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| Council Policy No.: | CP2025-002 (formerly CP2021-011) |
| Council Policy Name: | Legacy Community Hydro Electric Systems Transfers (C.H.E.S.T.) Fund Grant Policy and Application |
| Date Approved by Council: | April 20, 2021 |
| Date revision approved by Council: | July 22, 2025 CR2025-247 |
| Related SOP, Management Directive, Council Policy, Forms | Application Form and Related Appendices |

**Policy Statement and Rationale:**

This policy is made in accordance with the Order of the Commission Made Under the Municipal Act R.S.O. 1990, c.M. 45 dated April 19, 2000. It governs the use of hydro reserves transferred from public utilities and hydroelectric commissions in the following former municipalities:

* Town of Lindsay
* Municipality of Bobcaygeon/Verulam
* Villages: Fenelon Falls, Omemee, Sturgeon Point, Woodville
* Townships: Bexley, Carden/Dalton, Eldon (Kirkfield), Emily, Fenelon, Laxton-Digby-Longford, Manvers, Mariposa, Ops, Somerville

The mandate of the Order of Commission allows these funds to be used by the newly amalgamated municipality for any purpose deemed appropriate by Council but only for the benefit of ratepayers in the geographic area originally served by the corresponding hydro utility.

This policy applies uniformly across all relevant geographic areas and refers to the fund administratively as the Legacy C.H.E.S.T. Fund. The Community Services Department, in cooperation with the “Legacy C.H.E.S.T. Fund Grant Committee” where applicable, will be responsible for reviewing and recommending funding decisions.

# Scope:

**About the Legacy C.H.E.S.T. Fund**

The goal of the Legacy C.H.E.S.T. Fund is to provide financial assistance to non-profit, community-based organizations that provide programs, projects, services, or activities that enhance the quality of life for Lindsay residents in the areas of health, arts, culture, leisure, heritage, education and the environment.

Funding is restricted to initiatives that directly benefit the local ratepayers of the former municipalities and relevant geographical area where the hydro reserves originated.

**Policy:**

**Applicant Eligibility**

To be eligible, applicants must:

* Be a non-profit organization or registered charity, or be sponsored by one
* If an applicant is neither a registered charity nor a non-profit organization, an applicant must find a Sponsor Agency. The Sponsor Agency will receive the funds for the applicant, disperse them to the applicant, and be responsible for providing The Committee/Council with a reconciliation of actual expenditures for each grant awarded along with receipts and financial statements. The name and address of the Sponsor Agency with signature of sponsoring agency representative and a singed Sponsor Agency Agreement letter are required. All sections of the application must be completed by the Sponsor
* Be based in the applicable geographic area and provide services that enhance community life
* Submit a complete application, including past post project reports for previously funded projects

**Eligible Projects**

Funding may be granted to projects that:

* Involve capital improvements such as facility repairs, renovations, accessibility improvements, or the purchase of capital equipment to support programs, activities or services
* Involve Special Events such as a sporting, cultural, or other type of unique activity, occurring for a limited or fixed duration
* Startup Funding – For a program/event, with the understanding annual funding will not be provided to continue its operations
* Special/Multi-year Projects – where the project is exclusively for construction, alterations or renovations, or acquisition of property; and where the award will have a project period of more than 12 months of activity (applicable to the Lindsay Legacy C.H.E.S.T. Fund only)
* Address extenuating or emergency circumstances that may arise for an eligible applicant throughout the year

**The Legacy C.H.E.S.T. Fund will not fund:**

* On a retroactive basis or for a project that is already completed
* Projects receiving duplicate funding from other sources
* To cover budget deficits or shortfalls
* Operating expenses such as salaries, rent, utilities, property taxes, promotion, or marketing and advertising
* For programs, activities or services outside the relevant geographic area
* Initiatives tied to political parties or ratepayer/tenant associations
* For religious activities, instruction, or worship.
* Donations to charities, charitable foundations, or fundraising campaigns
* Capital depreciation costs
* Investments to the private sector for revenue generation
* Projects that offset normal municipal obligations
* H.S.T.

**Grant Criteria and Conditions:**

* Any additional tax burden on the residents of the geographic area where the funds are to be expended and/or any other part of the municipality must be clearly identified (In the case of the Bobcaygeon C.H.E.S.T. Fund “NO” additional tax burden will be accepted)
* If applicants are partnering with other funding opportunities (not municipal tax levy) to leverage funds those funds must not be used to offset the pre-existing or future operating or capital obligation of any organization. Applicants must also demonstrate that all funding will be in place the same years as the Legacy C.H.E.S.T. Fund award prior to funds being released.
* Use the funds only for the approved project. Any misuse or project cancellation requires full repayment (including interest, if applicable). If a change is required from what was requested within the original application a request must be submitted to the Committee for approval
* Any unused or surplus funds (including any interest earned, if applicable), upon project completion must be outlined in your post project report and returned to the City to deposit in the respective reserve fund
* Immediately notify the City if the organization disbands or ceases operations, and return any funds as outlined above
* Submit a Post-Project Financial Report, including proof of spending and project results within 60 days of completion for events and by completion and no later than year-end for major projects. Any project not completed as approved, or any unresolved discrepancies, may affect future funding eligibility and result in a request to return the funds to the City
* Organizations receiving funding must acknowledge the Legacy CHEST Fund in promotional materials, websites, public announcements, events and display the Legacy C.H.E.S.T. Fund logo in a prominent location or on funded assets
* Remain in good financial standing with the City of Kawartha Lakes, and demonstrate sound financial management within your organization

 Application Review and Approval Process

* Applications are reviewed by the Legacy C.H.E.S.T. Fund Grant Committee
* The Committee assesses eligibility, impact, and alignment with policy
* Recommendations for full, partial, or no funding are forwarded to City Council for final approval
* Applicants will be notified of the decision in writing once Council passes their final approval
* Unsuccessful applicants will receive an explanation of which criteria were not met

# Financing

**Payment**

Unless other specific conditions are recommended and approved by City Council, all grants will be awarded approximately one month following final approval.

**Submission Information** Applications will be received online through the City’s Website [www.kawarthalakes.ca](http://www.kawarthalakes.ca) under Municipal Services> Grants and Funding>Legacy C.H.E.S.T. Fund. The deadline for annual applications is 4:30 p.m. on the last Friday of October.

# Revision History:

Proposed Date of Review:

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| **Revision** | **Date** | **Description of Changes** | **Requested By** |
| 0.0 | 01/20/2021 | Updated Policy Template |  |
| 1.0 | April 20, 2021 | Updated Policy Number | Council |
| 2.0 | July 22, 2025 | Update Policy Wording, Application, and Policy Number | Committees and Staff |