



Report to: General Committee

Date Report Authored: May 15, 2015

SUBJECT: The City of Markham's Celebrate Markham Grant Program Review
PREPARED BY: Mavis Urquhart, Manager, Policy, Planning & Project Delivery
Moe Hosseini-Ara, Director, Culture

RECOMMENDATIONS:

- 1) THAT this report, *The City of Markham's Celebrate Markham Grant Program Review*, be received;
- 2) THAT a meeting be held with various stakeholder groups including: existing community groups receiving funds through Celebrate Markham; members from the business community; and potential future applicants to communicate recommended changes to the Celebrate Markham Program which will ensure a transparent and equitable process for awarding the limited funds to qualified community groups;
- 3) THAT Council adopt the Vision for the Celebrate Markham Program - *Celebrate Markham is a transparent, inclusive and sustainable grant program that reflects Council's vision for Markham as a City that enhances art & culture, active living, community engagement and social cohesion through the support of events and programs that bring the community together, attracts visitors and increases tourism*;
- 4) THAT \$84,000 in funding for City-operated events and programs (Canada Day; Doors Open; RBC Children's Festival, Markham Santa Claus Parade, Senior's Hall of Fame), be allocated from Celebrate Markham to the Corporate Communications & Community Engagement Department on an annual basis for disbursement to these programs;
- 5) That Council adopt in principle the general criteria for Celebrate Markham eligibility (Part A) and the detailed criteria for the 3 individual funding streams (Part B), as outlined on Attachments 3 and 4;
- 6) THAT \$231,000 in funding, be divided into 3 funding categories: Cultural Events & Programs (\$65,000); Major Community Festivals & Sports Events (\$130,000); Seniors' Programs (\$36,000); and \$30,000 remain for future allocation.
- 7) THAT decisions regarding funding for the Markham Arts Council (MAC) be brought forward as part of a separate report to Council following MAC's presentation to Council on their strategic plan.
- 8) THAT the Culture Department lead and administer the Celebrate Markham Program by establishing a Staff Grant Review Committee, consisting of Staff from various Departments including: Recreation; Finance; Corporate Communications & Community Engagement, Human Resources, Economic

Development and Culture to review and make recommendations on funding applications on an annual basis; and

- 9) THAT the Staff Grant Review Committee provide an *Annual Funding Review* report, including recommendations on the Celebrate Markham Funding envelope for the following year along with allocations to the 3 funding streams to Budget Committee; and
- 10) THAT all future funding requests from community and cultural groups be directed to the Celebrate Markham Program to be reviewed and decided upon through the Celebrate Markham process, as approved by Council; and
- 11) THAT mandatory reporting of outcomes and financials be incorporated as a part of the application criteria requirements to ensure that groups receiving funding achieve their outcomes and that the granted funds are used appropriately; and
- 12) THAT depending on the level of funding received, recipients be required to provide financial reporting, either a review engagement report, or profit loss statements (audited), as set out in the funding criteria; and
- 13) THAT the funding envelope be based upon a \$1.00 per capita formula reviewed and updated every 4 years in accordance with Region of York population statistics; and
- 14) THAT funding the 2016 Celebrate Markham Program budget be set at \$345,000 based on the \$1.00 per capita formula as follows:

1. Cultural Events and Programs -	\$ 65,000
2. Major Community Festivals & Sports Events -	\$130,000
3. Seniors' Programs -	\$ 36,000
4. City Operated Events -	\$ 84,000
5. Hold for Council decision -	\$ 30,000
- 15) THAT following the stakeholder meeting staff will report back with feedback from the community; and
- 16) THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To report on the status of the Celebrate Markham Grant Program Review (research, analysis, consultation) and seek Council approval with respect to key directions and criteria, as well as to undertake stakeholder consultation on recommendations contained in the report, as input into development of an improved program.

EXECUTIVE SUMMARY:

City of Markham has various funding programs in place to help achieve its environmental, social and cultural goals. This is achieved by funding programs and

events run by community groups and organizations which support the communities they serve. These partnerships with community-based organizations contribute significantly to community participation, civic engagement and attracting visitors and tourists to Markham. In addition to the Celebrate Markham Program other grant funding programs include the Markham Environmental & Sustainability Fund, Trees for Tomorrow Fund, Markham Designated Heritage Property Grant Program, Don Watershed Regeneration Fund, Markham Commercial Façade Improvement Grant and the Unionville Home Society Grant.

In early 2015, Markham Council directed a policy review of the Celebrate Markham funding program be undertaken with the intent to make the program more rigorous, sustainable, and position Markham to benefit from a greater number and wider range of events and programs as the City grows.

A consultant, (StrategyCorp), was retained by Community and Corporate Services to assist with this work. StrategyCorp has completed their Phase 1 review of the Program and prepared recommendations based on consultations with staff and Council and a review of grant programs in other municipalities. These recommendations include changes or improvements to: program administration; eligibility criteria, accountability, program budget and funding envelope. This Staff report assesses these recommendations and proposes a Vision, guiding principles, key recommendations on program structure, program criteria & eligibility, application process and the funding envelope to guide improvements to the Celebrate Markham grant program. The consultant's recommendations and Staff's comments on those recommendations are reviewed, in detail, in Attachment 2.

A key conclusion of the consultant's work is that to fundamentally improve the Celebrate Markham Grant Program going forward, Council's role should be to confirm the Program's goals and objectives, establish the overall funding envelope and direct funding requests to the Celebrate Markham Program. With an improved program and regular reporting in place, Staff's main role would be to ensure effective and efficient administration of the Fund according to the established process and criteria. Staff is proposing a policy-based approach, premised upon the consultant's input. Success of the Program depends upon adhering to the revised process. As a result, it is a recommendation of this report that all future funding requests from community and cultural groups be directed to the Annual Celebrate Markham Program to be reviewed and evaluated through the revised Celebrate Markham application process.

The next step in the review is to seek stakeholder input on the proposed program. This will be scheduled for some time in August or September. Following that, a staff team including staff from Culture, Recreation, Legal, Finance, Corporate Communications & Community Engagement will be formed to fully develop the final application and review process along with tools for Program implementation, including the administrative process, application review process, funding criteria, application form, monitoring and transition plan.

Staff will report back to General Committee with feedback from the stakeholder community in September/October 2015. Implementation of the new program is planned for 2016.

BACKGROUND:

“Celebrate Markham” is a City grant program developed in 2001 and used to fund various community events, festivals, and celebrations. On January 9, 2015, General Committee received a presentation entitled, “Celebrate Markham Grants Program Review”, from the Commissioner of Community & Fire Services, identifying the need for a review based upon:

- Increased demand from community organizations for limited funds
- Changing demographics and urbanization
- Ensuring the sustainability of the Program over the long-term

Areas for Program Improvement and Key Outcomes were also identified as part of the Celebrate Markham Program review, as follows:

i) Areas for Program Improvement:

- Reduce dependency of community groups on annual Celebrate Markham grants as an ongoing funding source;
- Increase opportunities for new groups to access the funding;
- Improve program transparency and program structure with clearer goals, eligibility criteria and deadlines;
- Establish a basis/formula for setting the annual funding envelope;
- Improve oversight and monitoring of the Program;
- Improve communications and promotion of the Program; and,
- Ensure programs are meeting expectations through regular review.

ii) Key Outcomes:

- Council approves a renewed Grant Program to achieve their shared Vision that supports the needs of a growing City over the long term in a sustainable way;
- The program supports the following areas: Culture, Events/Tourism, Community Development, Inclusion, Sports and Seniors and Youth; and,
- New process and systems be incorporated to support the program: including eligibility criteria, accountability, program administration and program budget.

At the January 9th 2015 meeting General Committee also approved a phased process for conducting the review and authorized a Council workshop to be held to establish the vision, principles, outcomes and funding envelope for the program. The phased process entails:

Phase 1: Assessment and Priority Setting

Phase 2: Program Review

Phase 3: Program Implementation

A consultant, StrategyCorp, was retained to assist Staff with the first phase of the process, including developing a workshop for priority setting with Council. That work was completed in April and included the following:

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- i) Conducting individual stakeholder interviews with Council and key Staff about the history of the Program and what changes could make it more efficient and effective;
 - ii) Undertaking best practices review of five municipalities; and,
 - iii) Leading an open Council workshop on March 9, 2015, for Council to confirm their shared vision for the program and consider recommendations put forward in the consultant's report.

The final consultant's report - its findings and recommendations for change to improve oversight and effectiveness of the Program form the basis of this staff report. A detailed review of the consultant's recommendations is included in Attachment 2 of this report.

OPTIONS/ DISCUSSION:

Assessment and Priority Setting

Through research, StrategyCorp identified five interconnected fundamental program elements linked to successful and sustainable community grants programs, these are: *Governance, Eligibility, Application Process, Reporting and Program Budget*. Together, these formed the framework for discussion at the Council workshop held in April and are reviewed in this report.

Based on this, the consultant prepared recommendations for fundamental program improvements, as well as additional proposed changes for future consideration. Their work has guided Staff in developing the overall proposed Vision and Principles for the program.

Celebrate Markham Program Vision and Principles

Festivals, community events and activities play an important role in the life of the community and to Markham as a growing City - facilitating participation, encouraging tourism and promoting inclusion. The consultation process conducted by the consultant found general consensus that a program, such as Celebrate Markham, supports community building and community engagement. Celebrate Markham should be guided by a clear vision, consistent with the City's long-term goals and strategies including those outlined in Building Markham's Future Together, the Integrated Leisure Master Plan, Culture Plan, Diversity Action Plan and Public Realm Strategy. The following Vision is proposed to guide the Program:

Vision for Celebrate Markham

Celebrate Markham is a transparent, inclusive and sustainable grant program that reflects Council's vision for Markham as a City that enhances art & culture, active living, community engagement and social cohesion through the support of events and programs that bring the community together, attracts visitors and increases tourism

Proposed Guiding Principles

The following are key underlying principles that would be considered by the review committee when evaluating requests:

- The event, festival, or activity provides cultural, recreational, community building and/or tourism benefits to the residents and businesses of the City of Markham;
- The event, festival, or activity promotes inclusivity, cross cultural collaboration, and aligns with the Everyone Welcome Diversity Action Plan;
- The event, festival, or activity supports the goals/outcomes of the City's, Strategic Plan – Building Markham's Future Together, the Culture Plan, Integrated Leisure Master Plan and the Public Realm Strategy;
- The event, festival, or activity increases participation of a diversity of groups and organizations in Markham events.

Recommended Improvements

This section provides an overview of recommended improvements based upon consultant's findings in the following key improvement areas: program structure, program criteria & eligibility, program administration, and funding envelope.

The approach taken to improving this program is intended to be evolutionary – emphasizing more rigour, transparency and consistency in the review process. At the same time it was deemed important to balance the needs of applicants and the needs of the public for transparent and effective use of funds.

To ensure success in making long term, sustainable improvements to the program, future funding requests from community and cultural groups must be directed to the revised Celebrate Markham program to be reviewed and evaluated annually through the determined criteria and process.

i) Program Structure

The first key recommendation of this report is that the annual funding for City-operated events and programs be allocated from Celebrate Markham to be administered Corporate Communications & Community Engagement Department. These are City-operated events and therefore do not require an application or evaluation process. This would include: Canada Day, Doors Open, RBC Children's Festival, Markham Santa Claus Parade and Seniors' Hall of Fame.

Markham Arts Council (MAC) Funding

As requested by Council, MAC has undergone a strategic planning process to assist them to develop a clear mandate, goals and objectives and a sustainable financial plan. MAC will be presenting their strategic plan along with their next steps to achieve a sustainable state at the June 22nd General Committee meeting. Once Council has had an opportunity to review MAC's strategic plan and are satisfied with MAC's state of affairs, staff will report back with a recommendation for the funding allocation for MAC as a part of a separate report.

Should Council decide to fund MAC, staff recommend that the funding be allocated as a component of the Celebrate Markham Program and be managed using specific eligibility criteria, accountability checks and financial reporting for MAC.

Beyond funding for City-operated events, the funding for the remainder of the Celebrate Markham Program would be divided up into 3 funding streams:

- Cultural Events & Programs
- Major Community Festivals & Sports Events
- Seniors' Programs

The benefits of this approach is that in addition to having to meet Celebrate Markham Program criteria, each of these categories listed above would have its own goals and program-specific criteria, which would be used to review and evaluate applications. This will allow more equitable and consistent criteria to be applied to “like” applications and clearly define the intent of each funding stream.

The goals of the 3 proposed funding streams are described below:

1. Cultural Events & Programs

The goal of this funding stream would be to support initiatives that enable Markham residents to participate in activities, events that promote engagement through the arts, heritage and culture. Eligible events would include cultural celebrations, community theatre productions, music, choir or band concerts, exhibits, readings or spoken word events, folk arts and craft guild activities and art exhibitions.

2. Major Community Festivals & Sport Events

a) Major Community Festivals

The goals of this funding stream would be to provide grants for major, community-based festivals and sports events that contribute to the vitality of local economies and:

- Have a significant City-wide profile;
- Are capable of attracting visitors from beyond the City of Markham;
- Generate economic and tourism impacts in the City of Markham;
- Encourage residents to participate in their community, connect with each other and celebrate the distinct, diverse and dynamic character of the City of Markham;
- Contribute to the vitality of local economies;
- Raise the profile of the City of Markham as a “destination”.

b) Markham Sports Grant Program Guidelines

This grant would provide funding opportunities for sport groups to host national, international and regional sport events that will raise Markham’s identity as a sport destination and bring recognition as an active city. The Sports Grant would align with the Sport Tourism Strategy that the City of Markham is developing. The goals are:

- Strengthen sport, economic, and community impacts in alignment with the City of Markham Sport Tourism Strategy;
- Generate economic and tourism impacts in the City of Markham;
- Help communities, organizations, and volunteers enhance their event hosting capacity to attract larger, more prestigious events;
- Build Markham’s international profile and reputation as an exceptional major event host; and,

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- Support the high performance development pathway for Markham's athletes based on the Canadian sport for Life (CS4L) framework.

3. Seniors' Programs

The final component would comprise the Seniors Grant with the goal of this funding stream to provide annual funding support to seniors' clubs that deliver social, cultural, physical, recreational and educational activities to senior residents in the City of Markham. These activities reduce isolation and promote social interaction; promote physical and mental well-being; support the participation of seniors in their communities and recognize their contributions and strengthen friendships and community connections.

ii) Program Criteria & Eligibility

Strengthening of the program criteria is another key improvement. It is the recommendation of this report that criteria and eligibility requirements be finalized consisting of two parts – general program eligibility criteria (Part 1) and detailed criteria by individual funding stream (Part 2). This will ensure that all applications comply with general program criteria as well as more specific criteria aligned with the expected outcomes of each of the individual funding streams. Draft criteria are included as Attachment 3 and 4 to this staff report.

An evaluation process will also be developed as a part of the application review which will evaluate applicants based on their responses to questions pertaining to expected outcomes. The process will be similar to how the City evaluates RFPs with predetermined scoring criteria.

A standard reporting format will also be created to ensure more rigorous review of grant recipient's outcomes. New grant applications would not be accepted until reports for previously approved grants are submitted and reviewed. Built into the application process would be reporting of outcomes upon completion of the event/program receiving funding. Staff suggests that the review and financial tracking processes not be so onerous that they discourage smaller applicants. The consultant had recommended that financial audits be requested from applicants receiving funds in excess of \$20,000, however the parameters for the revised Celebrate Markham Program suggests caps for the various streams with the maximum caps set at \$10,000.

As such, staff suggests tiered financial review for funding levels as follows:

- Grants up to \$5,999.00 – Profit/loss statement submitted following the completion of the event or program,
- Grants between \$6000.00 - \$10,000.00 - Review Engagement Report

iii) Program Administration

Staff concurs with the recommendation of the consultant's report that the Culture Department should lead and administer the Celebrate Markham Program to ensure coordination and consistency of the process. Culture's role would be to administer the overall program through a Staff Grant Review Committee.

An interdepartmental Staff Grant Review Committee consisting of staff members representing Culture, Recreation, Finance and Corporate Communications & Community Engagement, Human Resources and Economic Development would be set up to review applications and make recommendations on grant funding to Council on an annual basis. Staff does not recommend establishing a Grant Review Sub-Committee consisting of Council members as recommended by the consultant, as it would add another layer to the approval process. The existing process of reporting to Budget Committee for the annual funding envelope is acceptable within the revised program while achieving the required outcome for Council approvals. As a part of the revised process it is recommended that applications be reviewed once a year by the Staff Grant Review Committee based upon the set criteria and a staff report with recommendations on each of the funding applications be presented to Council.

As part of the Budget process the Staff Grant Review Committee would also prepare an *Annual Funding Review* report, including recommendations on the overall funding envelope for the following year; and allocations to: Markham Arts Council, the 3 funding streams; and City operated events. This report would also include an overview of the program's accomplishments as well as benefits and analysis of community needs, interface with other City economic development and cultural initiatives and community trends and potential future needs.

The presentation attached to this review outlines the proposed application review processes, budgeting processes and approximate timelines.

iv) Funding Envelope

There are three potential options for setting the funding envelope for the Celebrate Markham Program. They are:

1. Set budget based on a per capita formula at \$1 per capita = \$345,000
2. Maintain budget at 2015 funding levels = \$370,000
3. Reduce budget from 2015 funding level to 2014 funding = \$250,000

The \$250,000 funding envelope will not provide additional funding for new groups to benefit and grow this Program. If new groups were to be approved in this instance, they would have the impact of reducing grant levels for existing groups given that the funding envelope would have to be shared over a larger number of applicants/recipients.

While the \$370,000 funding has potential for including new groups that amount has no basis, other than it is the amount of funding approved under the Celebrate Markham program in 2015. This was done without the benefit of an application review for some significant funding requests by two organizations. Based on a Council resolution in 2014, Council agreed to provide quarterly funding to two groups, Kindred Spirits Orchestra (KSO) and Markham Arts Council. Staff does not recommend continuing this funding level to these two groups.

Staff recommends Option 1 at \$345,000 which is a policy-based approach tied to population growth. Using a policy-based approach to determining the budget based on a funding formula of \$1 per capita would address the following issues:

- Increasing demands from existing applicants - by ensuring a base level of funding is available to those groups;
- Inability to fund new groups or programs under existing funding levels;
- Need for a sustainable funding that reflects increasing demand as the City grows, by basing funding on population
- Eliminates having to consider reducing grants to existing applicants to ensure additional funding for growth of the Program.

This was also the option recommended by the consultant. It is proposed that the budget be adjusted every 4 years based on \$1 per capita based on population statistics as provided by the Region of York. It should also be noted that new funds as a result of budget increases are to be used to grow the program by providing additional funding opportunities to new groups and initiatives rather than increasing funds to existing groups. Similarly, the changes noted in this report are to serve those not being funded today versus increasing funding to existing groups.

The following series of charts explain the proposed allocations of the \$345,000 Funding envelope and its distribution to City operated events, Markham Arts Council and the 3 funding streams. It also shows the proposed maximum funding available per applicant for each stream. The last chart provides a comparison of the number of events and the amount of funding available under the current program and proposed Program.

Assuming \$345,000 for Celebrate Markham Fund:

City-operated events	\$84,000	Canada Day, Doors Open, RBC Children's Festival, Markham Santa Claus Parade, Seniors Hall of Fame
Held for future allocation by Council	\$30,000	Contingent on future Council decisions
Total	\$114,000	

Funding for 3 proposed streams = \$231,000 (\$345,000 minus \$114,000)

Proposed 2016+ Funding for Celebrate Markham Applicants		
Cultural Events & Programs	\$65,000	Maximum \$5,000 per applicant
Major Community Festivals & Sports Events	\$130,000	Maximum \$10,000 per applicant
Seniors' Programs	\$36,000	Maximum \$3,000 per applicant
Total	\$231,000	

The maximum cap does not mean that all applicants will receive that amount; rather, applications will be evaluated based on set criteria to determine the funding level for each applicant based on the quality of their program/initiative. Should there not be sufficient qualified applicants for the funds within any given category, funds could be reallocated to other categories. On the other hand, should the number of qualified applicants exceed the

amount in a given category, the funds could be distributed across the applicants on a pro rata basis.

Comparison of 2015 vs 2016 Celebrate Markham Funding and Recipients

Celebrate Markham Program Changes 2015 vs. 2016				
	2015		2016	
	# of Events	Total	# of Events	Total
Cultural Events & Programs	7	\$26,300	13 +	\$65,000
Major Community Festivals & Sports Events	9	\$85,100	13 +	\$130,000
Seniors' Programs	9	\$30,575	12 +	\$36,000
City-operated Events	5	\$84,025	5	\$84,000
Markham Arts Council	1	\$79,000	Pending Council decision	TBD
*Kindred Spirits Orchestra	1	\$60,000	Must submit application for funding under the revised 2016 Celebrate Markham Grant Program	TBD
Future Council Allocation	N/A	N/A	N/A	\$30,000
GlobalFest (Pan Am Festival)	1	\$5,000	N/A	\$0
Total	33	\$370,000	43 +	\$345,000

*Staff does not recommend continuing to provide operating funding to KSO. It is recommended that KSO submit a funding application for their season under the revised Celebrate Markham Program in 2016. KSO has a potential to elevate the City's profile through its programming and touring and as such could be considered for funding under the Major Community Festivals & Sports Events stream.

Conclusions

This new Program will ensure more consistent and comprehensive review of applications and alignment with the City's goals and objectives, including the ability to show clear community impact and response to community needs. Additionally, the criteria will ensure that events and programs are inclusive, create a sense of community and encourage visits and tourism. By using the policy-based funding formula suggested in this staff report there would be a sustainable funding source, while allowing new groups to participate in the Program. As set out in the original objectives of the review, this program best achieves the outcomes and areas of improvement to:

- Reduce dependency of community groups on annual Celebrate Markham grants as an ongoing funding source;
- Increase opportunities for new groups to access the funding;
- Improve program transparency and program structure with clearer goals, eligibility criteria and deadlines;
- Establish a basis/formula for setting the annual funding envelope;
- Improve oversight and monitoring of the Program;
- Improve communications and promotion of the Program; and,
- Ensure programs are meeting expectations through regular review.

Finally, to attract a wider variety of applicants and to ensure better transparency, Staff recommends that communications be undertaken and a website be developed to promote the Celebrate Markham Program. The website could include instructions for how to apply for funding, appropriate application forms, clearly outlined eligibility criteria, key dates and a list of applicants who have previously received funding for their events and initiatives.

FINANCIAL CONSIDERATIONS AND TEMPLATE:

Recommend 2016 Celebrate Markham Grant funding envelope in the amount of \$345,000, using a policy-based approach based on a funding formula of \$1 per capita. The budget will be adjusted every 4 years as per population statistics provided by the Region of York.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

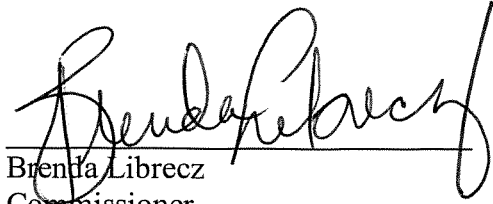
ALIGNMENT WITH STRATEGIC PRIORITIES:

Aligns with the strategic focus for community engagement to promote meaningful involvement and participation of residents, businesses and organizations that result in improved citizen engagement.

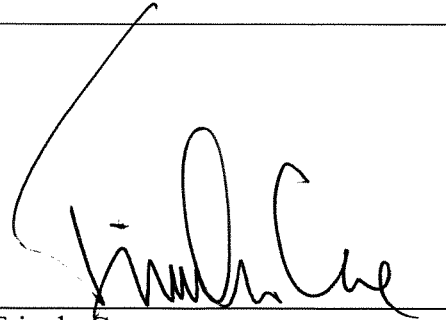
BUSINESS UNITS CONSULTED AND AFFECTED:

Economic Development, Corporate Communication and Community Engagement, Recreation and Finance Departments.

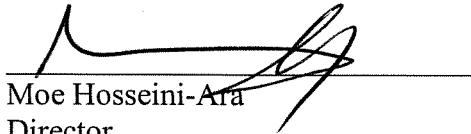
RECOMMENDED BY:



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ATTACHMENTS:

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| Attachment 1 - | Other City of Markham Funding Programs |
| Attachment 2 - | Recommended Fundamental Improvements to Celebrate Markham Program |
| Attachment 3 - | Celebrate Markham – Part 1: Program Criteria (All Categories) |
| Attachment 4 - | Celebrate Markham – Part 2: Detailed Criteria by Category |