



POLICY

Effective Date: March 25, 2008

Amended: April 26, 2010

Amended: June 28, 2010

Amended: June 24, 2013

POLICY TITLE: Investing In Our Community Program

POLICY NUMBER: 12-019

POLICY PURPOSE:

To establish terms of reference for the Investing In Our Community Program.

POLICY:

Part A: General Provisions

1. The Investing In Our Community Program was established to enhance and encourage partnerships with local non-profit organizations. The program is intended to provide financial assistance in the form of loans to community organizations to assist in leveraging their resources for community capital investments that will benefit the community.
2. This policy contains three parts which are intended to apply as follows. Part A (General Provisions) is intended to contain general provisions which are generally applicable to the whole of this policy. Part B (Interest Free Loans) is intended to set out certain parameters which will apply to the majority of loans granted pursuant to this policy. Part C (Extraordinary Loans) is intended to apply to loans which are outside the parameters set out in Part B of this policy. Stricter requirements will be imposed upon Part C loans. Each application will require a specific agreement to address the Town's provisions requiring security and default conditions.
3. Applications to the Investing In Our Community Program will be considered on a case-by-case basis, and the Whitecourt Town Council must formally accept all applications and authorize Administration to proceed. Once all procedures and requirements under the Municipal Government Act are met, applications will be submitted for final approval by Town Council (including bylaw approval when necessary). The Town reserves the right to refuse any application. The Town also reserves the right to impose conditions on a loan, of whatever nature or kind that the Town deems appropriate.
4. Only non-profit community organizations providing services to the community through volunteer resources may apply to the program for financial support to be used for a capital purpose that will benefit the municipality.



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5. In considering an application Council will have general regard for, but not be bound by the following considerations:
 - a. the benefit to the public;
 - b. the capacity of the borrower to repay the loan;
 - c. protection of the Town's investment, including adequate security and legal documentation;
 - d. whether the Town should have the ability to appoint one or more persons to the borrower's Board of Directors;
 - e. the Town's debt limit financial obligations and financial status. Generally Council will not approve a loan if it causes the totality of loans under this program to exceed 10% of the Town's debt limit.
6. The Town reserves the right to limit financial support based on project benefits and outstanding program commitments already approved, or such other considerations that the Town deems appropriate or desirable.
7. The Town reserves the right to assess the reasonableness of costs and which costs are eligible under the terms of the program.
8. The Town may request security for a loan, including but not restricted to: lien or encumbrance on real property (including a charging agreement or mortgage), personal property security; promissory note; or such other security as the Town may deem appropriate in the circumstance.
9. Loan funding will be made available after all necessary advertising, approvals, bylaws, and securities are completed and in place.
10. For smaller amounts, the Town may utilize funds from the Town reserves, and borrowing from the Alberta Capital Financing Authority may not be required.
11. All requirements of the Municipal Government Act, shall be followed. Any requirements of the Alberta Capital Finance Authority regarding loans for this program shall be dealt with by the municipality.
12. All submissions must be completed in the prescribed application format and include all required supplementary documentation. The Town may request additional information in support of the project.
13. The Town will periodically review the terms and the duration of the program and make appropriate revisions as per the direction of Town Council.
14. Organization's that receive funding through the Investing In Our Community Program agree to submit annual financial statements to the Town of Whitecourt for the duration of the agreement period.



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15. All loans are in the discretion of the Council of the Town of Whitecourt, and may be refused for any reason. Council may also impose whatever condition it thinks appropriate as a condition of any loan.
16. All applicants must receive approval by the Town of Whitecourt prior to incurring other debts once approved under this grant program.

Part B: Interest Free Loans

17. Acting as a lender, the Town will consider providing support based on a sliding scale of the total amount of the project less government grants.

Amount of Capital Project (Less Provincial and Federal Grant Contributions)	\$5,000,000.00	
	\$1,000,000.00	
	\$ 250,000.00	
	\$ 100,000.00	
		25% 20% 15% 10%

For example:

Golf Course Club House Project:		
Total Project Cost		4,000,000.00
Less Provincial/Federal Grant Contributions		1,300,000.00
Total Eligible Project Costs		2,700,000.00
	Project	Town Partnership
25%	100,000.00	25,000.00
20%	250,000.00	50,000.00
15%	1,000,000.00	150,000.00
10%	1,350,000.00	135,000.00
	2,700,000.00	360,000.00

18. The interest rate of a loan under this program, while in good standing, will normally be from the Alberta Capital Finance Authority (or another source) to fund the project, the Town will normally absorb interest costs incurred.
19. The maximum loan term is ten (10) years (subject to prior termination for default).
20. Principal is repayable in monthly or quarterly amounts as stated in the agreement signed by the Town and funding recipient. Payments will commence one year following disbursement of funds.



Part C: Extraordinary Loans

21. In extraordinary circumstances, Council may consider providing loans that exceed the financial limits (margins) set out in Part B of this Policy. The general considerations contained in Part A of this Policy will apply. However, in addition thereto, Council will only consider a Part C loan when they are convinced that: it is in the public interest to do so, the borrower has the capacity to repay the loan, the Town's investment is adequately protected by security based on 100% of the Town's investment and appropriate loan documentation and conditions, the loan documentation sets out adequate remedies upon default including, if deemed necessary, the Town's ability to appoint a majority of the borrowers Directors.
22. The Town will charge interest on Part C loans as it deems appropriate. Without restricting the generality of the foregoing, the interest charged shall be adequate to cover the Town's cost of borrowing for such funds.

REFERENCE:

Schedule "A" Investing In Our Community Program Application



TOWN OF WHITECOURT
INVESTING IN OUR COMMUNITY
PROGRAM APPLICATION FORM

APPLICANT CONTACT INFORMATION:

Name of Applicant Organization: _____

Mailing Address: _____

Contact Person: Mr./Mrs./Ms. _____

Home Phone Number: _____ Work Phone Number: _____

Email: _____ Fax Number: _____

PROJECT INFORMATION:

Name of Project: _____

Street Address or Legal Description: _____

Registered Holder of Land Title: _____

Facility Operator/Leaseholder: _____

Nature of Project: _____

Total Project Cost: \$ _____

Applying for the following Investing In Our Community Program component:

- Interest Free Loan
- Extraordinary Loan

Please complete the following checklist, and include the supporting documentation:

- Project Description/Details:** Provide a detailed description of work to be carried out, community benefit of the project and why it should be funded. You may provide drawings, photographs, letters of local support and other supporting documentation as you see fit.
- Project Cost:** Details regarding expenditures for your project. You may attach project quotes and sources of estimates if available.

- Project Funding Sources:** A complete breakdown of all revenue sources and amounts.
- Public Accessibility:** Details on who will use this facility, and how residents of the Town of Whitecourt will access the facility.
- Organizational Business Plan:** A plan of the project objectives and details on how project activities will be implemented to meet the identified goals (minimum five year period).
- Financial Statement:** Your organization's latest financial statement. Please ensure the statement is dated and signed.

The Town of Whitecourt may request additional information in regards to the project or organization if deemed necessary.

Submit your completed application to:

Town of Whitecourt
 Investing In Our Community Program
 Box 509, 5004 52nd Avenue
 Whitecourt AB T7S 1N6
 Attn: Whitecourt Town Council

I DECLARE THAT:

- **I AM A DULY AUTHORIZED REPRESENTATIVE HAVING LEGAL AND/OR FINANCIAL SIGNING AUTHORITY FOR THE ABOVE-MENTIONED ORGANIZATION.**
- The information contained in this application and supporting documents is true and accurate and endorsed by the above-mentioned organization.
- An accounting of spending, showing compliance with donations of the grant shall be provided (including a project assessment and financial accounting summary) no later than 90 days following the project completion date.
- Any grant awarded shall be used solely for the purposes stated within this application and according to program parameters.
- As a condition of accepting financial assistance, access to all financial statements and records having any connection with monies received is hereby granted to the Town of Whitecourt.

Signature: _____

Date: _____

Print Name: _____

Title: _____

Contact Phone Number: _____