the colon; and

- (b) adding the words “The solicitation shall include the requirements that peer jurors” at the beginning of the section and before the colon;
- 5. section 16 is amended by:
 - (a) striking out the words “HRM Grants Committee for recommendation to Council” after the word “the” and before the period at the end of the section; and
 - (b) adding the abbreviation “CAO” after the word “the” and before the period at the end of the section;
- 6. section 16A is added immediately following section 16 and before section 17 as follows:
 - 16A. (1) Council hereby delegates to the CAO the authority to approve grants under this Administrative Order, and to determine the amount of such grants.
 - (2) The CAO may not further delegate the authority granted to him or her under subsection (1).
- 7. section 17 is amended by:
 - (a) striking out the word “Council” after the word “of” and before the word “in”;
 - (b) adding the word and abbreviation “the CAO” after the word “of” and before the word “in”;
 - (c) striking out the word “its” after the word “in” and before the word “sole”; and
 - (d) adding the words “his or her” after the word “in” and before the word “sole”;
- 8. section 18 is amended by striking out the word “Council” after the word “of” and before the word “will” and adding the word and abbreviation “the CAO” after the word “of” and before the word “will”;
- 9. section 21A is amended by:
 - (a) adding the words “provide an information” after the word “will” and before the word “report”;
 - (b) striking out the word “ArtsHalifax” after the word “to” and before the word “on”;
 - (c) adding the words “the Community Planning & Economic Development Standing Committee” after the word “to” and before the word “on”;
 - (d) striking out the word “Council” after the word “by” and before the period at the end of the section; and
 - (e) adding the word and abbreviation “the CAO” after the word “by” and before the period at the end of the section; and

10. clause (a) of section 22 is amended by striking out the words “by Council” after the word “approval” and before the word “which”.

Done and passed in Council this XXth day of May, A.D. 2018

Mayor

Municipal Clerk

**ADMINISTRATIVE ORDER NUMBER 2014-007-ADM
Respecting Grants to Professional Arts Organizations**

WHEREAS the Council of the Halifax Regional Municipality values the contributions of the cultural community to the Halifax Regional Municipality;

AND WHEREAS the Council of the Halifax Regional Municipality wishes to support cultural organizations within the Halifax Regional Municipality through operating and project grants;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Administrative Order on Grants to Professional Arts Organizations*.

Interpretation

2. In this Administrative Order,

(a) “Anchor Organization” means a professional arts organization that has an annual budget of a minimum of \$3 million, is registered as a non-profit, has operated continuously for a minimum of three years, and demonstrates strong public impact in terms of number of events, attendance and employment figures;

(b) “Applicant” means a Professional Arts Organization applying for funding under this AO;

~~(ba) “ArtsHalifax” means the committee established by Council under Administrative Order 2014-019-GOV, the ArtsHalifax Advisory Committee Administrative Order, to advise staff on the development of administrative processes in support of professional arts and culture in Halifax, or its successor committee.~~ **Repeal;**

(bb) “CAO” means the Chief Administrative Officer of the Municipality, or delegate;

(c) “Council” means the Council of the Halifax Regional Municipality;

(d) “Municipality” means the Halifax Regional Municipality;

(e) “Non-profit Organization” means a professional arts organization that is registered as a non-profit, and has operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit;

(ea) “Peer” means an individual who self-identifies as a professional artist, arts administrator, cultural worker, or individual actively involved in related communities of interest, and may include an individual who self-identifies as an emerging artist and demonstrates a commitment to pursuing a professional arts career through training, practice or mentorship;

(f) “Presenting Organization” means a Professional Arts Organization that presents professional or established artists to the public by way of performances, exhibits, demonstrations or lectures;

(g) “Producer” means a Professional Arts Organization that produces and presents the arts to generally accepted artistic standards; and

(h) "Professional Arts Organization" means a registered, non-profit professional arts and culture organization that supports, presents, or produces work by professional or established artists, and employs qualified paid staff to administer on-going arts and culture programs and services.

Purpose

3. The purpose of this Administrative Order is to provide for grants from the Municipality to professional arts organizations in the Halifax Regional Municipality to support those organizations, and thereby to support and promote the work of local artists and to foster broad public access to, and appreciation of, the arts.

Grants Available

4. There are hereby established two funding streams:

(a) Operating Grant Program for Professional Arts Organizations: Supports the general and on-going operational capacity of professional arts organizations in the Halifax Regional Municipality

(i) Available to Professional Arts Organizations that have operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit.

(ii) Anchor organizations may receive a maximum of ~~\$50,000.00~~ \$100,000.00 per fiscal year.

(iii) Non-profit organizations may receive a maximum of ~~\$25,000.00~~ \$50,000.00 per fiscal year or 40% 15% of the applicant's budget, whichever is less.

(iv) The Municipality will contribute no more than 60% of revenues required to cover annual administrative and core program costs. Council may consider variations on these criteria in extenuating circumstances.

(v) Combined municipal, provincial and federal funding will not exceed 90% of total revenues for annual administrative and core program costs.

(b) Project Grant Program for Professional Arts Organizations: Supports public access to professional arts activities on a project-specific basis.

(i) Available to Professional Arts Organizations that have operated continuously for a minimum of three years with strong administrative management and a track record of success and artistic merit.

(ii) Professional Arts Organizations may receive a maximum of ~~\$10,000~~ \$25,000.00 per year for a specific arts project.

5. Professional Arts Organizations may make application to, and receive funding from, both programs in the same fiscal year.

5A. Notwithstanding section 5, a Professional Arts Organization awarded twenty-five thousand dollars (\$25,000.00) or more under the Operating Grant Program shall not be eligible for funding from the Project Grant Program.

Application Requirements

6. There is one intake period per fiscal year. The intake period and application deadline will be established by staff and advertised on the HRM website.

7. All applications must be received by email, mail or in person. Faxed applications will not be accepted. Applications may be submitted:

(a) in person to:
HRM Culture & Events
Re: Grants to Professional Arts Organizations
88 Alderney Drive
Dartmouth Ferry Terminal Building, 3rd floor

(b) by mail to:
HRM Culture and Events
Re: Grants to Professional Arts Organizations
P.O. Box 1749
Halifax, NS
B3J 3A5

(c) by email to: artgrants@halifax.ca

8. Late or incomplete applications will not be reviewed or considered.

9. All applications shall include:

(a) a description of the applicant, including history of the programming and role in the community;

(b) details on any other funding received from the Municipality within the current and two previous fiscal years, including tax relief; and

(c) a statement of other funding sources sought by the applicant, including current status of applications.

10. Applications for the Operating Grant Program shall include:

(a) the applicant's detailed budget outlining projected revenues, operating and capital costs; and

(b) detailed financial statements for the previous 3 years of operation;

11. Applications for the Project Grant Program shall include:

(a) a detailed project description; and

(b) a detailed project budget.

Eligibility

12. To be eligible for funding, an applicant shall be a registered not-for-profit society or not-for-profit cooperative in good standing with the Provincial Registrar of Joint Stock Companies or federally registered under the Corporations Act as a not-for-profit society or cooperative based and operating in Nova Scotia and meet the following criteria:

(a) has been operating for at least three years prior to the date of application;

- (b) does not receive operating assistance, excepting tax relief, from any other municipal government, or department of the Municipality;
- (c) maintains an active membership or shows a form of community support that includes residents of the Halifax Regional Municipality and persons other than those who serve on the board of directors;
- (d) operates programs year round, except for presenting organizations which may have seasonal programs;
- (e) has no outstanding reports due to the Municipality; and
- (f) secures additional sources of revenue such as corporate contributions, donations, sales, and membership fees and must pursue other sources of public or private funding.

Application Evaluations

13. The following criteria will be used to evaluate applications for Council's consideration:

- (a) For Operating Grants:
 - (i) Program planning and evaluation;
 - (ii) Community relationships;
 - (iii) Board Governance; and
 - (iv) Financial stewardship as demonstrated through financial statements and projected budgets.
- (b) For Project Grants:
 - (i) Project planning and expertise of project participants;
 - (ii) Project merit;
 - (iii) Public access and engagement through the project; and
 - (iv) Financial stewardship as demonstrated through financial statements and proposed project budget.

Peer Jury Selection Process

13A. Each year following the close of the intake period for applications, the CAO shall establish a peer jury to review applications for each of the funding streams.

13B. The CAO shall develop operating procedures to support the creation and work of peer juries, and the procedures may be amended by the CAO.

13C. Every two years, the CAO shall ~~issue an open call for interested individuals to be included in~~ solicit a roster of jurors from which a peer jury may be chosen, **using a method of procurement as determined with the procurement section.**

13D. ~~The roster of jurors shall be comprised of all those individuals who respond to the call and who~~ **The solicitation shall include the requirements that peer jurors:**

- (a) meet the definition of “peer” as set out in this Administrative Order; and
- (b) reside in the Halifax Regional Municipality.

13E. Following the close of the intake period for applications annually, Parks & Recreation staff shall recommend to the CAO a list of 3-5 candidates each from the roster of jurors to be the peer juries for the Operating Grants and Project Grants for that intake period.

13F. When establishing a peer jury, consideration shall be given to the following:

- (a) achieving a balance of:
 - (i) artistic discipline or area of professional expertise;
 - (ii) regional perspective;
 - (iii) age; and
 - (iv) cultural and gender diversity; and
- (b) potential conflicts of interest.

13G. An individual who has served on a peer jury may be selected to serve on a subsequent peer jury, but not in the same funding stream in consecutive years.

Application Review Process

14. Applications will be administered by Parks & Recreation.

15. Applicants will be notified promptly if their application is ineligible.

16. The peer juries will review the applications and make recommendations to Parks & Recreation staff. Parks & Recreation staff will prepare a report for consideration by the ~~HRM Grants Committee for recommendation to Council~~ **CAO**.

16A. (1) Council hereby delegates to the CAO the authority to approve grants under this Administrative Order, and to determine the amount of such grants.

(2) The CAO may not further delegate the authority granted to him or her under subsection (1).

17. Final approval of all applications for a grant, and the amount thereof, is a decision of ~~Council~~ **the CAO** in ~~its~~ **his or her** sole discretion.

18. Notification of the decision of ~~Council~~ **the CAO** will be mailed to applicants after it is made.

19. Approval of grants is conditional on Council’s approval of the annual program budget.

20. Applicants must re-apply for funding annually.

21. Due to limited funds, not all eligible applications may receive funding.

21A. Parks & Recreation staff will **provide an information** report annually to ~~Arts Halifax~~ **the Community Planning & Economic Development Standing Committee** on the peer jury process and the grants approved by ~~Council~~ **the CAO**.

Conditions of Approval & Payment of Grants

22. Successful applicants are required to complete a final report form describing the impact of the funding received from the Municipality. Final report forms will be sent with the confirmation of the award and will be available from Parks & Recreation staff. The criteria for reporting includes:

- (a) name of organization, amount of grant, terms and conditions (as described in the letter notifying you of approval ~~by Council~~ which is sent with payment);
- (b) total project costs;
- (c) a breakdown of the expenditure of the grant funds (the Municipality reserves the right to require proof of payments made);
- (d) a final description of the project, including information on the completeness of the project; and
- (e) copies of printed materials funded through the grant (poster, brochure, booklet, CD, catalogue or photograph of project, newspaper article, magazine article), as well as documentation of events and/or projects directly or indirectly supported by the Municipality through this grant process.

23. For the Operating Grant Program, final reports must be received with the applicant's submission for funding for the following year or within ninety (90) days of the Municipality's fiscal year end, and for the Project Grant Program, final reports must be received within ninety (90) days of the project's completion.

24. Grant monies for applications approved in the Project Grant Program will be dispersed eighty per cent (80%) upon approval of the application, and twenty per cent (20%) upon completion of the project and submission of the final report.

25. Grant monies for applications approved in the Operating Grant Program will be dispersed in full upon approval of the application.

26. Should the operations of the applicant cease or be diminished, or should a project, in part or in whole, not be completed as described in the application, applicants must notify Parks & Recreation staff. In some cases, an extension may be permitted and the funds carried forward to the next fiscal year. If an extension is requested, a written request to Parks & Recreation staff is required and a written response will be provided.

27. The Municipality's support must be recognized as outlined in the "Requirements for Acknowledging Funding" which will accompany the Terms and Conditions letter.

Scope

28. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Effective Date

29. This Administrative Order shall come into effect on the date it is adopted by Council. Notwithstanding section 6, for the fiscal year 2014-15, applications will be accepted beginning September 1st and must be received in person or postmarked on or before October 31st

Done and passed in Council this 5th day of August, 2014.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on August 5, 2014.

Cathy Mellett, Municipal Clerk

Notice of Motion:

July 22, 2014

Approval:

August 5, 2014

Amendment # 1 – establish Peer Jury review process

Notice of Motion:

October 4, 2016

Approval:

November 8, 2016
