Staff Report CAO 2019–103

Title of Report: Notice of Motion - Solar and Eco-Park Royalty Funds Use for Scholarship Report

Department: Administration

Council Date: September 18, 2019

Council Recommendation:
Be it resolved that Council receive staff report CAO2019-103 as information; and

That Council approve the use of the Solar and Eco-Park Royalty donations for the purpose of annual scholarships that would require the establishing of a Committee of Council to provide direction to staff on this issue, recommend to Council the types of scholarships to be awarded, the dollar amount allocated per scholarship, the number of applications to be approved annually, scholarship rules, application evaluation criteria and that the same members be appointed as the selection panel.

Background:
At the September 4th, 2019 Council meeting Councillor Dobreen introduced the following Notice of Motion:

Moved By Councillor Dobreen; Seconded By Councillor Shipston;

Whereas Council received a presentation from the Community Foundation Grey Bruce (CFGB) on July 3, 2019 in which they informed us of the benefits of its various funds and the opportunity for Southgate to participate in any of those funds, including those for community grants and scholarships;

Therefore, be it resolved that Council direct staff to investigate and report back through the 2020 budget process on the options to invest equal amounts from both the Southgate Eco Park and Southgate Solar community funds in any combination of the CFGB funds available, including but not limited to a Scholarship Fund for post-secondary education in either a university, college or apprenticeship/trade program(s).

Carried No. 2019-564

Staff Comments:
Southgate staff need some direction on this specific Notice of Motion to receive clear direction on 2020 budgeting and also to determine and understand how this scholarship program would function. Our concerns are the following:

- What types of scholarships should be established? Can any Southgate resident apply for any program or is it related to municipal based careers or
trades education with employment being within the Township of Southgate area;
- What are the scholarship rules and/or conditions?
- The dollar amount allocated per scholarship.
- The number of applications to be approved annually.
- What is the application evaluation criteria?
- Will need a Committee or group of Council members to be appointed as the selection panel.

There is no specific criteria in writing provided in the Lystek agreements or implied through other documentation of discussions.

In the original Sittler agreement it did not include criteria for the use of the royalty funds or in any other documents in writing, but there were discussions about the use of funding, should it be for community benefiting projects.

The following is a section of the Southgate Solar Agreement executed in 2015:

**The Fund**

1. The Municipality agrees that each Annual Payment shall be dedicated as a contribution to the Fund. The Municipality shall be solely responsible for the establishment and administration of the Fund and it shall from time to time, upon thirty (30) days prior notice to the Developer, identify the general categories of public expenditure to which the Fund may be applied. These shall include the following categories of expenditure:
   - Energy sustainability (i.e. municipal renewable energy systems; vehicle fleet upgrades; building energy-efficiency upgrades; conservation programs);
   - Recreational facilities (i.e. arenas, parks, trails);
   - Community and protective services (i.e. police, fire, EMS, healthcare);
   - Roads and urban infrastructure;
   - Education and job training;
   - Community relations and social events for local residents; and
   - Property tax relief for residents and businesses in the community.

2. Any significant expenditures or application of moneys in connection with the Fund by the Municipality shall be either (i) approved by the council of the Municipality in a publicly-accessible and recorded forum; or (b) accompanied by notice in writing to the Developer detailing the amount and nature of each expenditure. The Municipality agrees to administer the Fund and make disbursements therefrom in compliance with applicable legislation and internal corporate codes of conduct which mandate transparency in the application of community-based funding.
To summarize this information and the intent for the use of the royalty funding, all contributors to the royalty funds wanted the funds directed to a community benefit. The understanding of the Southgate Solar Fund information above referring to “education and job training” when taken into a community-based funding context would be interpreted as general public education and training related to the community as a whole benefiting from something like inclusionary seminar, health based programs like SEGCHC is providing, etc.

Council should decide if this is where the Royalty funds we receive should be spent in relation to equity, community benefit for its taxpayer, the municipality and the community stakeholder.

**Financial Impact or Long Term Implications**
The financial impact of this report will need to be considered in the 2020 budget and the impact of the Solar and Eco-Park Royalty reserves.

**Communications & Community Action Plan Impact:**
This report has been written and presented to Council to communicate accurate information to the public.

**Concluding Comments**
1. That Council receive this staff report as information.
2. That Council provide direction to staff on how we proceed on this issue.

Respectfully Submitted,

**CAO approval: Original Signed By**
Dave Milliner – CAO  
dmilliner@southgate.ca  
519-923-2110 x210