



Clear Hills County

Effective Date: October 13, 2015	Policy Number 1225
Title: Lending Funds To Not For Profit Societies for Community Projects	

Policy Statement

- 1.1. Clear Hills County may provide loans for community projects within Clear Hills County, and establish a system for evaluating applications for loans.
- 1.2. Loans issued in accordance with this policy will comply with the conditions set out in the Municipal Government Act.

General

- 2.1. Council may annually, during budget deliberations, establish a budget for community project loans.
- 2.2. Council may maintain a loan reserve to assist community organizations in maintaining or enhancing facilities within the County.

Funding Eligibility

- 3.1. Eligible applicants are registered not-for-profit societies.
- 3.2. Eligible projects must be capital in nature and no funds can be allocated to the operation of a facility.
- 3.3. Clear Hills County Community Project loans are intended to support projects in the areas of:
 - Recreation, sports and community facilities
 - Arts and culture

Applications

- 4.1 Applications for loans will be presented to Council for consideration.
- 4.2 Applications for loans must be endorsed by the respective area recreation board

and should be included in the Board's five year capital plan.

4.3 All applications must be submitted in writing and include the following:

- Current financial statement
- Certificate of incorporation
- List of Board of Directors and their contact information
- Amount of request
- Project description
- Repayment plan
- Expected project start date
- Expected project completion date

4.4. The following criteria will be used to determine eligibility of funding:

- Urgency
- Facility usage
- Ability to repay loan
- Previous capital grants and loans received.

Method of Funding

5.1. A maximum of 50% of total project funding may be derived from Clear Hills County, this includes Capital Grants, Recreation Board funding and any other grants that the County may make available to community groups from time to time.

5.2. The maximum loan will be 50% of project costs.

5.3. G.S.T., donated labour, services, materials and equipment DO NOT qualify and are not to be included in determining the projects costs related to the loan application.

5.4. Interest will be calculated at Royal Bank of Canada Prime.

5.5. The maximum period of repayment will be 60 months (5 years) from the date of the promissory note and loan agreement.

5.6. Repayment schedules may be at intervals agreed upon by the borrower and the County, with the minimum being annually. Lump sum payments are allowed, without penalty, up to and including the entire balance owing on the first day on the year throughout the loan.

Conditions:

6.1. Clear Hills County will be advised when any approved projects starts. Loans will

not be released until the project has started.

6.2. The Borrower will install and maintain signage to acknowledge Clear Hills County for their support and contribution. The County will provide the signage.

6.3. If a project does not start within 2 years of approval, a new approval will be required for that project.

6.4. Clear Hills County reserves the right to demand payment in full of the outstanding principle balance at the County's own discretion should it be determined that the funds are not being used as intended.

End of Policy

ADOPTED: C480-15(10/13/15)

Date: October 13, 2015