



Working together with our community

Council-In-Committee Meeting – June 11, 2024

Subject: AMPLIFY Norfolk Grant Program Options
Report Number: CAO-24-051
Division: Office of the Chief Administrative Officer
Department: Administration
Ward: All Wards
Purpose: For Decision

Recommendation(s):

That Council receives the AMPLIFY Norfolk Grant Program Options Report CAO-24-051; and

That Council directs staff to discontinue the AMPLIFY Norfolk Grant Program.

Executive Summary:

Following Council’s direction to staff, this report provides some background on the AMPLIFY Grant program, identifies the challenges experienced during the 2024 AMPLIFY Norfolk Grant application / evaluation process, and provides Council with options to consider for the future of the AMPLIFY Norfolk Program.

If Council decides to continue with the AMPLIFY Norfolk program, the grant criteria would be revised and a call for applications would be reissued for events proposed for the 2025 season.

If Council would prefer to discontinue the program, AMPLIFY Norfolk would conclude after 2024 Fairgrounds Festival event in June 2024. The remaining project funds would remain in the Council Initiative Reserve.

Discussion:

A. BACKGROUND:

The AMPLIFY Norfolk Grant Program is a pilot program intended to increase post-COVID-19 tourism in Norfolk County through live entertainment events, particularly during the “shoulder” tourism season. In 2022, an allocation of \$125,000 per year over 3 years from 2022 to 2024 was committed from the Council Initiative Reserve to fund the implementation of the Council-approved Live Entertainment Strategy (originally

called Project Microphone and rebranded as AMPLIFY Norfolk). The program provides funding for up to 50% of eligible project expenses for new live entertainment events to help reduce risk for event organizers and promote Norfolk as a live entertainment event destination. Following recommendations from the Project Committee and through several reports, the initial “partner” events were launched in 2023, as summarized in Report CD-23-068.

In December 2023, Council opened the AMPLIFY Norfolk program to new applicants for 2024. Through Council direction, the program offered two \$40,000 grants, one \$20,000 grant, and \$5,000 for accessibility, for a total of \$105,000 in grant funding. The budget also included \$10,000 for marketing and \$10,000 for contingencies for a total 2024 budget of \$125,000.

The Economic Development Advisory Committee was identified as the grant selection committee. Ten applications were received in early 2024; four of these applications were considered eligible, but none were ultimately recommended by the Selection Committee.

On 26 March 2024, Council considered Report CD-24-047 regarding the 2024 AMPLIFY Norfolk Grant Program. Council approved Resolution No. C-055 as follows:

That Report Amplify Norfolk Grant Program – 2024 CD-24-047 be received; and

That the \$125,000 of 2024 Amplify Norfolk funding be returned to the Council Initiatives Reserve; and

That this matter be referred back to the CAO for further review of the Amplify Norfolk grant program to report back to council in Q2 of 2024, with options on the future of this program.

B. PROGRAM REVIEW:

AMPLIFY Norfolk’s 2023 events included two partnership sponsored events, the June 2023 Fairgrounds Festival in partnership with the Norfolk County Agricultural Society and the addition of live music through a partnership with the Waterford Old Town Hall Association at the 2023 Pumpkin Festival. These AMPLIFY Norfolk events increased regional tourism and supported economic growth and recovery. For example, the 2023 Fairgrounds Festival produced over \$745,000 in direct spending and an estimated economic benefit of over \$1.78 million. Area accommodation occupancy was near 100% for the weekend. This represents a substantial return on the County’s investment through the 2023 AMPLIFY Norfolk grant.

The 2024 application process was expanded to build on this success and allow other non-profit community groups to apply for event funding. However, aspects of the 2024 AMPLIFY Norfolk program structure complicated the application process as follows:

- **Evaluation Committee:** In an effort to simplify the process and reduce set-up time and disruption to staff, the Economic Development Advisory Committee became the AMPLIFY Norfolk application review and selection committee. The intent was to utilize an existing advisory committee to create less disruption, ensure consistency, and expedite the process by using an existing committee that could hit the ground running with current Norfolk processes. Unfortunately, several committee members had to declare conflicts of interest due to direct involvement with applicants or involvement with proposed events. This outcome was not anticipated when the existing committee was chosen to assist with the new program, and ultimately impacted the process and the public perception of the evaluation.

- **Program Guidelines** were unclear to some applicants:
 - **Eligible Events:** The intent of the program was to reduce the risk for first-time live entertainment events. Under program guidelines, only new live entertainment events were eligible; however, existing events that wanted to add live entertainment for the first time were also considered eligible. In retrospect, the dual intent to assist caused some confusion. Some applications were received for events that already had live entertainment – the applicants were applying for funding to increase the scale of the live entertainment at their event. These projects were ineligible under the grant criteria.

 - **Eligible Organizations:** Organization eligibility criteria was consistent with the requirements of Norfolk County’s Community Grants Program – i.e. – non-profit organizations, charitable organizations, and/or volunteer organizations were eligible to apply for funding. However, eligibility for volunteer organizations was unclear for some applications.

- **Grant Structure:** in December 2023, the structure of the AMPLIFY Norfolk Grant was modified by Council, offering larger grants to encourage the establishment of larger community events that would attract tourism in more substantial numbers.¹ However, because the grant program itself is intended for new live entertainment events or events that are introducing live entertainment for the first time, few organizations were able to raise enough capital to meet the minimum 50% grant match threshold to apply for the larger grants. New events are often smaller in scale and grow after they are established. This requirement may have prevented some organizations from applying.

¹ The 2024 grant structure included the following grants: (2) \$40,000, (1) \$20,000, and up to \$5,000 total for accessibility funding.

The original proposed structure included the following grants: (1) \$40,000, (2) \$20,000, (1) \$10,000, (2) \$5,000, and up to \$5,000 total for accessibility funding.

- **Staff Resourcing:** Finally, the AMPLIFY program had a contracted staff resource dedicated to implementing the program in 2022 and 2023. The contract expired in November 2023, and direction was given to not utilize any 2024 funding towards a staff resource. Consequently, staff had limited resources to allocate to the program application process. Administering community grant programs is time consuming and requires significant staff time. Additionally, the skills and experience needed to administer a program of this type are extensive, and the required skill set is not readily available to existing staff. Reviewing applications, qualifications, determining eligibility, deep-diving into charitable statuses and volunteer organizations can be quite challenging. Attempting to match applications to a new program with new guidelines is also a challenge.

C. PROGRAM OPTIONS:

Options for the future of the AMPLIFY Norfolk Grant Program have been identified as follows:

1. Continue with a revised AMPLIFY Norfolk Grant Program

a) Eligibility Criteria Options:

AMPLIFY Norfolk grant application guidelines would be revised and reissued with consideration given to the following eligibility criteria options:

- **Organizations:** Determine whether volunteer-based community organizations remain qualified or are no longer eligible. Establish specific criteria for eligibility.
- **Events:**
 - Determine whether to keep eligibility to new live entertainment events/events that are introducing live entertainment for the first time; or
 - Expand eligibility to include events that are enhancing or expanding live entertainment at an existing live entertainment event.

b) Selection Committee Options:

Due to the Economic Development Advisory Committee's conflicts of interest in evaluating grant applications, a new application review and selection committee would need to be created. Options for composition are as follows:

- The **Community Grant Selection Committee** could evaluate AMPLIFY Norfolk applications. The committee is comprised of one representative from each of the six Council Advisory Committees and five staff representatives from across the corporation. This would keep grant evaluation processes consistent across the corporation; or
- Alternatively, applications could be reviewed and awarded by **Council**; or

- A new specific committee could be created (this would require a comprehensive process to advertise, select and train a new committee and its members).

c) Funding Options:

Options for the structure of the AMPLIFY Norfolk Grant have been identified as follows:

- Retain grant structure of (2) \$40,000, (1) \$20,000, and up to \$5,000 total for accessibility funding; or
- Return to original proposed structure of (1) \$40,000, (2) \$20,000, (1) \$10,000, (2) \$5,000, and up to \$5,000 total for accessibility funding; or
- Eliminate the funding structure and make the full grant amount available to allow applicants to apply for up to 50% of total eligible project cost for any size project.

Please note that there is \$49,000 unspent from the 2023 AMPLIFY Norfolk grant program that could be made available to applicants, should the program continue.

d) Timing Options:

Subject to Council approval, the grant application process would be reissued to make funding available for events beginning in 2025.

e) Next Steps:

If Council decides to continue with a revised AMPLIFY Norfolk Grant Program, next steps in this process would include:

- Revision of current AMPLIFY Norfolk Grant criteria and guidelines;
- Staff report to Council recommending Council endorsement of updated grant criteria and guidelines;
- Open grant applications (6-8 week period);
- Selection Committee review and recommendation (2-3 weeks);
- Council approval;
- Grant distribution;
- Follow-up report from grant recipient.

2. Discontinue the AMPLIFY Norfolk Grant Program

The program would be discontinued after the Fairgrounds Festival 2024 partner grant sponsorship event. Remaining project funds would stay in the Council Initiative Reserve.

Financial Services Comments:

The AMPLIFY Norfolk Grant Program had an original funding commitment of \$375,000 intended to be allocated from 2022 to 2024. Staff estimated approximately \$151,000 has been spent on AMPLIFY Norfolk by the end of 2023, leaving the remaining budget allocation of approximately \$224,000 for 2024. As per report CD-24-047 regarding the 2024 AMPLIFY Norfolk Grant Program, Council approved \$125,000 be returned to the Council Initiative Reserve leaving a total budget of \$99,000. Of this total budget amount, \$50,000 has been provided to the Agricultural Society to implement the 2024 Fairgrounds Festival Sponsorship Event.

If Council wishes to move forward with one of the modified program delivery options detailed in this report, there is a budget of \$49,000 available to execute the remainder of the program for 2024. If Council wishes to go forward with the program, the \$125,000 from Council Initiative Reserve can be made available for the final year. If the program is to be discontinued after the 2024 Fairgrounds Festival Sponsorship Event, the \$49,000 remaining surplus will be transferred into the Council Initiative Reserve.

Interdepartmental Implications:

If Council would like to revise the 2024 AMPLIFY Norfolk grant program and reissue it, the Community Development Division (CD) would update the program guidelines and criteria and administer the grant process using existing staff resources. CD staff would engage with staff in Finance to help establish criteria and evaluation tools, and with communications to ensure the new program is understood and the evaluation criteria is advertised in advance.

Consultation(s):

This report was drafted in consultation with the General Manager of Community Development, Supervisor of Financial Planning and Reporting, and the CAO.

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Empowering Norfolk - Putting the tools and resources in place to ensure our businesses' and residents' success.

Explanation: AMPLIFY Norfolk has helped to establish new live entertainment events in Norfolk County, aided in economic recovery, and encouraged off-season tourism in our community.

Conclusion:

As outlined in this report, the 2023 AMPLIFY Norfolk program provided a substantial return on investment for Norfolk County. The 2024 application process was hindered by unforeseen challenges that staff will attempt to address if the program continues. Continuing the program could be an opportunity to provide seed money for new live entertainment events to establish themselves in Norfolk County. However, the transparency and oversight required by municipal processes makes administering live event grant programs difficult for staff and event organizers. Finally, providing funding for live entertainment events and concert promotion is not a core service of a municipality. Administering these programs requires substantial staff resourcing, and Norfolk does not have the in-house expertise to allocate to this program. Council may wish to reallocate the remaining AMPLIFY Norfolk resources to other initiatives.

Attachment(s):

None.

Approval:

Approved By:
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Reviewed By:
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