

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
Jacques Dubé, Chief Administrative Officer

**DATE:** October 1, 2020

**SUBJECT:** **Interim Community Museums Grant Program: Proposed Addition of Capital Grant Awards Category – An Amendment to Administrative Order 2018-010-ADM**

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## SUPPLEMENTARY REPORT

### ORIGIN

August 18, 2020 – Regional Council approved amendments to Administrative Order 2018-010-ADM and approved the following motion:

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2. Direct staff to draft proposed amendments to Administrative Order 2018-010-ADM Respecting Interim Grants to Community Museums with respect to the addition of a Capital Grant award category commencing in fiscal year 2021 and submit a Supplementary Recommendation report to Regional Council to include feedback from program participants.

### LEGISLATIVE AUTHORITY

*Halifax Regional Municipality Charter* (“HRM Charter”), S.N.S 2008, c.39.

79A (1) Subject to subsections (2) to (4) the Municipality may only spend money for municipal purposes if

- (a) The expenditure is included in the Municipality’s operating budget or capital budget or is otherwise authorized by the Municipality;

*Administrative Order 2018-010-ADM Respecting Interim Grants to Community Museums.*

*Administrative Order 54 Procedures for the Development of Administrative Orders.*

5. All Administrative Orders, amendments to Administrative Orders, and repeals of Administrative Orders require at least seven (7) days notice to all the Council Members in accordance with subsection 59(1) of the Halifax Regional Municipality Charter.

**RECOMMENDATION ON PAGE 2**

## **RECOMMENDATION**

It is recommended that Halifax Regional Council adopt the amendments to Administrative Order 2018-010-ADM, *Respecting Interim Grants to Community Museums*, as detailed in Attachment 1 of this report.

## **BACKGROUND**

In August 2020, Council approved amendments to the *Community Museums Grants Program* to (i) extend the duration of the program, (ii) increase the maximum Operating Grant threshold, (iii) to add museum thematic events to the Project Grant award category, and (iv) remove reference to “accreditation” so as to avoid confusion with the recently launched provincial *Museum Accreditation Program*<sup>1</sup>. The staff report also proposed the addition of a Capital Grant category. In part, this recommendation was based on an under-utilization of the program’s Project Grant category but also to facilitate a “one-stop” process for eligible applicants.

Notwithstanding that the program’s budget is not expected to increase and there may be groups that meet the program’s eligibility requirements and could apply for an Operating Grant in the next two years, staff advanced the prospect of adding a Capital Grant category based on the following:

- under-utilization of the Project Grant category and nominal uptake in the Special Project category;
- to reduce pressure on the History funding category of the *Community Grants Program* under which preference may be given to organizations not in receipt of federal, provincial or municipal funding and who are essentially self-supporting;
- to enhance efficiencies for those community museums recognized under the *Community Museums Grants Program*; and
- to accommodate community museums that do not own real property.

Demand for Capital Grants under the *Community Grants Program* is high with respect to repairs and capital improvements to property owned by applicants including recurring requests from those organizations with multiple property holdings. The thirteen (13) organizations accepted into the *Community Museums Grants Program* to date would all be eligible to apply for a Capital Grant under the *Community Grants Program* but only five (5) own the land and/or building they occupy. Further, community museums in receipt of provincial and/or municipal funding may rank lower in an evaluation as compared to applications of comparable merit who do not receive annual government operating assistance.

To gauge interest in adding a Capital Grants sub-category to the *Community Museums Grants Program* participants were emailed a letter of explanation on August 20, 2020, containing a list of questions regarding options and an invitation to provide written feedback by September 11, 2020. Although the 3-week timeline was ambitious in terms of a probable response rate, the intent was to accommodate production of new program materials prior to the January 31, 2021 application deadline. As of September 11, 2020, five (5) written responses were received. These comments have been compiled and are included in the Discussion section of this report.

The 2021 application deadline has been amended to February 15, 2021 to enable groups to prepare project grant submissions and to accommodate any new organizations applying for inclusion. Program participants have been advised by email. The option of direct deposit for Operating Grants has also been extended to program participants – this is voluntary but helps expedite payment and is an administrative efficiency for both HRM and recipients.

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<sup>1</sup> Correction: the August 18, 2020, staff report incorrectly listed the Fort Sackville Foundation under Tier I; the society has not completed the Museum Evaluation Program and as such is in Tier II.

In accordance with *Administrative Order 54* and the *HRM Charter*, a minimum of seven (7) days' notice to Regional Council is required for any amendment to an Administrative Order.

## **DISCUSSION**

### **Participant Feedback**

- 1) *Does your organization support the addition of a Capital Grant category?*

Overall, respondents supported the addition of a Capital Grant category provided this change did not reduce the value of an Operating Grant and liked the idea of a "one-stop" application.

- 2) *Would the addition of a Capital Grant category be preferable to the current Special Projects category?*

A Special Project Grant is non-recurring ("one-time" not multi-year). These awards support an exceptional or "unique" opportunity that would attract provincial or national attention, or significantly increase the recipient organization's revenue or public profile. In support of retaining this funding option some respondents referenced specific anniversaries that were forthcoming and/or the ability to host or deliver travelling exhibitions. Reference to using a Special Project grant to support "anniversaries" prompted further review of the *Community Museums Grant Program* in relation to Anniversary Events funding available under HRM's *Regional Special Events Grant Program*.

- 3) *Should the Capital Grant category be for only buildings and land?*

Limiting the scope of project to only real estate holdings was not supported. Therefore, the Capital Grant category, as proposed, is consistent with that of the *Community Grants Program* and includes the purchase of equipment valued at over \$5,000 per item, the commission or purchase of original artwork, or the purchase of an artefact of cultural or historical significance.

- 4) *With an emphasis on the quality of visitor experience some museums undertake expensive, permanent displays for the education, study and enjoyment of the public; these can include immersive effects (audio/film/lighting), large-scale reproduction models or dioramas, or computerized interactive displays with adaptive features for persons with a disability. Should this form of project be included in the Capital Grant category?*

Participants agreed with the inclusion of custom and/or large-scale exhibit and display installations and expressed interest in investment in technology and accessibility.

- 5) *Would revising the Project Grant category be preferable to the addition of a new Capital Grant category?*

Overall, there was support for the addition of a Capital Grant category, but clarification was requested with respect to funding thresholds and if there would be a pre-determined budget allocation for each sub-category.

### **Recommended Amendments to Policy**

To gauge the potential impact of adding a Capital Grants category, staff reviewed applications received under the *Community Grants Program* over the past five (5) years, from 2016 to 2020. Of the thirteen (13)

community museums<sup>2</sup> seven (7) have received a Capital Grant for a combined total of \$96,000 in funding<sup>3</sup>. With only one exception these awards were towards property repairs or upgrades. Over the same 5-year period six (6) requests totaling \$48,250 were declined primarily because they would have been eligible for consideration as a Project Grant or the expenditures could be paid by an Operating Grant under the *Community Museums Grants Program*.

#### (A) Recommended Project Grant Sub-Categories

It is recommended that the Project Grant category be amended to include three (3) sub-categories, each with a funding threshold:

(1) Regular Project Grant – up to \$5,000.

- a non-recurring initiative that enhances educational programming, public access, or organizational capacity building; including a *non-recurring event*, including a “virtual” event, organized by the applicant that reflects the museum’s focus on the community in which it is located or the museum’s theme for which application has not been made under the *Regional Special Events Grants Program*. For example, an event that:
  - (a) fosters an awareness and appreciation of museums and community heritage (for example, *International Museum Day*);
  - (b) focuses on an historical theme (for example, *Nova Scotia Heritage Day*, *Genealogy Day*, or *Vimy Ridge Day*) or reflects the museum’s specialized mandate or collection, including an event organized as part of a designated heritage/history observance of longer duration (for example, *African Nova Scotia Heritage Month*, *Mi’kmaq History Month*, *Women’s History Month*);
  - (c) enhances or enables the museum’s participation in a community event to foster awareness of the museum, its collection, programs and services, educational programming, community engagement, or organizational capacity building. For example, a temporary display, exhibit or interpretive initiative at an established community event such as *Sackville Patriot Days*, *Bedford Days*, or *Waverley Gold Rush Days*.

A Regular Project Grant may be used towards more than one project provided that the combined total amount requested does not exceed \$5,000. The intent is to discourage “over-reaching” whereby an applicant prioritizes a purchase or expenditure in trying to maximize the value of any grant received. Funding excludes specific types of events as listed in policy.

(2) Special Project Grant – up to \$20,000.

- an exceptional or unique opportunity with the potential to attract provincial or national attention and/or significantly increase the organization’s revenues or public profile;
- expenses incurred in the development and presentation of a commemorative project to recognize a place, person or historical event related to the museum’s location or theme - preference may be given to proposals demonstrating a reasonable probability of recurring public exposure such as but not limited to a permanent or travelling exhibition, film or video documentary, or a self-published retrospective or historical theme (person, place, event, or collection).

In addition, policy has been amended to include Special Project Grants of up to \$10,000 to support hosting a quarterly anniversary (25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, 100<sup>th</sup> etc). The aim of this change is to enable smaller events with

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<sup>2</sup> This data excludes community museums who have not met the *Community Museums Grants Program* eligibility criteria but have received funding under the *Community Grants Program*.

<sup>3</sup> The annual combined value of awards ranged from \$0 to \$36,000 per year.

a budget below the \$7,500 threshold required under the Anniversary Events category of the *Regional Special Events Grants Program*.

(3) Capital Grant – up to \$25,000.

- acquisition of non-municipal real property<sup>4</sup>;
- capital improvements to real property owned by the applicant;
- the commission or purchase of an original work of art or the purchase of an artefact of social, cultural or historical significance for the museum's permanent collection the value of which is verified by an independent appraisal;
- large or specialized equipment costing over \$5,000 per item; or
- the design and construction of an exhibition or display: preference may be given to permanent installations, but exceptions may be considered on a case-by-case basis.

The January 31 application deadline for the *Community Museums Grants Program* accommodates venues that operate seasonally (June/July/August) and might expedite the completion of capital work prior to the peak summer visitation period. Requests related to a municipally registered heritage property should include Heritage Planner approval with the application.

Although the program policy has been revised to remove mandatory quotes for Special Project or Capital Grants this remains an option for applicants but a sole source purchase of artwork or an artefact should be supported by an independent appraisal<sup>5</sup>. This change accommodates smaller museums with limited access to suppliers and specialty items.

**Summary:** Once the value of multi-year Operating Grants has been determined for the applicable fiscal year<sup>6</sup>, Project Grant applications will be evaluated using criteria set out in Section 25 of policy and published in the program guidebook. For clarification, in addition to an Operating Grant an eligible organization could apply to more than one of the Project Grant sub-categories but only one application per organization/per sub-category will be considered. If an organization applies to more than one Project Grant sub-category, they are advised to prioritize their request(s).

Readers are advised that the amendments proposed in this report are in advance of the Culture and Heritage Priorities Plan, the HRM Museum Strategy, and an internal review of municipal grants programs. These reports are expected in fiscal year 2021 and may have implications in policy and/or procedure, or priority.

### **(B) Proposed Amendment to Operating Grant: Recurring Event Hosting**

As proposed, the list of expenditures permitted under an Operating Grant has been expanded to include a *recurring event*, either organized by the applicant or to support the museum's participation in a community-based event hosted by another non-profit organization. The \$1,000 increase in Operating Grant previously approved by Council may be used by recipients to assist participation in community events that occur in

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<sup>4</sup> Section 16, Schedule 1 of *Administrative Order 50* prohibits the use of a municipal grant towards costs associated with the acquisition of a surplus HRM property offered under the Community Interest category. Specifically, policy does not permit an HRM grant towards a feasibility study, preparation of a submission, purchase price, closing costs, or the Purchaser's due diligence.

<sup>5</sup> For example, valuations provided by individuals, institutions or companies recognized by the National Archival Appraisal Board, the Art Dealers Association of Canada, the Canadian Antique Dealers Association, or the Appraisal Institute of Canada.

<sup>6</sup> Most Operating Grants are multi-year, but funding commitments cannot exceed the duration of the program. The number and value of Project Grants remains subject to the program's budget capacity, annual uptake, and an evaluation in accordance with the program's funding criteria.

the “off-season” and outside the term of government summer employment grant programs (June to September). This change may be especially helpful to smaller organizations without permanent staff or contractual employees.

**(C) Proposed Amendments Specific to COVID-19**

It is increasingly apparent that the duration and impact of the COVID-19 pandemic may exceed fiscal 2020. Such exceptional circumstances were not anticipated in the design of the program. Therefore, staff are recommending specific elements be amended for the balance of the program in fiscal years 2021 and 2022.

- (1) Some (not all) community museums may have received emergency operating funds from the federal government while experiencing a significant reduction in earned revenues due to closure or cancellations. Consequently, total government funding may exceed the current 80% threshold. Staff recommend Section 8 of the Administrative Order (which excludes Operating Grants for groups whose combined Federal, Provincial and Municipal meets or exceeds 80% of operating revenues) be suspended for fiscal years 2021 and 2022.
- (2) Current policy requires that a community museum be open to the public for a minimum of three (3) months. Albeit this provision is intended to establish a modest level of access for the public it is not feasible in 2020 and might not be achieved by smaller organizations/sites in the next two years if conditions persist. However, recipients of a municipal Operating Grant are expected to continue to care for the museum venue and collection. It is recommended that policy be amended to add the qualifier “with the exception of fiscal years 2021 and 2022”.
- (3) An event in receipt of funding under the *Community Museums Grants Program* shall conform with public health measures enacted in relation to the COVID-19 pandemic.

**FINANCIAL IMPLICATIONS**

The proposed changes will have no impact on the annual *Community Museums Grants Program* budget.

**RISK CONSIDERATION**

Low. The primary risk associated with cash grants are representational (accuracy and completeness of information), financial misappropriation or loss, and reputational risk to the Municipality.

**COMMUNITY ENGAGEMENT**

A letter dated August 18, 2020, was sent by email to the thirteen (13) organizations accepted into the interim *Community Museums Grants Program*. Recipients were provided with a rationale for why consolidation was under consideration and several potential scenarios. Participation in providing a written response was voluntary. As of the deadline September 11, 2020, deadline five (5) responses were received.

**ENVIRONMENTAL IMPLICATIONS**

Not applicable.

**ALTERNATIVES**

Regional Council could choose not to adopt the proposed amendments to Administrative Order 2018-010-ADM, Respecting Interim Grants to Community Museums.

**ATTACHMENTS**

1. Draft Administrative Order 2018-010-ADM
  - (i) Amending Administrative Order.
  - (ii) Draft Amended Administrative Order 2018-010-ADM Respecting Interim Grants to Community Museums.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Peta-Jane Temple, Team Lead Grants & Contributions, Finance, Asset Management & ICT 902.490.5469; Kellie McIvor, Cultural Asset Manager, Parks & Recreation 902.490.1955.

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**ADMINISTRATIVE ORDER 2018-010-ADM  
INTERIM GRANTS TO COMMUNITY MUSEUMS  
ADMINISTRATIVE ORDER**

**BE IT RESOLVED** as an Administrative Order of the Council of the Halifax Regional Municipality that Administrative Order 2018-010-ADM Respecting Interim Grants to Community Museums, is amended as follows:

1. Clause 2(c) is repealed and replaced with the following:

2(c) “core recurring operating expenses” means regular, ongoing fixed general and administrative operating expenses required to operate the museum and management of its collection(s) or a recurring observance day event hosted by the museum or a community-based non-profit or charitable organization;

2. Section 6 is amended as follows:

(a) Clause 6(a) is amended by capitalizing the letter “O” of “operating” at the beginning of the clause and the letter “G” of “grant” immediately following the word “operating”;

(b) Clause 6(b) is amended by capitalizing the letter “P” of “project” at the beginning of the clause and the letter “G” of “grant” immediately following the word “project”; and

(c) Clause 6(b) is further amended by striking out the word “or” after the word and punctuation “access,” and inserting the words and punctuation “, a specific type of event or commemorative project, or a capital project” after the word and “building”.

3. Clause 7(1) is amended by capitalizing the “g” in “grants”.

4. Section 8 is amended by inserting the words and punctuation “, excepting those organizations accepted into the program to date, for fiscal year 2021 and 2022 due to financial fluctuations resulting from the COVID-19 pandemic” following the word “costs” and before the “.” at the end of the section.

5. Section 9 is amended by capitalizing the “g” in “grants”.

6. Section 10 is amended as follows:

(a) Clause 10(1) is amended by capitalizing the “g” in “grants, striking out the words “at two levels” and inserting the words “in three sub-categories” after the word “available”;

(b) Subclause 10(1)(a) is amended by capitalizing the “r”, “p”, and “g” in “regular project grant” at the beginning of the clause, striking out the word and punctuation “;and” at the end of the clause, and inserting the words “to support one or more non-recurring initiatives that enhance educational programming, public access, organizational capacity building, an awareness and appreciation of museums and community heritage, the museum, its collection, programs or services, including small equipment purchases.” after the word “applicant”;

(c) Subclause 10(1)(b) is repealed and replaced with the following:



(b) Special Project Grant: a maximum award of up to \$20,000.00 per eligible applicant to support a non-recurring exceptional or unique opportunity with the potential to attract provincial or national attention, significantly increase the organization's revenue or profile, or the commemoration of a place, person or historical event related to the museum's location or theme.

A one-time Special Project Grant of up to \$10,000 may be considered towards hosting a quarterly anniversary event (25th, 50th, 75th, 100th etcetera) ineligible for consideration under the HRM Regional Special Events Grants Program.

(d) Subclause 10(1)(c) is inserted immediately after clause 10(1)(b) as follows:

c) Capital Grant: a one-time maximum award of up to \$25,000 per eligible applicant to support:

(i) the acquisition, maintenance, or capital improvements to fixed assets owned by the applicant including land, buildings, vehicles, and equipment;

(ii) the acquisition of an artifact of social, cultural or historical significance the value of which is verified by an independent appraisal;

(iii) the commission or purchase of an original work for the museum's permanent collection or site the value of which is verified by an independent appraisal; or

(iv) the design and construction of an exhibition or display. Preference may be given to permanent installations.

(e) Clause 10(2) is repealed and replaced with the following:

10(2) Organizations eligible for a grant pursuant to this Administrative Order but ineligible for an Operating Grant under section 8 are eligible to apply for a non-recurring Project Grant.

7. Section 11 is amended by striking out the words "both funding categories" and inserting the words "any combination of the Project Grant funding sub-categories in any given year" after the word and punctuation "from,".
8. Section 13 is amended as follows:
  - (a) Clause 13(a) is amended by inserting the words "excepting fiscal year 2021 and 2022 due to the constraints resulting from the COVID-19 pandemic" following the word "public";
  - (b) Clause 13 (a) is further amended by inserting the word "and" at the end of the clause;
  - (c) Clause 13(b) is amended by striking out the punctuation and word ";and" and inserting a period "." at the end of the clause; and
  - (d) Clause 13(c) is repealed.
9. Section 14 is amended by capitalizing the "o" and "g" in "operating grant".
10. Section 16 is amended by repealing clause 16(b).
11. Section 18 is amended as follows:
  - (a) Clause 18(b) is amended by deleting the period "." and inserting the punctuation and word ";or" at the end of the clause; and

- (b) by inserting clause 18(c) “18(c) by email to: nonprofitgrants@halifax.ca” immediately following clause 18(b).
12. Section 20 is amended by striking out the words “a grant” and inserting the words “a grant pursuant to this Administrative Order” following the word “for”.
13. Section 21 is amended by capitalizing the “o” and “g” in the word “operating grant” in both clauses 21(1) and 21(2)
14. Section 22 is amended as follows
- (a) Clause 22(1) is repealed and replaced with:
22. (1) An Operating Grant may be used for core recurring operating expenses as defined in clause 22(2) and expenses incurred in a recurring observance day event hosted by the museum or an unrelated community -based non-profit organization.
- (b) Clause 22(2) is repealed.
15. Section 23 is amended as follows:
- (a) Clause 23(1) is amended by striking out the words “Project grants may be used to pay for expenses associated with non-recurring initiatives, including:” and inserting the words “Regular Project Grants may be used to pay for a combination of expenses, not exceeding \$5,000 in total, associated with one or more non-recurring initiatives, including:”;
- (b) Subclause 23(1)(f) is amended by striking out the word “an” and inserting the words “a non-recurring” at the beginning of the subclause before the word “event”;
- (c) Subclause 23(1)(f) is further amended by inserting the words and punctuation “,including an online event,” following the word “event”;
- (d) Subclause 23(1)(f) is further amended by striking out the words “Municipality under the Regional” and inserting “HRM” before the word “Special”;
- (e) Clause 23(2) is amended by striking out the words “Expenses not included in this section may be considered on a case-by-case basis.” and inserting the words “ Special Project Grants may be used to pay for expenses incurred in hosting or the development of a non-recurring exceptional, unique, or commemorative project, excluding an expenditure eligible for consideration under subclause 10(1)(c) Capital Grant.
- (f) Clause 23(3) is inserted immediately following clause 23(2) as follows:
- (3) Capital Grants can be used to pay for project-specific non-recurring expenses not covered by an Operating Grant such as but not limited to:
- (a) acquire, maintain or improve fixed assets such as land, buildings, vehicles or equipment excluding the acquisition of municipal surplus real property or leasehold improvements; and
- (b) acquire or commission an original work of art or an artifact of historical or cultural significance for the museum’s permanent collection.
- (g) Clause 23(4) is inserted immediately following clause 23(3) as follows:

(4) Applications related to capital improvements to a municipally registered heritage property shall include Heritage Planner approval with the application.

(h) Clause 23(5) is inserted immediately following clause 23(4) as follows:

(5) Expenses not included in this section may be considered on a case-by-case basis.

16. Section 24 is amended as follows:

(a) Subclause 24(j) is repealed;

(b) Subclause 24(n) is amended by striking out the word “or” preceding the word “political” and inserting the words and punctuation “, or conference” preceding the semi-colon;

(c) Subclause 24(n) is further amended by striking out the word “or” following the semi-colon;

(d) Subclause 24(o) is amended by striking out the punctuation “.” and inserting the punctuation “;” at the end of the subclause;

(e) Subclauses 24(p) and 24(q) are inserted immediately following subclause 24(o):

(p) leasehold improvements; or

(q) costs, associated with the purchase of a surplus municipal property or a lease or license of municipal property.

17. Section 25 is repealed and replaced with the following:

25. The following criteria shall be used to evaluate applications for Council’s consideration:

(1) for an Operating Grant:

(a) the incremental impact of municipal funding;

(b) the extent of public access;

(c) the significance of the collection;

(d) the applicant’s demonstrated standards of practice, including completion of the Museum Evaluation Program or formal application to or acceptance into the program as applicable;

(e) confirmation of property ownership, lease or license agreement, or letter of agreement and the terms attached thereto;

(f) all municipal, provincial and federal government funding, including any indirect or in-kind assistance to museum operations;

(g) the proportional cost of museum operations as distinct from unrelated or ancillary programs and services;

(h) reliance on volunteer labour and self-directed fundraising or earned revenues;

(i) financial stewardship as demonstrated through the submission of itemized financial statements; and

(j) outstanding obligations of the applicant to the municipality, including overdue reporting as part of a grant program, tax or rent arrears, and any other amounts owed to the municipality

(2) for a Project Grant:

(a) the incremental impact of municipal funding; and

(b) the extent to which an enhancement to a facility or the delivery of an event, program or service facilitates public access to the museum and its amenities and its collection, improves the visitor experience, operating efficiencies, remediates or reduces a safety risk, or advances diversity and inclusion.

18. Section 33 is amended as follows:

(a) Clause 33(1) is amended by capitalizing the “o” and “g” in “operating grant”;

(b) Clause 33(1) is further amended by deleting the word and punctuation “/or following the word “and”;

(c) Clause 33(2) repealed and replaced with the following:

33(2) Failure to submit a report for an Operating Grant may result in a pro-rated reduction in the value of award in successive years.

(d) Clauses 33(3) and 33(4) are inserted immediately following clause 33(2) as follows:

33(3) The recipient of a Project Grant shall confirm completion of the project, or status, and proof of expenditures on the form provided by the Municipality by March 31<sup>st</sup>.

33(4) Organizations in default of the program’s reporting shall have 30 days to remediate after which eligibility for project funding may be suspended for the subsequent fiscal year.

19. Section 34 is repealed.

20. Section 35 is amended by inserting the words “all or some portion” after the word “repay”.

21. Section 36 is amended inserting the words “and the HRM Museum Strategy” at the end of the section prior to the period.

Done and passed in Council this     day of             , A.D. 2021.

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Mayor

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Municipal Clerk

**ADMINISTRATIVE ORDER NUMBER 2018-010-ADM  
RESPECTING INTERIM GRANTS TO COMMUNITY MUSEUMS**

**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 *Interim Community Museums Grants Program* Administrative Order.

**Interpretation**

2. In this Administrative Order,

(a) “applicant” means a community museum organization applying for funding under this Administrative Order;

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

(c) “core recurring operating expenses” means regular, ongoing fixed general and administrative operating expenses required to operate the museum and management of its collection(s) or a recurring observance day event hosted by the museum or a community-based non-profit or charitable organization;

(d) “fiscal year” means the year commencing on April 1 and ending on March 31;

(e) “registered non-profit organization” includes:

(i) society incorporated pursuant to the *Societies Act*, R.S.N.S 1989, c.435, as amended;

(ii) a not-for-profit corporation incorporated pursuant to the *Canada Not-for-Profit Corporations Act*, S.C 2009, c.23, or

(iii) a non-profit organization otherwise incorporated pursuant to an Act of the Nova Scotia Legislature;

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

(g) “museum” means a permanent facility, open to the public, that acquires, conserves, researches, communicates and exhibits the tangible and intangible heritage of humanity and its environment for the purpose of education, study and enjoyment;

(h) “a community museum” means a museum that reflects either the community where the museum is located, or a specialized theme; and

(i) “registered charitable organization” means a charity incorporated under the Income Tax Act, R.S.C., 1985, c. 1 (5th Supp.).

**Purpose and Objectives**

3. The purpose of this Administrative Order is to provide interim grants to eligible community museums located within the geographic boundary of the Halifax Regional Municipality to support core

museum operations and build organizational capacity in achieving and maintaining accepted standards of practice, pending the completion of the Municipality's Culture and Heritage Priorities Plan and the HRM Museum Strategy.

### **Grants Available**

4. There is hereby established a grant program to provide operational support to eligible community museums.
5. (1) Subject to annual budgetary approval, grants may be made available through this grant program for a term of three fiscal years: 2020-21, 2021-22 and 2022-23.
  - (2) Council may, by resolution, extend the term of the grant program for additional fiscal years.
6. There are two funding categories:
  - (a) Operating Grant: supports core recurring operating expenses directly related to the operation of a community museum in the Halifax Regional Municipality; and
  - (b) Project Grant: supports a non-recurring project that enhances educational programming, public access, organizational capacity building, a specific type of event or commemorative project, or a capital project.
7. (1) Operating Grants are available at three levels:
  - (a) Tier I: available to a community museum that participates in the provincial Museum Evaluation Program and has attained a score of 50/100 or higher, up to a maximum of \$25,000 per fiscal year;
  - (b) Tier II: available to a community museum that does not participate in the provincial Museum Evaluation Program or has received a score below 50/100 with yearly operating expenditures averaging more than \$10,000 over the three (3) years immediately preceding application to the program, up to a maximum of \$15,000 per fiscal year; and
  - (c) Tier III: a developmental award available to a community museum that does not participate in the provincial Museum Evaluation Program or has received a score below 50/100 with yearly operating expenditures averaging \$10,000 or less over the three (3) years immediately preceding application to the program, up to a maximum of \$5,000 per fiscal year.
8. Combined municipal, provincial and federal operating funding, including operating funding received from this program, shall not exceed 80% of total operating revenues for annual administrative and core museum program costs, excepting those organizations accepted into the program to date, for fiscal year 2021 and 2022 due to financial fluctuations resulting from the COVID-19 pandemic.
9. Operating Grants may provide up to a three (3) year funding commitment, or the balancing remaining in any stated term of the program, subject to annual budgetary approval by Regional Council.
10. (1) Project Grants are available in three sub-categories:
  - (a) Regular Project Grant: a maximum award of up to \$5,000,00 per fiscal year per eligible applicant to support one or more non-recurring initiatives that enhance educational programming, public access, organizational capacity building, an awareness and appreciation of museums and community heritage, the museum, its collection, programs or services, including small equipment purchases.

(b) Special Project Grant: a maximum award of up to \$20,000.00 per eligible applicant to support a non-recurring exceptional or unique opportunity with the potential to attract provincial or national attention, significantly increase the organization's revenue or profile, or the commemoration of a place, person or historical event related to the museum's location or theme.

A one-time special project grant of up to \$10,000 may be considered towards hosting a quarterly anniversary event (25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, 100<sup>th</sup> etcetera) ineligible for consideration under the HRM Regional Special Events Grants Program.

c) Capital Grant: a one-time maximum award of up to \$25,000 per eligible applicant to support:

- (i) the acquisition, maintenance, or capital improvements to fixed assets owned by the applicant including land, buildings, vehicles, equipment;
- (ii) the acquisition of an artefact of social, cultural or historical significance the value of which is verified by an independent appraisal;
- (iii) the commission or purchase of an original work for the museum's permanent collection or site the value of which is verified by an independent appraisal; or
- (iv) the design and construction of an exhibition or display. Preference may be given to permanent installations.

(2) Organizations eligible for a grant pursuant to the Administrative Order but ineligible for an Operating Grant under section 8 are eligible to apply for a non-recurring Project Grant.

11. Organizations may make application to, and receive funding from, any combination of the Project Grant funding sub-categories in any given year.

### **Eligibility**

12. To be eligible for consideration for a grant pursuant to this Administrative Order, the applicant:

(a) shall be a registered non-profit community, cultural, educational or recreational organization, or a registered charitable organization;

(b) shall be located within the geographic boundary of HRM;

(c) shall have been registered as a non-profit community, cultural, educational or recreational organization, or charity and operated a community museum for a minimum of three (3) consecutive years;

(d) shall be an operator of a community museum that meets the eligibility criteria set out in section 13;

(e) shall have legal title to the collection it houses in its museum on a permanent basis; and

(f) shall own, lease or license the property that the museum occupies, with a minimum of three (3) years remaining in any lease or license agreement as of the date of the application.

13. To be eligible as a community museum under this Administrative Order, the museum shall:

(a) be open to the public a minimum of three (3) months per year, and publicize its hours of operation to the general public, excepting fiscal year 2021 and 2022 due to constraints resulting from the COVID-19 pandemic; and

(b) maintain separate financial records covering museum operations, as distinct from any other activities of the applicant.

(c) Repealed

14. To be eligible for consideration for a Tier I Operating Grant, the applicant must have attained a minimum score of 50/100 from the Association of Nova Scotia Museums *Museum Evaluation Program* and provide proof thereof with their application.
15. Applicants who are currently party to a funding agreement with HRM are ineligible for funding under this Administrative Order.
16. For greater certainty, the following are ineligible for consideration for funding under this Administrative Order:
  - (a) federal, provincial, municipal, institutional, corporate and private museums;
  - (b) repealed;
  - (c) linguistic or heritage societies that do not own a collection;
  - (d) broad-based cultural or membership-based advocacy organizations;
  - (e) stand-alone archives;
  - (f) libraries;
  - (g) art galleries; or
  - (h) interpretive centres that do not meet the criteria of a museum in terms of the depth or significance of the collection, exhibit development, engagement in research and related educational programming.

### **Application Requirements**

17. There is one intake period per fiscal year. The intake period and application deadline will be established by staff and advertised on the application form and associated materials and the HRM website.
18. All applications must be received by mail or drop-off to:
  - (a) by mail: Interim Community Museums Grant Program  
Finance & Asset Management, Halifax Regional Municipality  
PO Box 1749, Halifax, Nova Scotia  
B3J 3A5
  - (b) by courier or in-person drop-off to any HRM Customer Service Centre as listed on the official application form, Attention: Community Museums Grant Program, Halifax Regional Municipality; or



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

19. Late or incomplete applications will not be reviewed or considered.
20. For an initial application for a grant pursuant to this Administrative Order an applicant must provide:
  - (a) a complete application form signed by two members of the Board of Directors;
  - (b) itemized financial statement for the previous three (3) years of operation with expenditures directly associated with museum operations clearly separated from any other function of the applicant;
  - (c) proof of non-profit or charitable status in good standing as of the date of application;
  - (d) articles of incorporation, including mission statement;
  - (e) a statement identifying any other municipal, provincial or federal government funding including indirect or in-kind assistance with documentation to support the monetary value of assistance or a clear description of same;
  - (f) proof of ownership of the property, or a copy of lease or license agreement as applicable;
  - (g) a signed statement attesting to the ownership of the collection; and
  - (h) documentation to verify participation in and score under the *Museum Evaluation Program* as applicable.
21. (1) A community museum that is receiving an Operating Grant may make a subsequent application to change the level of Operating Grant received, based on a change in status.
  - (2) For an application for a change in the level of Operating Grant, an applicant must provide with its annual report pursuant to section 34, one of the following:
    - (a) to transition from Tier II to Tier I, proof of participation in the Nova Scotia Museum *Museums Evaluation Program*, including the date and score; or
    - (b) to transition from Tier III to Tier II, itemized financial statement demonstrating that the applicant has generated revenues in excess of \$10,000 in each of the preceding three (3) years.

#### **Eligible and Ineligible Expenses**

22. (1) An operating grant may be used for core recurring operating expenses as defined in subclause 2 and expenses incurred in a recurring observance day event hosted by the museum or an unrelated community-based non-profit organization.
- (2) Repealed
- (3) Expenses associated with on-site retail operations may be considered if:
  - (a) they are integral to the visitor experience;
  - (b) the product is linked to the museum's interpretive theme(s); and
  - (c) the revenues generated are directed to support museum operations.

23. (1) Regular Project Grants may be used to pay for a combination of expenses, not exceeding \$5,000 in total, associated with one or more non-recurring initiative, including:
- (a) exhibit hosting or development;
  - (b) staff or volunteer training in museum practice;
  - (c) community-based research or self-publishing;
  - (d) independent professional services for any of the following: design and/or fabrication fees, legal fees, strategic planning, building condition and lifecycle planning, building conservation report, energy, safety or accessibility audit, environmental assessment, program evaluation, or an appraisal of an artefact or building for insurance or conservation purposes;
  - (e) defined programs or services; and
  - (f) a non-recurring event, including an online event, organized by the applicant that reflects the museum's focus on the community in which it is located or the museum's specialized theme for which application has not been made to the HRM Special Events Grants Program.
- (2) Special project grants may be used to pay for expenses incurred in hosting or the development of a non-recurring exceptional, unique, or commemorative project, excluding an expenditure eligible for consideration under subclause 10(1)(c) capital grant.
- (3) Capital Grants can be used to pay for non-recurring expenses not covered by an operating grant such as but not limited to:
- (a) acquire, maintain or improve fixed assets such as land, buildings, vehicles or equipment, excluding the acquisition of municipal surplus real property or leasehold improvements;
  - (b) acquire or commission an original work of art or an artefact of historical or cultural significance for the museum's permanent collection.
- (4) Applications related to capital improvements to a municipally registered heritage property shall include Heritage Planner approval with the application.
- (5) Expenses not included in this section may be considered on a case-by-case basis.
24. Grants shall not be used for the following purposes:
- (a) expenditures unrelated to the operation of a community museum, its programs or services;
  - (b) remuneration to a member or officer of the applicant's Board of Directors;
  - (c) salaries and wages, benefits, mandatory contributions or employment-related benefits to full and part-time employees, except as outlined in section 22(1)(b)(v);
  - (d) consulting fees to a member of staff or member of the Board of Directors;
  - (e) debt retirement other than a mortgage;
  - (f) investments or savings;

- (g) awards or prizes, banquets, dinners, receptions, souvenirs, personal gifts, or donations;
- (h) scholarships or bursaries;
- (i) the purchase of goods for resale;
- (j) repealed
- (k) fundraising and fundraising events;
- (l) lease, insurance, registration, inspection, repairs or maintenance of a private vehicle;
- (m) retroactive expenditures or pre-payment of expenditures for goods and services to be utilized in the following fiscal year;
- (n) private events, marketing, trade or consumer events, seminars, clinics, symposium, an awards event, a sporting event, political event, or conference;
- (o) events that occur prior to April 1<sup>st</sup> of the respective fiscal year;
- (p) leasehold improvements; or
- (q) costs associated with the purchase of a surplus municipal property or a lease or license of municipal property.

### **Application Evaluation**

25. The following criteria shall be used to evaluate applications for Council's consideration:

(1) for an Operating Grant:

- (a) the incremental impact of municipal funding;
- (b) the extent of public access;
- (c) the significance of the collection;
- (d) the applicant's demonstrated standards of practice, including completion of the *Museum Evaluation Program* or formal application to or acceptance into the program as applicable;
- (e) confirmation of property ownership, lease or license agreement, or letter of agreement and the terms attached thereto;
- (f) all municipal, provincial and federal government funding, including any indirect or in-kind assistance to museum operations;
- (g) the proportional cost of museum operations as distinct from unrelated or ancillary programs and services;
- (h) reliance on volunteer labour and self-directed fundraising or earned revenues;
- (i) financial stewardship as demonstrated through the submission of itemized financial statements; and
- (j) outstanding obligations of the applicant to the municipality, including overdue reporting as part of a grant program, tax or rent arrears, and any other amounts owed to the municipality.

(2) for a regular, special project or capital Project Grant:

(a) the incremental impact of municipal funding; and

(b) the extent to which an enhancement to a facility or the delivery of an event, program or service facilitates public access to the museum and its amenities and/or its collection, improves the visitor experience, operating efficiencies, remediates or reduces a safety risk, or advances diversity and inclusion.

### **Application Review Process**

26. Applications shall be reviewed by staff and a recommendation report submitted to the HRM Grants Committee, for recommendation to Regional Council.
27. Applicants will be notified promptly if their application is ineligible.
28. Final approval of all applications for a grant, and the amount thereof, is a decision of Council at its sole discretion.
29. Approval of grants is conditional upon Council's approval of the annual program budget.
30. Owing to limited funds, not all eligible applicants may receive funding.
31. Notification of the decision of Council will be communicated to applicants.

### **Conditions of Approval and Payment of Grants**

32. Grant monies will be dispersed in full upon approval of the application.
33. (1) The recipient of a multi-year Operating Grant shall provide an annual report to the municipality that includes the prior year's financial statement and a brief summary of expenses and activities supported by the municipality's grant, including a description of the impact of the municipality's grant on the museum and the collection, within 30 days of the date stated in the award notification letter.  
  
(2) Failure to submit a report for an Operating Grant may result in a pro-rated reduction in the value of award in successive years.  
  
(3) The recipient of a Project Grant shall confirm completion of the project, or status, and proof of expenditures on the form provided by the municipality by March 31<sup>st</sup>.  
  
(4) Organizations in default of the program's reporting shall have 30 days to remediate after which eligibility for project funding may be suspended for the subsequent fiscal year.
34. Repealed
35. In the event that the operations of the applicant cease or are diminished, or should a project, in part or in whole, not be completed as described in the application, applicants must notify the municipality and may be required to repay all or some portion of the grant.

### **Review**

35. Prior to the expiration of the term of this grant program, the Director of Finance may provide a report and recommendations to Regional Council to consider repeal, continuation, or amendment in

accordance with the municipality's proposed Culture and Heritage Priorities Plan and the HRM Museum Strategy.

**General**

36. 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*.

Done and passed in Council this     day of             , A.D. 2021.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk

I, \_\_\_\_\_, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of the Halifax Regional Council held on June 5<sup>th</sup>, 2018.

\_\_\_\_\_  
Municipal Clerk

Notice of Motion:  
Approval:

May 22, 2018  
June 5, 2018

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Amendment #1  
Notice of Motion:  
Approval:

July 21, 2020  
August 18, 2020

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Amendment #2  
Notice of Motion:  
Approval:

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