



# Capital Projects Sector Guide

## Community Gaming Grants



# 1. Program Overview

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## 1.1 Purpose

The Community Gaming Grants program distributes \$140 million of commercial gambling revenues to not-for-profit community organizations throughout the province. The Government of British Columbia dedicates \$5 million per year of this funding to capital projects, undertaken by not-for-profit agencies, that have a total cost of more than \$20,000. The objective of the Capital Projects sector is to enable not-for-profit organizations to complete capital projects that provide significant benefit to communities.

## 1.2 Eligible Projects

Capital projects include the following eligible categories:

1. **Facilities:** the construction of new facilities and renovation or maintenance of existing facilities;
2. **Community Infrastructure:** the development of public amenities that improve B.C. residents' quality of life; and
3. **Acquisitions:** the purchase of fixed capital assets for long-term ownership and use (e.g. including vehicles and equipment).

## 1.3 Application Assessment Process

The application assessment process will be competitive. Grant applications that meet all of the mandatory eligibility criteria (see Section 2) will be evaluated using the assessment criteria (see Section 4.2). Additional consideration will be given to the allocation of grant funding across the six Community Gaming Grant sectors, the geographic distribution of grants throughout the province, project size and the inclusion of Aboriginal not-for-profit organizations.

## 1.4 Amount of Grant

Eligible not-for-profit organizations may be approved for up to 50% of the total cost of a project, to a maximum of \$250,000. Tangible in-kind contributions, such as donated equipment and materials, will be considered as matching funds. Land and intangible in-kind support, such as volunteer time, donated labour or services will not be accepted as matching funds.

## 2. **Mandatory Eligibility**

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### 2.1 **Organization Eligibility**

#### 2.1.1 **Eligible Organizations**

In order to be considered eligible, an applicant (including PACs) must:

- Be a not-for-profit organization (including designated community service co-operatives);
- Operate primarily for community benefit;
- Deliver programs that fall within one of the following six sectors: Arts and Culture; Sport; Environment; Public Safety; Human and Social Services; and Parent Advisory Council or District Parent Advisory Councils;
- Provide programs that benefit the community and not solely its members' interest;
- Deliver programs established and maintained by its volunteers;
- Have a voluntary and broadly based membership involved in the management and control of the organization and its programs;
- Have a voting membership that is more than double the number of board members;
- Have board members that are democratically chosen by, and from within, its voting membership;
- Have a board with at least two-thirds of its members residing in B.C.; and
- Have a board whose members do not receive remuneration or other financial benefit for their services while acting in their capacity as executive members.

Organizations do not have to be federally or provincially incorporated; however, organizations that are provincially incorporated or registered as extra-provincial societies must be in good standing with the B.C. Registrar of Companies, and organizations that are federally incorporated must be in good standing with Industry Canada.

#### 2.1.2 **Ineligible Organizations**

An organization is ineligible to apply for a Capital Project Grant if it:

- Is for-profit;
- Is a member-funded society;
- Is a co-operative (with the exception of designated community service co-operatives);
- Is a community contribution company<sup>1</sup> (C3) or other social enterprise whose sole purpose is to generate profit to fund the organization;
- Is an ancillary group sustaining a for-profit business;

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<sup>1</sup> A for-profit business with an asset lock component restricting the level of dividends paid to shareholders and requiring the bulk of the company profits to be invested in community purposes.

- Is a political party, political action group or lobby group;
- Is a federal, provincial, regional, municipal, First Nation or other local government;
- Is a hospital, medical or health care facility;
- Is an educational institution or school;
- Is a penal institution or correction centre;
- Is a provincial or municipal facility, such as a library, museum, gallery or recreation centre;
- Has objectives, programs or expenditures that do not conform with all laws, regulations and the general public policies of the Province of British Columbia; or
- Provides programs that promote racial or ethnic superiority, religious intolerance, persecution or social change through unlawful action.

## 2.2 *Project Eligibility*

### 2.2.1 *Eligible Project Categories*

To be considered eligible for funding, a project must fall within one of the applicable capital project categories. Applicants should apply under the specific project category that is best suited for their project. For examples of eligible projects, please see Section 2.2.2.

#### **Facilities Projects:**

- The project is undertaken by an eligible organization primarily for community benefit;
- Upon completion, the project – or the facility within which the project is located – is accessible to the public;
- The project is for the construction of new facilities, renewal, expansion or material enhancement of existing facilities or property development;
- The project is located on:
  - Land that is owned by an eligible organization;
  - Land that is leased to an eligible organization on a long-term basis. The applicant must have a signed unconditional fixed-term (10-year minimum) lease and provide a stated intention to maintain the facility into the future. Organizations with fewer than 10 years remaining on their lease must include a signed letter (tenant and landlord) indicating a commitment to renew the lease upon its expiration. The applicant must also have authorization from the owner of the property, authorizing the applicant to perform work, or apply for permits to perform work on the project/property; or
  - Public land. The applicant must have the proper permissions from any and all proper public authorities with jurisdiction over development and use of the land.

### **Community Infrastructure Projects:**

- The project is undertaken by an eligible organization primarily for community benefit;
- Upon completion, the project – or the facility within which the project is located – is accessible to the public;
- The project is for the installation of public amenities that improve B.C. residents' quality of life;
- The project is located on:
  - Land that is owned by an eligible organization; and
  - Land that is leased to an eligible organization on a long-term basis. The applicant must have a signed unconditional fixed-term (10-year minimum) lease and provide a stated intention to maintain the facility into the future. Organizations with fewer than 10 years remaining on their lease must include a signed letter (tenant and landlord) indicating a commitment to renew the lease upon its expiration. The applicant must also have authorization from the owner of the property, authorizing the applicant to perform work, or apply for permits to perform work on the project/property; or
  - Public land. The applicant must have the proper permissions from any and all proper public authorities with jurisdiction over development and use of the land.

### **Acquisitions:**

- The acquisition is made by an eligible organization primarily for community benefit;
- The project is for the purchase of privately owned fixed capital assets for long-term use; and
- The capital acquisition must fully belong to the eligible organization.

## **2.2.2 Examples of Eligible Projects**

Examples of eligible projects in each category may include, but are not necessarily limited to, the following types of capital projects:

**Facilities Projects:** the construction of new facilities, renovation or maintenance of existing facilities and property development. Examples include:

- Construction of a new permanent built structure (e.g. office, community centre, daycare facility, recovery house)
- Renovations that restore, refurbish, upgrade, retrofit or otherwise improve the general conditions of an existing facility to extend its useful life (e.g. roofs, flooring, air circulation, seismic resilience); and
- Property development projects (e.g. fences, irrigation systems for sports fields, parking lots, floodlights).

**Community Infrastructure Projects:** the development of public amenities that improve B.C. residents' quality of life. Examples include:

- Outdoor structures (e.g. docks, playgrounds, outdoor pools, sport rinks, industrial sheds, courts or diamonds);
- Parks (e.g. water parks, skate parks, fitness and recreation spaces); and
- Natural areas (e.g. hiking and walking trails, green spaces, wetlands, community gardens).

**Acquisitions:** the purchase of fixed capital assets for long-term ownership and use. Examples include:

- Vehicles and vehicle part replacements/modifications;
- Machinery and equipment (e.g. safety equipment, sports equipment, commercial kitchen equipment, stage and lighting equipment, sound equipment, instruments);
- Technological resources (e.g. computer systems); and
- Property and/or buildings.

## 2.3 *Financial Eligibility*

### 2.3.1 *Eligible Financial Status*

At the time of application, organizations must meet specific financial criteria in order to be considered for a grant:

- The applicant must have a separate gaming bank account (“Gaming Account”) that is held in British Columbia;
- The applicant’s matching funds contribution must be equal to or exceed the level of capital project funding requested. If an applicant organization has been holding designated restricted funds for the capital project, it is expected that the restricted fund be used in full towards the matching fund requirement. Tangible in-kind contributions, such as donated equipment and materials, will be considered as matching funds. Intangible in-kind support, such as volunteer time, donated labour, services or land, will not be accepted; and
- Past recipients of Community Gaming Grants must be up to date and in good standing with their Gaming Account Summary Reports.<sup>2</sup>

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2 Gaming Account Summary Reports are a financial reporting instrument used by the Community Gaming Grants Branch.

## **3. Application Process**

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### **3.1 Application Intake Period**

Applications for the Capital Projects sector will be received from August 1 to September 30, 2017, with approved grants awarded by December 31, 2017.

### **3.2 How to Apply**

The completed application form, along with the requested supporting materials, provides the Community Gaming Grants Branch with the information it needs to compare and evaluate the merits of all applications. The application form can be found online at: <https://www.gaming.gov.bc.ca/gaming/Home.do>. All supporting documents must be attached within the online application. All applicants must attach a copy of a void cheque for their Gaming Account.

A pre-application checklist is available to assist applicants to ensure that their applications are complete and that all supporting documentation and mandatory attachments are included.

For projects that are collaborations between multiple organizations, a single organization must be designated as the lead applicant. Only the lead organization is eligible to submit a Capital Project Grant application for the project. The other organizations must be indicated as partners within the application.

### **3.3 Application Limit**

- Each organization is permitted to submit one application for a Capital Project Grant and one application for a Community Gaming Grant per year.
- Capital Project Grants will be one-time funding only. Successful applicants may not apply for the same project more than once. Unsuccessful applicants may apply in future funding intakes for the same project.

## 4. Assessment

### 4.1 How Applications are Assessed

Each application that meets all of the mandatory eligibility criteria (see Section 2) will be evaluated using the assessment criteria (see Section 4.2). Grants will not be awarded until all applications are received and reviewed. An application does not guarantee any level of funding. Incomplete and/or late applications will not be considered.

### 4.2 Assessment Criteria

Eligible projects in each of the three categories will be evaluated according to the extent to which they meet the pre-determined assessment criteria. Priority will be given to those projects that best meet the criteria. Consideration will also be given to the distribution of grant funding across the six Community Gaming Grant sectors, the geographic distribution of grants across the province, project size and the inclusion of Aboriginal not-for-profit organizations.

The project assessment criteria are:

#### **Section 1: Alignment with Sector Objectives (10%)**

Strategic alignment with Capital Projects sector purpose	<ul style="list-style-type: none"><li>• The project must benefit the community and be responsive to the community's needs and issues.</li><li>• The project must be accessible to the public and inclusive of the greater community.</li></ul>
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#### **Section 2: Project Feasibility (35%)**

Project planning	<ul style="list-style-type: none"><li>• A detailed project timeline must be provided, indicating that the project can be accomplished within 36 months and outlining project start date, key milestones and date of completion.</li><li>• Any potential risks to the project meeting these timelines must be identified and ranked, and proposed mitigation strategies must be provided.</li><li>• Where applicable, all required approvals and permits must be identified and information provided to describe the organization's plan to ensure that they are obtained.</li></ul>
Operational viability	<ul style="list-style-type: none"><li>• The applicant must exhibit a plan for the long-term operation of the project, including an asset management plan to manage and maintain the facility, amenity or acquisition into the future.</li></ul>

### **Section 3: Financial Considerations (50%)**

Financial need	<ul style="list-style-type: none"><li>• If the applicant has restricted funds designated for the capital project, the designated funds must be fully allocated to the project.</li><li>• The requested grant amount must represent a significant contribution to the successful completion of the project.</li></ul>
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Financial feasibility of project	<ul style="list-style-type: none"><li>• Project readiness must be demonstrated, including the security of financial resources to carry out the project.</li><li>• Price quotations must have been recently obtained.</li><li>• A detailed project budget must be provided, including descriptions of all major assumptions, and identifying contingencies and spending projections.</li><li>• Use of grant funds must be for eligible expenses.</li></ul>
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### **Section 4: Special Project Features (5%)**

Accessibility	<ul style="list-style-type: none"><li>• The project should provide special considerations for persons with disabilities, where applicable.</li></ul>
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Environmental efficiency	<ul style="list-style-type: none"><li>• The project should include energy efficient or other cost-effective features that will lower the organization's long-term operational expenses (e.g. reduced resource consumption, lowered operational costs, such as heating and cooling costs, etc.), where applicable.</li></ul>
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Final determination of approved projects is the responsibility of the Community Gaming Grants Manager. All decisions are final, and organizations do not have the opportunity to request a reconsideration of the decision regarding an application for a Capital Project Grant.

## 5. *Using Capital Project Grant Funding*

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### 5.1 *Appropriate Use of Funds*

Capital Project Grants must be used within British Columbia to cover costs considered to be direct and necessary for the successful implementation of an approved project; these costs must be consistent with and comparable to those identified in the approved grant application. No substantial changes can be made to the approved project without the written consent of the Community Gaming Grants Branch.

Eligible costs include, but are not limited to:

- Project-related fees paid to professionals, technical personnel, consultants and contractors specifically engaged to undertake the capital project;
- The costs of project materials;
- The costs required to transport or ship acquisitions such as equipment;
- The costs of licenses, permits and insurance required for the approved project;
- The costs of an environmental impact assessment, where applicable; and
- Any other direct and necessary costs incurred in the implementation of an approved project.

The grant funds must be fully disbursed within 36 months of receipt, unless otherwise approved in writing by the Community Gaming Grants Branch. Project must start within 12 months of receipt of funding.

Grant funds may be transferred – by cheque or electronically – from the Gaming Account to the General Account (i.e. the organization’s day-to-day operating bank account) for the reimbursement of eligible project expenses. To ensure Capital Project Grants are used for eligible project expenses, all successful applicants must submit a Gaming Account Summary Report to the Branch within 90 days of fiscal year end. The Gaming Account Summary Report must provide clear and complete detailed program expense reporting. As per section 18.g of the Conditions for a Community Gaming Grant, two current, unrelated board members must authorize electronic transfers and/or automated debit transactions in writing and the authorization document must specify the specific purpose and maximum dollar amount permitted.

Transfers from the Gaming Account to the General/Operating Account are required to reconcile dollar for dollar to the applicable General Account program expenses and must have supporting documentation (i.e. invoices/receipts). A clear and defined audit trail is required for the use of all Gaming Account funds.

Upon dissolution of an organization, all unused grant funds and assets purchased with grant funds must be transferred to the Minister of Finance, or if those assets are not in a form that can be easily transferred to the Minister of Finance, then to another eligible organization within B.C.

Grant funds cannot be used for purposes not approved by the Community Gaming Grants Branch and may not be redistributed amongst the grant recipient's other expenses or transferred between projects. Funds must be returned to the Minister of Finance if not completely used for the approved capital project.

## **5.2 *Prohibited Use of Funds***

Capital Project Grants cannot be used for:

- Contributions to annual fundraising drives or capital campaigns;
- Costs incurred for cancelled projects;
- Financing charges and interest payments on loans;
- Leasing or rental of equipment not directly related to the capital project;
- Costs associated with ongoing operating expenses;
- Costs associated with routine facility/property maintenance;
- Decommissioning or recycling of a previous project/asset;
- Costs associated with programming; or
- Any goods and services that are received as donations.

## 6. *Conditions for Capital Project Grants*

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The recipient of a Capital Project Grant must comply with the Conditions for a Community Gaming Grant, with the exception of Conditions 7 through 11 pertaining to the Use of Grant Funds. The Conditions can be found online at: <http://www2.gov.bc.ca/assets/gov/sports-recreation-arts-and-culture/gambling/grants/cond-cgg.pdf>. The recipient of a Capital Project Grant must adhere to Section 5 of this Capital Projects sector guide regarding the use of grant funds.

## 7. *Acknowledgment of Funds*

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Grant recipients must acknowledge the financial assistance provided by the Province of British Columbia in all promotional materials, both in print and online and including any signage or plaques. Please review the logo-use guidelines at the following link and complete the application for third-party use of the logo. Note that designed mock-ups of the logo's intended use is also required for approval: [http://www.corporate.gov.bc.ca/print-ads/Govt\\_of\\_BC\\_Logos/BCID.html](http://www.corporate.gov.bc.ca/print-ads/Govt_of_BC_Logos/BCID.html)

## 8. *Contact Information*

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Ministry of Community, Sport and Cultural Development

Community Gaming Grants Branch

Telephone: 1 800 663-7867 or 250 356-1081

E-mail: [CommunityGamingGrants@gov.bc.ca](mailto:CommunityGamingGrants@gov.bc.ca)

Web: <http://gov.bc.ca/gaminggrants>

Frequently Asked Questions:

<http://www2.gov.bc.ca/gov/content/sports-culture/gambling-fundraising/gaming-grants/capital-project-grants>

