

Safe Streets Commission - Asset Allocation Report

ISSUE

At its June 11, 2019, meeting of the Standing Policy Committee on Finance, the Committee received a report, as shown in Appendix 1 recommending dissolution of the Safe Streets Commission (the Commission) and that the assets of the Commission be reallocated to the recently formed Safe Community Action Alliance (SCAA), see Appendix 2 for a brief overview of SCAA. The Committee deferred consideration on the allocation of assets to August 2019, when the Administration could provide further reporting on the details as to the agencies and funding involved in the establishment of the Commission. With the dissolution of the Commission, a further decision is now required as to where to direct the remaining the assets of the Commission, approximately \$10,000.

BACKGROUND

Current Status

Following its June 11, 2019, meeting of the Finance Committee, City Council, at its meeting of June 24, 2019, approved the dissolution of the Safe Streets Commission; specifically that the City Solicitor perform the necessary steps to achieve the dissolution of the Safe Streets Commission and that the Mayor and City Clerk be authorized to execute any documents required for this purpose. While this process of dissolution of the Commission has been underway, there remains the issue of disbursement of its assets, namely \$10,000.

Organizations and Contributions to SCC

Upon review of the Safe Streets Commission, the Administration has confirmed, the City of Saskatoon(City), the Downtown Business Improvement District (now DTNYXE), the Ministry of Justice and the Saskatoon Health Region (now known as the Saskatchewan Health Authority) all contributed to the Commission.

The City, the Downtown BID and the Saskatchewan Ministry of Justice each contributed \$5,000 to be held in the Commission's account. The Saskatoon Health Region, contributed \$10,000 directly to Crisis Intervention Services Inc. through a grant, to assist with a Needs Assessment/Environmental Scan and final report with recommendations. In total, \$25,000 was secured for Commission initiatives.

Work Completed by the Commission and Funds Remaining

The only major project and related expense undertaken by the Commission was a research report at a cost of \$15,000. The process for funding this research was a direct \$10,000 grant from Saskatoon Health Region to Crisis Intervention Services Inc. who carried out the work, plus \$5,000 from the cash contributions received. Since that time, the balance of the funds have remained within the account, at an external financial institution, where it was originally established. As of the June 2019, the balance

Safe Streets Commission - Asset Allocation Report

remaining in the account is \$9,864.44 (with applicable service fees, charges and interest being accounted for over the past five years).

The Solicitor's Office, after reviewing the Commission's available incorporating documents and *The Non-Profits Corporations Act, 1995* has determined that a resolution of the sole member(s) is required to dissolve the corporation. The City was the sole member of the Commission. Currently Solicitor's Office is working with Administration to have the remaining property of the Commission returned in accordance with the Articles of Incorporation for the Commission, which state:

"Upon liquidation or dissolution of the Corporation, any remaining property, whether real or personal and of whatever kind or nature and wheresoever situate, shall be transferred to The City of Saskatoon."

The recommendation in the June 11, 2019, report under Option 1 was that, once the assets of the Commission, namely \$10,000, are returned to the City, they be all allocated to the newly created Safe Community Action Alliance.

OPTIONS

Option 1 – To approve the Administrative recommendation from the June 11, 2019 report, that once the assets are returned to the City that Council then allocate the approximately \$10,000 to the newly created SCAA.

The advantages and disadvantages of this original option are outlined in the report in Appendix 1.

Option 2 – Once the funds are returned to the City, to then allocate the funds, in equal proportion and return to each organization that contributed cash to the Commission: Return approximately \$3,288 each to the Downtown BID, the City and the Provincial Ministry of Justice.

Advantage

- This would be partially consistent with the request made by the Downtown BID, in that they would receive their portion of the funding back.

Disadvantage

- This would not be in keeping with the previous communication with the Ministry of Justice, in that they do not require the funds be returned if it is being used for a purpose consistent with the original intent (street safety and homelessness).

Option 3 – Return a proportionate share to the Downtown Bid, and allocate the remainder of the funds to the newly created Safe Community Action Alliance. Return approximately \$3,288 to the Downtown BID, and transfer the remaining funds, approximately \$6,576 to the Trust Account for the Safe Community Action Alliance.

Advantages

- This would be consistent with the request made by the Downtown BID

Safe Streets Commission - Asset Allocation Report

- There would still be funding in the amount of \$6,576 transferred to support a community body, the SCAA, which is functioning in the place of the Commission.

Disadvantage

- There would be less overall funding allocated to support the initiatives of the SCAA.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council, Option 1:
- to approve the original recommendation from the June 11, 2019 report, that the remaining assets of the Commission be reallocated to the Trust Account for the Safe Community Action Alliance.

RATIONALE

Correspondence with the Provincial Ministry at the conclusion of the research report in 2012, indicated appreciation for the report and work and that any residual funds from their contribution should be utilized to address matters of street safety and addressing homelessness in Saskatoon; they do not require any funding returned. With the City's share of the contribution, the Administration can confirm that given the mandate of the Safe Community Action Alliance (SCAA) – the use of the residual funds by an organization such as SCAA meet the required intent of the original funding.

ADDITIONAL IMPLICATIONS/CONSIDERATIONS

The Board of Directors of the Downtown BID, in 2012 had originally agreed to fund the work of the Commission and with the recent plan for dissolution, the current Executive Director wrote to Finance Committee on June 11, 2019 requesting additional details about the Commission. Administration has since contacted the Executive Director with the information in this report and in keeping with their board governance processes, namely that the DTNYXE did not approve funding to be directed to SCAA, has requested the return of their portion of the residual funds, approximately \$3,288.

There is currently a balance of approximately \$10,000, and based on the approved Option, the Administration would then undertake to reallocate the remaining funds.

APPENDICES

1. June 12, 2019 Report – Dissolution of Safe Streets Commission
2. Safe Community Action Alliance – Overview
3. Articles of Incorporation

Report Approval

Written by: Tenille Thomson, Social Development Manager

Reviewed by: Kevin Kitchen, Community Development Manager

Andrew Roberts, Director of Recreation and Community Development

Approved by: Lynne Lacroix, General Manager, Community Services Department