

## Municipality of North Middlesex Financial Policies

<b>Title: Community Vibrancy Funds Policy</b>	
Section: Financial Policies	Number: FP.02
Version: 2.0	Review Frequency: periodically
Approved by: Council	Approval Date: November 1, 2017 Amendment Date: April 6, 2022
Application: 5 diverse programs subject to Annual Amenity fee of up to \$255,000	
Notes: Per agreement between North Middlesex and Bornish Wind GP	

*The Municipality of North Middlesex and Bornish Wind GP, Inc. signed the Community Vibrancy Agreement in October 2013. As a result of the agreement, Bornish Wind will pay an amenity fee, otherwise known as the Community Vibrancy Fund, over a term of 20 years.*

*The annual amenity fee is approximately \$255,000. Part V – s. 10 to 14 of the agreement identifies the terms for the use of the funds. Section 10 specifies a number of ways expenditures can be used. As the agreement also allows for these funds to be used for other community-related activities sanctioned by the Corporation, this policy proposes five (5) strategic programs that these annual funds could be distributed.*

### 1) Purpose

- a) The purpose of this policy is to establish consistent principles, standards and guidelines for the maintenance, management and accounting of Community Vibrancy Fund Programs funded by the annual amenity fee of approximately \$255,000 from Bornish Wind GP.
- b) The Policy identifies and builds on the following expenditure covenants proposed by Part V, s.10 of the Community Vibrancy Agreement between the Municipality of North Middlesex and Bornish Wind GP:
  - i) Expenditures relating to energy sustainability (i.e. municipal renewable energy systems; vehicle fleet upgrades; building energy-efficiency upgrades; conservation programs);
  - ii) Land stewardship initiations (i.e. habitat creation/improvement; tree planting);
  - iii) Expenditures relating to development and construction of Corporation recreational facilities and community facilities (i.e. arenas, parks, trails);

- iv) Expenditures for improvement of community and protective services (i.e. police, fire, healthcare);
  - v) Expenditures related roads, urban infrastructure and community facilities;
  - vi) Expenditures related to education and job training;
  - vii) Property tax relief for residents and businesses in the community; or,
  - viii) Other community-related activities sanctioned by the Corporation
- c) Interest accrued annually on these funds shall be allocated proportionately to each program based on their unspent balances

## 2) Definitions

- a) **"Amenity Fee"** means the fee payable by Bornish to the Municipality in a given year shall be the fixed turbine rate of Three Thousand Five Hundred Dollars (\$3,500) multiplied by the aggregate nameplate capacity expressed in megawatts of up to 73.5 of the Wind-Turbines which, (i) are located within the Corporation; and (ii) were operating for at least sixty (60) days during the year, as determined by Bornish, acting reasonably.

## 3) Programs

- a) Community Development Fund Program (Vibrancy Portion)  
*TOTAL ANNUAL AVAILABLE FUNDING: \$50,000*
- i) The purpose of this program is to financially assist community groups and organizations that offers programs or projects which will provide a benefit to improve the well-being of the Municipality.
  - ii) By-Law outlines policy, procedures and eligibility criteria to encourage community organizations to undertake these projects or programs.
  - iii) The intent is for the funding to benefit the general public without a profitmotive or to support specific interests of an organization.
  - iv) Any funds must not be used by individuals involved in organizations for their own personal financial gain.
  - v) If the approved allocations during any given year fall below the budgeted amount the difference shall be added to the Budget Mitigation Program
- b) Strathroy Middlesex General Hospital Foundation  
*TOTAL ANNUAL AVAILABLE FUNDING: \$40,000*
- i) The Municipality of North Middlesex is committed to financially supporting the Strathroy Middlesex General Hospital Foundation through the Community Vibrancy Funds.
  - ii) North Middlesex is committing to \$40,000 per year for the next 10 years, starting from 2017 to 2026, to the Foundation to support their fundraising campaign.

c) Community Improvement Plan

*TOTAL ANNUAL AVAILABLE FUNDING: \$20,000*

The Municipality of North Middlesex has adopted a Community Improvement Plan (CIP) under Section 28 of the *Planning Act*. This plan incorporates the former Facade Grant Program and encourages improvements to public and private buildings/lands in strategic areas of the municipality through administration of financial incentives and municipal leadership initiatives. By-law 45 of 2021 designates the entire Municipality as a Community Improvement Project Area for "CIPA".

The following programs are within the scope of the CIP and the availability of certain categories will vary from year to year. Generally a maximum amount of \$5,000 per project within each program

- Beautification Programs
- Rural Economic Development Program
- Accessibility Program
- Brownfield Study Program
- Conversation, Expansion & Redevelopment Program
- Additional Residential Unit Program
- Affordable Rental Housing Unit Program

d) Endowment Fund Program

*TOTAL ANNUAL AVAILABLE FUNDING: \$20,000 per year  
(commencing 2022)*

- i) The purpose of this program is to create a non-expendable pool of funds that will earn investment income over the 20-year term of the agreement.
- ii) The proposed Endowment fund will be established with a contribution \$25,000 from 2017 to 2021 and \$20,000 moving forward.
- iii) The financial objective is to accumulate a total of \$425,000 of principle amount at the end of the 20-year term.
- iv) The principle amount will remain in the pool of investment for perpetuity while the annual investment income can be used for projects and/or services
- v) Based on municipal investment guidelines, annual allocation of \$20,000 will be invested every year.
- vi) Civil Ring Recognition Program shall be funded each year through the interest earned

e) Budget Mitigation Program

*TOTAL ANNUAL AVAILABLE FUNDING: \$125,000 per year*

- i) Part V - s. 10 of the agreement, (g) notes that the amenity fee can be used for "property tax relief for residents and businesses in the community".
- ii) This program will provide support in providing financial relief to both operational and capital budget.

- iii) Each year the Treasurer in collaboration with Senior Management will provide a list of capital projects or operational line items to be funded through this program as part of the annual budget process.
  
- iv) In any given year, if the amenity fee received falls below the anticipated amount of \$255,000 the difference shall be taken from the Budget Mitigation Program to ensure the other earmarked programs have sufficient funds to proceed yearly.

#### 4) Consolidated Table - Programs

Program	Available Fund
Community Development Fund Program	\$50,000
SMGH Foundation Program	\$40,000
Community Improvement Plan (CIP) Programs	\$20,000
Endowment Fund Program	\$20,000
Annual Budget Mitigation Program	\$125,000