

**Subject: Policy Framework for Voluntary Donations for Community Benefits –
Working Group Report**

File Number: ACS2024-OCC-GEN-0014

Report to Council 2 October 2024

Submitted on September 26, 2024 by Caitlin Salter MacDonald, City Clerk

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Ward: Citywide

**Objet : Cadre stratégique pour les dons volontaires à vocation
communautaire – Rapport du groupe de travail**

Numéro de dossier : ACS2024-OCC-GEN-0014

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REPORT RECOMMENDATION(S)

That the Voluntary Donations Working Group recommend City Council:

- 1. Approve a pilot project that permits Members of Council to solicit and/or facilitate donations to the City of Ottawa for community benefit in accordance with the Donation Procedures for Members of Council provided in Document 1 and related amendments to the Donations to the City for Community Benefit Policy set out in Document 2, with outcomes of the pilot project to be reviewed as part of the 2026-2030 Governance Review process, as described in this report; and**

2. **Direct staff to undertake the following as described in Finance and Corporate Services Committee Motion No. FCSC 2024 16-02 (attached as Document 5):**
 - a. **Review the potential effects of adopting a community benefits framework for the City of Ottawa, as described in the Committee motion, as well as any measures that would be required for the City to implement such a framework;**
 - b. **Include in this review the experiences to date of relevant municipalities that have a community benefits framework in place, and a consideration of which city department(s) would lead implementation of a community benefit framework in Ottawa should one be pursued; and**
 - c. **Report back to the Finance and Corporate Services Committee and City Council no later than the end of Q4 2025.**

RECOMMANDATION(S) DU RAPPORT

Que le groupe de travail sur les dons volontaires recommande au Conseil municipal :

1. **D'approuver un projet pilote qui permet aux membres du Conseil de solliciter et/ou de faciliter des dons à vocation communautaire destinés à la Ville d'Ottawa conformément aux procédures de dons pour les membres du Conseil reproduites dans le document n° 1 et aux modifications connexes apportées à la Politique en matière de dons à vocation communautaire destinés à la Ville figurant dans le document n° 2, les résultats du projet pilote appelés à être examinés dans le cadre du processus d'examen de la structure de gestion publique 2026-2030, comme décrit dans le présent rapport;**
2. **De demander au personnel de faire ce qui suit, comme décrit dans la motion n° FCSC 2024 16-02 du Comité des finances et des services organisationnels (ci-jointe en tant que document n° 5) :**
 - a. **Étudier les effets potentiels de l'adoption d'un cadre relatif aux avantages communautaires pour la Ville d'Ottawa, comme le décrit la motion du Comité, ainsi que les mesures qui seraient nécessaires pour mettre en œuvre un tel cadre;**
 - b. **Inclure dans cet examen l'expérience acquise à ce jour par les municipalités pertinentes qui ont en place un cadre relatif aux avantages communautaires et déterminer quelles directions**

générales de la Ville dirigerait la mise en œuvre d'un tel cadre à Ottawa si cela devait être retenu;

- c. Présenter un rapport au Comité des finances et des services organisationnels et au Conseil municipal au plus tard à la fin du quatrième trimestre de 2025.**

EXECUTIVE SUMMARY

This report provides recommendations from the Working Group established by City Council to address matters relating to the involvement of Members of Council in soliciting and/or facilitating voluntary donations to the City of Ottawa for community benefits.

On July 10, 2024, Council considered the staff report titled, "[Policy Framework for Voluntary Donations for Community Benefits – Information and Options](#)," which provided background information and consultation results related to the matter of Members' donation-related activities. The staff report included two potential options for policy framework updates to address this issue.

Council approved a motion that referred the staff report to a Working Group composed of the Mayor or designate; Councillor Dudas, Councillor Hubley and Councillor Johnson; and departmental staff as required. The Working Group had a mandate "to review matters relating to Member of Council involvement in donations to the City of Ottawa for community benefits and report back to Council no later than September 30, 2024."

Report recommendations

After receiving input from Members of Council and meeting in August and September of 2024, the Voluntary Donations Working Group recommends a pilot project that would permit Members of Council to solicit and/or facilitate donations to the City in accordance with Donation Procedures for Members of Council (Document 1) and related amendments to the existing Council-approved Donations to the City for Community Benefit Policy (Document 2). It is recommended that outcomes of the pilot project be reviewed at the time of the 2026-2030 Governance Review.

The Working Group notes that adopting the proposed pilot project approach would provide for information and data relating to Members' donation-related activities to be collected within an initial policy framework that provides for transparency, fairness and consistency. Council could then amend policy provisions, if necessary, based on the experiences of Members, staff, the Integrity Commissioner, and potential stakeholders such as the development industry, with the application and interpretation of the new procedures. The City Clerk would provide guidance and interpretation regarding

relevant matters during the pilot project, in consultation with the Integrity Commissioner and other City staff as required. Council could decide at any time to amend the terms of the pilot project should significant issues arise.

The draft Donation Procedures for Members of Council proposed for the pilot project would address comments received from Members of Council regarding matters such as:

- A desire for flexibility, clarity, consistency, fairness and transparency with respect to donation activities;
- “Blackout periods” for planning and procurement processes;
- The ability for Members to address emergency situations quickly and efficiently;
- Concerns regarding the allocation of cash donations to ward-specific accounts; and
- Concerns regarding the potential complaint process for alleged policy contraventions.

This report also brings forward recommendations that the Finance and Corporate Services Committee approved by way of motion (Document 5) when the Committee considered the staff report regarding voluntary donations on July 2, 2024. If approved, these recommendations would direct City staff to review the potential effects of adopting a broader community benefits framework for the City, as well as any measures that would be required for the City to implement such a framework. The review would include the experiences of other municipalities and consider which City department(s) would lead implementation of a community benefits framework should one be pursued. Staff would be required to report back to the Finance and Corporate Services Committee and Council no later than the end of Q4 2025.

RÉSUMÉ

Le présent rapport fournit des recommandations du groupe de travail établi par le Conseil municipal pour s’occuper de questions ayant trait à la participation des membres du Conseil en vue de solliciter et/ou de faciliter des dons à vocation communautaire destinés à la Ville d’Ottawa.

Le 10 juillet 2024, le Conseil a examiné le rapport du personnel intitulé « [Cadre stratégique pour les dons volontaires à vocation communautaire – Information et options](#) », qui fournissait de l’information sur le contexte et les résultats des consultations ayant trait à la question des activités des membres reliées aux dons. Le rapport du personnel comportait deux options possibles pour ce qui est de mettre à jour le cadre stratégique afin de régler cette question.

Le Conseil a approuvé une motion qui renvoyait le rapport du personnel à un groupe de travail composé du maire ou de son mandataire; de la conseillère Dudas, du conseiller Hubley et de la conseillère; et de membres du personnel de la direction générale au besoin. Le groupe de travail avait pour mandat « d'examiner les questions touchant à la participation des membres du Conseil aux dons à vocation communautaire faits à la Ville d'Ottawa et d'en rendre compte au Conseil d'ici le 30 septembre 2024 ».

Recommandations du rapport

Après avoir reçu les commentaires des membres du Conseil et s'être réuni en août et septembre 2024, le groupe de travail sur les dons volontaires recommande un projet pilote qui permettrait aux membres du Conseil de solliciter et/ou de faciliter les dons destinés à la Ville conformément aux procédures de dons pour les membres du Conseil (document n° 1) et aux modifications connexes apportées à l'actuelle Politique en matière de dons à vocation communautaire destinés à la Ville qui a été approuvée par le Conseil (document n° 2). Il est recommandé que les résultats du projet pilote soient examinés lors de l'Examen de la structure de gestion publique de 2026-2030.

Le groupe de travail fait remarquer que l'adoption de l'approche proposée pour le projet pilote fournirait des renseignements et des données sur les activités des membres reliées aux dons, qui seraient recueillis dans un cadre stratégique procurant de la transparence, de l'équité et de la cohérence. Le Conseil pourrait ensuite modifier au besoin les dispositions de la politique en fonction de l'expérience des membres, du personnel, de la commissaire à l'intégrité, et d'éventuels intervenants comme le secteur de l'aménagement, avec l'application et l'interprétation des nouvelles procédures. La greffière municipale fournirait une orientation et une interprétation en ce qui concerne les questions pertinentes pendant le projet pilote, en consultant au besoin la commissaire à l'intégrité et d'autres membres du personnel municipal. Le Conseil pourrait décider à tout moment de modifier les conditions du projet pilote si des problèmes importants se présentaient.

La version préliminaire des procédures de dons pour les membres du Conseil qui est proposée pour le projet pilote répondrait aux commentaires que les membres du Conseil ont reçus à propos de questions comme :

- Un désir de flexibilité, de clarté, d'uniformité, d'équité et de transparence en ce qui concerne les activités liées aux dons;
- Des « périodes d'interdiction » pour les processus de planification et d'approvisionnement;
- La possibilité pour les membres de s'occuper rapidement et avec efficacité des situations d'urgence;

- Les préoccupations concernant l'affectation des dons en espèces à des comptes spécifiques aux quartiers;
- Les préoccupations concernant l'éventuel processus de plainte pour des infractions alléguées à la politique.

Ce rapport présente également des recommandations que le Comité des finances et des services organisationnels a approuvées sous forme de motion (document n° 5) lorsque le Comité a examiné le 2 juillet 2024 le rapport du personnel à propos des dons volontaires. Ces recommandations, si elles sont approuvées, demanderaient au personnel municipal d'examiner les répercussions possibles qu'aurait l'adoption d'un cadre d'avantages communautaires pour la Ville, ainsi que les mesures qui seraient nécessaires pour que la Ville mette en œuvre un tel cadre. L'examen inclurait l'expérience d'autres municipalités et déterminerait quelles directions générales de la Ville dirigerait la mise en œuvre d'un cadre d'avantages communautaire s'il est retenu. Le personnel aurait l'obligation de rendre compte au Comité des finances et des services organisationnels et au Conseil au plus tard à la fin du quatrième trimestre de 2025.

BACKGROUND

Staff report and background

On July 10, 2024, City Council considered the staff report titled, "[Policy Framework for Voluntary Donations for Community Benefits – Information and Options](#)," which addressed the matter of Members of Council soliciting and/or facilitating voluntary donations to the City of Ottawa for community benefit. Staff brought the report forward further to direction provided by Council in Motion No. 2024 – 29-05 from [January 24, 2024](#), and Motion No. 2024 – 30-05 from [February 7, 2024](#).

The staff report noted, among other things, that:

- Due to the ad hoc way in which Members' activities with respect to donations have evolved, there is no centralized accounting of the number or nature of all types of donations received by the City through Member involvement; and
- Member solicitation and/or facilitation of donations is acceptable from a legal and statutory perspective, and Council may determine how it wishes for Members to exercise their statutory roles.

The report included two potential options that would update the existing policy framework:

- One option that would expressly permit Members to solicit and/or facilitate donations to the City in accordance with various limitations and requirements (“Option 1”).
- One option that would expressly prohibit Members from soliciting and/or facilitating donations to the City (“Option 2”).

Consideration by the Finance and Corporate Services Committee

Prior to Council’s consideration of the staff report, the Finance and Corporate Services Committee considered the report on [July 2, 2024](#). The Committee approved Motion No. FCSC 2024 16-01, which recommended that Council adopt Option 2 to prohibit Member solicitation and/or facilitation.

The Committee also approved Motion No. FCSC 2024 16-02 (Document 5), which in part directed staff to review the potential effects of adopting a community benefits framework for the City, as well as any measures that would be required for the City to implement such a framework.

Council consideration and referral to a Working Group

On July 10, 2024, during Council’s [consideration of the staff report](#) as amended by the Finance and Corporate Services Committee, Council approved Motion No. 2024-40-09 that referred the report to a Working Group, as follows:

THAT City Council refer the staff report titled, “Policy Framework for Voluntary Donations for Community Benefits – Information and Options,” to a Working Group composed of:

- **The Mayor or designate,**
- **Departmental staff as required,**
- **Councillor Dudas,**
- **Councillor Hubley, and**
- **Councillor Johnson**

with a mandate to review matters relating to Member of Council involvement in donations to the City of Ottawa for community benefits and report back to Council no later than September 30, 2024.

Opportunity for all Members of Council to provide input to the Working Group

On July 22, 2024, the City Clerk issued a memorandum advising Members of Council of an opportunity to provide input to the Working Group. Four Members responded to the memorandum with comments for the Working Group’s consideration.

Working Group meetings

The Working Group included Councillor Gower as the Mayor's designate, Councillor Dudas, Councillor Hubley, and Councillor Johnson. The Working Group also included staff representatives from the Office of the City Clerk; the Recreation, Cultural and Facility Services Department; Traffic Services; Legal Services; and the Planning, Development and Building Services Department. The Working Group held three meetings:

- August 12, 2024: The Working Group reviewed and identified matters to include in a potential updated policy framework. Working group members were provided with all comments received from Members in response to the City Clerk's memorandum of July 22, 2024.
- September 5, 2024, and September 9, 2024: The Working Group reviewed and considered the proposed updated framework.

DISCUSSION

The Working Group sought to address various matters raised by Members of Council at the Council meeting of July 10, 2024, as well as in responses to the City Clerk's memorandum of July 22, 2024.

While Members of Council generally indicated they want clarity, consistency, fairness and transparency with respect to donation-related activities, the Working Group observed that opinions vary on a Member's role with respect to soliciting and/or facilitating donations to the City for community benefit. Some Members of Council suggested that a prohibition on the practice would be the appropriate approach, while others stated the practice should be permitted. If Member solicitation and/or facilitation were to proceed, Members' input included the following:

- Provisions relating to "blackout periods" for decision-making processes such as planning and procurement should be clear and consistent.
- Members may need to act quickly and efficiently to solicit and/or facilitate donations in emergency situations.
- Members should not be permitted to allocate cash donations to ward-specific accounts.
- The Integrity Commissioner should address complaints relating to alleged donation-related policy contraventions involving a Member.

Voluntary Donations Working Group – Recommendations

The Working Group recommends Council approve a pilot project that would permit Members of Council to solicit and/or facilitate donations to the City for community benefit in accordance with Donation Procedures for Members of Council (Document 1)

and related amendments to the existing Council-approved Donations to the City for Community Benefit Policy (Document 2). It is recommended that outcomes of the pilot project be reviewed as part of the 2026-2030 Governance Review process.

The Working Group notes that the proposed approach would provide for information and data relating to Members' donation-related activities to be collected within an initial policy framework that provides for transparency, fairness and consistency. As noted in the staff report titled, "Policy Framework for Voluntary Donations for Community Benefits – Information and Options," such information and data is not currently available in a reliable form due to the ad hoc way in which Members' activities with respect to donations have evolved.

The pilot project approach would also provide for Council to amend policy provisions based on the experiences of Members, staff, the Integrity Commissioner, and potential stakeholders such as the development industry, with the application and interpretation of the new procedures. The City Clerk would provide guidance and interpretation regarding relevant matters during the pilot project, in consultation with the Integrity Commissioner and other City staff as required. Council could decide at any time to amend the terms of the pilot project should significant issues arise.

A summary of key provisions within the draft Donation Procedures for Members of Council is provided below.

Preamble

The proposed preamble speaks to Council's statutory role and the intent of the procedures, stating:

"Section 224 of the *Municipal Act, 2001* provides that the role of Council includes 'to represent the public and to consider the well-being and interests of the municipality.' In exercising their statutory role, Members of Council may solicit and/or facilitate donations to the City of Ottawa for community benefit as a means of enhancing municipal facilities and programs.

These procedures complement the Donations to the City for Community Benefit Policy and Code of Conduct for Members of Council. The procedures provide guidelines and requirements to ensure Members' donation-related activities are separate from decision-making processes and provide for fairness, consistency, transparency and flexibility, while mitigating any potential risk.

These procedures ensure that donations to the City may only be accepted at arm's length from decision-making processes by establishing specific "blackout period" restrictions for planning and procurement decision-making processes and

requiring Members of Council to seek pre-approval from the Integrity Commissioner if a Member has a current or foreseeable role in any decision-making process that involves the donor.”

The preamble was included by the Working Group further to Members’ input relating to Members’ roles and the importance of balancing matters such as fairness, risk and flexibility.

Application of policy provisions

The procedures would apply to all Members of Council when soliciting and/or facilitating a donation to the City for community benefit, and to City staff when assisting and supporting a Member’s donation-related activities.

That said, the Working Group recommends that additional clarity be provided with respect to when the procedures **would not apply** to Members’ activities. Specifically, the procedures **would not apply** to the following:

- Donations that directly benefit residents or specific groups outside of the corporation of the City of Ottawa, including but not limited to:
 - Donations of temporary aid and/or assistance in emergency situations affecting residents in the Member’s ward (e.g., natural disasters, weather events, etc.). The Working Group added this exemption category further to concerns Members raised about the need to act quickly and effectively in such situations.
 - “Social contracts” and other benefits a third party may provide to residents (regarding matters such as tenant housing, providing transit passes to future occupants of a development, etc.).
- Donations and sponsorships for community events organized by a Member of Council, and a Member’s support of benevolent events. These matters are addressed by the existing Council-approved [Community, Fundraising and Special Events Policy](#).
- Donations and/or contributions governed by formal statutory and/or policy processes and requirements (e.g., Community Benefits Charges).
- Various general matters that are largely set out as being non-applicable in the existing Council-approved Donations to the City for Community Benefit Policy (e.g., skills or service provided through the City’s Volunteer Program; museum artefact donations of objects with possible historic value relevant to the City of Ottawa, etc.)

Recommended “blackout periods” for planning and procurement processes

The Working Group's recommended procedures include an emphasis on blackout periods in the City's planning and procurement processes. During these blackout periods, the discussion, solicitation and/or facilitation of donations by a Member of Council is not permitted if the Member has a role in approving any outstanding planning or procurement matter related to the potential donor (e.g., consideration of a planning application by Committee and/or Council).

Where there is a reasonable expectation that a potential donor may have an outstanding planning pre-consultation or approval application(s) or procurement-related process before the City, a Member would be required to consult with applicable staff regarding the donor's status. The procedures include limited exceptions to the blackout periods that may be provided with approval from the Integrity Commissioner.

The procedures also include other restrictions that apply in relation to general decision-making processes, election matters, and donations from lobbyists or their clients or their employees with active registrations in the City's Lobbyist Registry.

Acceptance of donations and staff concurrence

Written staff concurrence would be required prior to a Member accepting a donation to the City in order to ensure a proposed donation does not have an adverse effect on matters such as a department's work plan, budgets, resourcing (including staffing) and capacity to undertake any work required.

Should staff not concur with a donation and the Member still wishes to proceed, the Member would be required to complete a Councillor's report to Committee and Council to obtain final direction from Council. As is always the case, a Member could also choose at any time to bypass policy provisions in this regard and bring forward a motion for Council to approve a proposed donation.

It should be noted that a potential limit on the total value of a donation that a Member may solicit and/or facilitate, as proposed in Option 1 of the original staff report, has been **removed** from the procedures recommended by the Working Group, given a desire for Members to have flexibility.

Allocation of donations

Under the proposed procedures, in-kind and service donations (such as projects, assets or activities) would be provided to the ward specified by the donor, unless the donor advises that the intent of the donation is City-wide or multiple wards.

With respect to cash donations, Members would not be permitted to allocate such donations to ward-specific accounts. Cash donations would be allocated by staff under delegated authority as follows:

- If the donor specifies a purpose for the cash donation, the donation would be deposited in a City-wide fund for the relevant program, for allocation by the relevant General Manager or designate, unless the Member who solicited/facilitated the donation seeks Council approval for a specific purpose.
- If the donor does not specify a purpose for the cash donation, the donation would be allocated to the general revenue of the City, unless the Member who solicited/facilitated the donation seeks Council approval for a specific purpose.

Staff would manage accepted donations under delegated authority, in consultation with the Member who solicited and/or facilitated the donation, as applicable, and subject to providing all Members of Council with status updates twice per year.

Complaint process

The Integrity Commissioner would be responsible for receiving complaints related to the procedures. Following the Integrity Commissioner's complaint intake and assessment process, if the Integrity Commissioner was satisfied that the complaint seemed to fall under the procedures and was outside the Integrity Commissioner's jurisdiction, the complainant could file a complaint with City staff.

Upon receipt of a written complaint that followed the Integrity Commissioner's assessment, the City Clerk or designate would address the matter in consultation with Legal Services and other staff as required. Staff would consider matters such as the donation's usefulness, present and ongoing financial and operational impacts, and any exposure to risk and/or liability. Failure to comply with the procedures may result in a loss of the donation.

Process map and information regarding the applicability of policy provisions

Members of Council on the Working Group suggested it would be helpful for Members to receive a process map setting out general steps for Members to consider and/or undertake during donation-related activity, as well as information regarding the applicability of policy provisions to donation types.

A draft process map and applicability guidelines are set out in Documents 3 and 4, respectively. Should Council adopt the proposed pilot project, these guidance documents may be further refined and redistributed to Members as required based on experience with the procedures.

Recommendations from the Finance and Corporate Services Committee regarding a community benefits framework for the City

The Working Group is also bringing forward for Council consideration the recommendations approved by the Finance and Corporate Services Committee during its consideration of the original staff report on [July 2, 2024](#).

These recommendations are set out Motion No. FCSC 2024 16-02, which is attached as Document 5. The motion notes that other municipalities have adopted broader community benefits frameworks and/or agreements. If approved by Council, the Committee's recommendation as set out in the motion would provide that staff be directed to:

1. Review the potential effects of adopting a community benefits framework for the City of Ottawa, as described in the Committee motion, as well as any measures that would be required for the City to implement such a framework;
2. Include in this review the experiences to date of relevant municipalities that have a community benefits framework in place, and a consideration of which City department(s) would lead implementation of a community benefit framework should one be pursued; and
3. Report back to the Finance and Corporate Services Committee and City Council no later than the end of Q4 2025.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

LEGAL IMPLICATIONS

As noted in the January 5, 2024, memorandum from the former City Solicitor and Interim City Clerk, a contribution agreement between the City and a third-party donor, entered into voluntarily, is within the City's legal power. As such, there are no legal impediments to Council approving the recommendations in this report.

CONSULTATION

Consultation conducted regarding the matter of Members of Council soliciting and/or facilitating donations to the City for community benefit was described in the staff report titled, "[Policy Framework for Voluntary Donations for Community Benefits – Information and Options.](#)"

ACCESSIBILITY IMPACTS

Accessibility impacts are considered in the recommended pilot project, which would ensure accessibility matters and related requirements under the *Accessibility for Ontarians with Disabilities Act, 2005* are assessed in the consideration of any donation.

SUPPORTING DOCUMENTATION

Document 1 – Draft Donation Procedures for Members of Council

Document 2 – Proposed Amendments to the Donations to the City for Community Benefit Policy

Document 3 – Process Map

Document 4 – Applicability Guidelines

Document 5 – Finance and Corporate Services Committee Motion No. FCSC 2024 16-02

DISPOSITION

Should Council approve the recommendations in this report, staff will implement the proposed pilot project and undertake a review regarding a community benefits framework for the City of Ottawa in the manner described in the report. Outcomes of the pilot project would be reviewed as part of the 2026-2030 Governance Review process.