

Report from Financial Management Services, Director

Date of Report: May 12, 2017

Date of Meeting: May 31, 2017

Report Number: FMS-B025-2017

File: 10.57.99

Subject: Ethnocultural Transitional Grant Program Update

Recommendation

That the Budget Standing Committee receive this report for information purposes.

Summary

As permitted by subsection 361(4) of the Municipal Act, a municipality may provide a tax rebate program for organizations that are similar to eligible charities or a class of such organizations as defined by the municipality. City Council has approved a transitional grant program for registered charitable ethnocultural organizations until such time as the Region has had an opportunity to consider the request to change the tax policy for the purpose of providing a tax rebate for these organizations.

Background

At the Council meeting of February 27, 2017, the Budget Standing Committee (BSC) recommended that a transitional grant program for 50% of the City's portion of property taxes for ethnocultural centers registered as charitable organizations and owning real property in the City of St. Catharines be approved and follow the St. Catharines Cultural Investment Program (SCCIP) program rules, and that \$40,000 be provided for this initiative from the Civic Project Fund (CPF) in 2017.

Report

Staff was directed to establish a transitional grant program for ethnocultural organizations which would follow the SSCIP program rules. Together staff have worked on the Transitional Grant Program to include the eligibility requirements, the application process, grant amount, definitions and a draft application. As the majority of all other tax rebate/refund programs are due on February 28th for the preceding year, it was determined that same timeline for this program would be most logical for both property owners and staff.

We have included in this report a draft of the Transitional Grant Program Application for ethnocultural organizations including definitions and explanations in Appendix 1. A draft application has been attached as Appendix 2 for your consideration.

Financial Implications

Annually, a grant equal to 50% of what the City receives in property taxes from ethno-cultural organizations that own property in the city of St. Catharines would be approximately \$40,000. As applications are required for the grant program, the \$40,000 estimate is based on the assumption that all the qualifying ethno-cultural organizations apply for the grant.

Relationship to Strategic Plan

This program enhances the Social Sustainability pillar goal to connect people, places and neighbourhoods with the action to work together with local organizations and other levels of government to support the settlement and integration of newcomers, celebrate our diversity and create a welcoming and inclusive community with the grant to eligible organizations for the city's portion of taxes.

This grant programs also endorses the Cultural Sustainability pillar goal to support cultural festivals and events that build civic pride, encourage local engagement and attract people in the community with the allocation of funding and encouraging strategies that will help to increase funding opportunities through community-led initiatives, such as crowd funding. This grant program for eligible charitable organizations demonstrates the City's funding creativity and leadership towards new initiatives.

Prepared by:

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Approved by:

Shelley Chemnitz, Commissioner, Corporate Services

Eligibility:

An organization is qualified to receive a grant if it:

- is based and active in St Catharines;
- is a charity in good standing within the meaning of the Income Tax Act (Canada) with a registration number issued by the Canada Revenue Agency (CRA);
- owns and operates the subject property for the purpose of an ethnocultural centre;
- demonstrates sound financial and organizational management practices;
- has a mandate to promote public understanding and awareness of ethnocultural traditions, legacies, language, arts and trade;
- provides programming or services that are open to the public and publicized city wide;
- is up to date with payment of all property taxes.

Definitions

Eligible Property: Real property owned and operated by an eligible organization for the purposes of providing an ethnocultural centre.

Ethnocultural Centre: A facility that houses activities and programming for the purpose of promoting and sharing specific cultural legacies, facilitating communication and understanding of a distinct culture, language, arts and trade through open access and community-wide publicity.

Application and Approval Process:

- Eligible Organizations must apply on an annual basis.
- All applicants are required to provide completed applications.
- Applications will be accepted between January 1 of the tax year and February 28th of the following year for rebates of the current year.
- Applications must be received in our office **no later than 4:30 pm on the last business day of February.**

City staff will confirm eligibility and inform the applicant of their approval for a Tax Grant by mail within 30 business days.

Receipt of Tax Grant for Approved Organizations:

Provided that the eligible organization meets the qualifications of the program, an annual grant of 50% of the City's portion of property taxes in respect of that year shall be provided. Rebates will be payable or credited to the property tax account after February 28th of the following year.

Organization Name			
Organization Address			
City	Province	Postal Code	
Contact Name		Position	
Phone Number		Fax Number	
Email		Website	
Roll Number		Charitable Registration #	

Certification (to be signed by an authorized signing officer of the charitable organization)	
I/We certify that the above information is correct	
Name(Please print clearly)	Title
Signature	Date
Ethnocultural Organization	
Full Name	Title
Daytime Telephone number	Email address

Attach the following information to this application form:

- Most recent Audited Financial Statements signed and approved by your Board of Directors
- Minutes from your most recent Annual General Meeting
- A copy of your letters patent or other incorporation documents
- A list of your board of directors – include name, title and length of service

Eligible organizations must apply for the transitional grant on an annual basis. Applications will be accepted between January 1, 2017 and February 28, 2018 for grants related to 2017 taxes.

**Applications must be received in our office
no later than 4:30pm on Wednesday February 28, 2018.**

Return the completed application to the City of St. Catharines
50 Church Street, P.O. Box 3012, St. Catharines ON L2R 7C2 or by Fax to 905.688.4077

For further information call 905.688.5601 ext. 1434 or email taxes@stcatharines.ca