



Parks, Arts and Recreation Program ("PAR Program")

PARKS, ARTS AND RECREATION BOARD Effective: 5/1/2022 Updated: 10/8/24

Background and Purpose of this Policy

On November 2, 2021, a majority of Springville City voters approved a 0.1% increase in the local sales and use tax to fund recreation facilities and cultural facilities and organizations within Springville City. The tax, known as the Parks, Arts and Recreation ("PAR") tax, will go into effect on April 1, 2022.

The PAR tax funds are to be used for recreation facilities and cultural facilities and organizations as allowed under Section 6-12-103 of the Springville City Code and Sections 59-12-1401, et. seq. of the Utah Code. The City Council created the Parks, Arts and Recreation Board ("PAR Board") to "advise the City Council on the allocation of . . . PAR tax dollars." See Section 5A-2-101 of the Springville City Code.

The purpose of this policy is to establish the process for (1) recreation and cultural organizations to apply for PAR tax funding, (2) the PAR Board to make recommendations to the City Council, and (3) the distribution of PAR tax funding. This process is referred to as the PAR Program. The PAR Board and City Council is committed to making sure that the PAR Program is fair and meets the best interests of Springville City residents.

Policy

A. Overview

Throughout each year, the PAR Board will review the City's parks, arts and recreation long-term plans in order to advise the City Council regarding (1) long-term planning revisions and (2) how PAR tax funding should be distributed. It is anticipated that the PAR Board will follow the following schedule throughout the year:



Each year the PAR Board will provide the exact dates through a notice on the City's website for the above schedule. The PAR Board may adjust the schedule as it deems necessary.

The PAR Program evaluates applications for PAR tax funding distributions to the following facilities and organizations:

- City owned cultural or recreational facilities;
- Private nonprofit cultural organizations;
- A qualifying facility within the geographic area of an entity that is a party to interlocal agreement with the City; and
- Ongoing operating expenses of a City owned recreational facility.

See Section 59-12-1403 of the Utah Code and Section 6-12-103 of the City Code.

B. Definitions

Any word in this policy not defined below shall have the meaning ascribed to the word under Sections 59-12-602 through 59-12-1401 of the Utah Code or, if not defined under those sections, the commonly used meaning of the word.

- Application - means the application entities, including the City, will use to request PAR funds.
- Compliance Report - means the record of how PAR tax funding was awarded and how it was spent.
- Cultural Facility - means any publicly owned or operated museum, theater, art center, music hall, or other cultural or arts facility located within the City or within a geographic area of an entity that is a party to an interlocal agreement with the City.
- Cultural Organization - means a private nonprofit organization having as its primary purpose the advancement and preservation of:
 - natural history;
 - art;
 - music;
 - theater;
 - dance; or
 - cultural arts, including literature, a motion picture or storytelling.
- Financial Report - A set of documents that show the financial situation of a company at the end of a particular period of time, including how much profit or loss it has made.
- Fiscal Year - means the City's fiscal year, which runs from July 1st of the current year to June 30th of the following year. The fiscal year is described by the end date of the year. For instance, the 2024 fiscal year ran from July 1, 2023 to June 30, 2024.
- Private Nonprofit Organization - means a private nonprofit entity organized under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act or Section 501(c)(3), Internal Revenue Code.
- Primary Purpose - means the main goal, the fundamental intent, the core purpose or mission of an organization.
- Qualifying Facility - means a cultural or recreational facility.
- Recreation Facility - means any publicly owned or operated park, campground, marina, dock, golf course, playground, athletic field, gymnasium, swimming pool, trail system, or other facility used for recreational purposes located within the City or within a geographic area of an entity that is a party to an interlocal agreement with the City.

C. General Guidelines

1. Funding. PAR Program funding comes from sales tax revenues collected by the State and distributed to the City. All of PAR Board's recommendations for PAR tax distributions shall be based on actual receipt of PAR tax revenue.
2. Merit Based.
 - a. PAR funds are not an entitlement, and the filing of an application is not a guarantee that the City Council will award any funds to the applicant.
 - b. PAR funds are awarded based on the merit of an application and availability of funds.
 - c. A funded project is not guaranteed funding in subsequent years unless authorized by the original grant and appropriated by the City Council in each budget year a project is to be funded.
3. Grants.
 - a. Grants will be made available in the following categories:
 - i. Qualifying Facilities;
 - ii. Cultural Organization Grants:
 - Major - \$10,000 or more;
 - Mid-Major - \$5,000 - \$9,999; and
 - Mini - Below \$5,000.
 - b. The PAR Program anticipates, but is not bound to, awarding at least 10% of the PAR tax funding to mid-major and mini cultural organization grants.
 - c. Applicants may apply in one or more categories, and they may apply in collaboration with other cultural organizations.
 - d. There will be generally be only one granting round each year.
 - e. Multiple year grants may be awarded provided they are within the PAR tax authorization period of ten years. Multiple year grants will still be subject to an annual budget appropriation by the City Council. In the event a budget appropriation is not made by the City Council to continue a multiple year grant, the grant will automatically terminate.
4. Unallocated Funds. The City Council may use unallocated or unexpended funds from one fiscal year in another fiscal year.
5. City Council. The City Council will consider the PAR Board's recommendations regarding PAR funding distributions. However, the City Council retains the right and full discretion to allocate funds as the City Council deems best for the City's residents.

D. Qualifications for Qualifying Facility Grants

PAR tax funding may only be awarded to qualifying facilities for capital projects or for ongoing expenses of recreational facilities. Applicants for qualifying facility grants must meet the following qualifications for their grant to be considered:

1. Ongoing Maintenance. The grant for a qualifying facility capital project must show that there is funding for the operation and maintenance of the facility; and
2. Long-Term Plans. The grant must be in line with the City's long-term parks, arts and recreation plans.

E. Cultural Organization Grant Qualifications

Applications for cultural organization grants must meet the following qualifications for their grant to be considered:

1. Enhancement. The grant must enhance the City's cultural arts offerings in the community in accordance with the City's long-term parks, arts and recreation plans.
2. Organization. The applicant must be a cultural organization, as defined in this policy.
3. Priority. Priority will be given to organizations that:
 - a. can match funds;
 - b. demonstrate a strong connection to the community; and
 - c. show that their organization's primary purpose is financially sustainable.
4. Other Funding. The grant must not be the sole source of funding received by the applicant to fund the cultural organization's primary purpose.
5. Major Grant Expenses. Cultural organizations applying for major grants may be awarded up to 35% of their total operating expenses.
6. New Organization. New cultural organizations may be required to show how the organization will be financially sustainable for a period of at least five years.
7. Grants Over \$20,000. Applicant's applying for a major grant greater than \$20,000 must demonstrate a stable financial history and strong financial management.

Procedure

A. Application Process

The PAR Program will award PAR grants through the following application process:

1. Requests. All requests for PAR funds must be submitted on an application provided by the PAR Program. A sample application form is attached as Attachment A to this policy. The PAR Program may revise the attached application prior to making it available each year.
2. Notice. The PAR Board will issue public notice regarding how to obtain an application, the deadline for filing completed applications, and important meeting dates for PAR grant consideration.
3. Accuracy. Applications must be accurate and complete, including supplemental information. It is not the responsibility of anyone associated with the PAR Program to contact any applicant regarding information missing from their application. In the interests of the program, staff may notify applicants of deficiencies. If this occurs all applicants will be treated equitably and notified of similar deficiencies.
4. Deadline. All applications must be submitted prior to the application deadline. Late applications will not be considered.
5. Additional Documents. The PAR Board may require a cultural organization to submit financial reports and other additional documents as part of the application process either before or after the deadline in order to ensure that the organization is financially stable and responsible. Organizations seeking major grants may be subject to heightened scrutiny.
6. Categories. Based on the City's long-term plans, the PAR Board may decide to establish a desired allocation based on percentages of the PAR Program funding prior to receiving applications in a given year. If the PAR Board develops such allocation

percentages prior to the application process, the PAR Board may provide notice of the allocation percentages with the application documents.

7. Review. The PAR Board will review every application and accompanying material and shall identify and recommend which grants the City Council should approve.
8. Presentations. Applicants shall be required to make a presentation and discuss the merits of their proposals in front of the PAR Board or City Council. No additional materials will be accepted at a presentation unless requested by the PAR Board or City Council.
9. Recommendations. The PAR Board's recommendations to the City Council will be approved by a process developed by the PAR Board, which will include a majority vote of a quorum of the PAR Board. A quorum is at least 50% of the number of current PAR Board members.
10. Award Notice. The PAR Program will provide notice to applicants regarding the PAR Board recommendations regarding distributions to the City Council and the City Council's final decision on distributions, including the amount of PAR funding each applicant will receive. Those applicants who were disqualified or denied funding will also be notified.

B. Distribution of Funds

After the City Council approves the final annual PAR funding distribution list through the budget process, each cultural organization receiving a grant shall do the following in order to receive funds.

1. Agreement. Cultural organizations that receive grants will be required to enter into an agreement with the City prior to receiving funds. The agreement shall include:
 - a. the organization's detailed plan of scheduled expenditures;
 - b. a beginning and ending date of the project;
 - c. dates for required reporting, including interim reports as needed;
 - d. a clause that allows the City to verify information and documents regarding the use of PAR fund expenditures; and
 - e. consequences of the failure to use PAR funds as required.

A sample agreement form is attached as Attachment B, which form may be modified at the discretion of the City.

2. Agreement Execution. The required agreement must be executed by the cultural or organization receiving a grant within 60 days of the City Council approving the PAR fund distributions as part of the fiscal budget process. Any organization that fails to execute the agreement within the required time period may lose its grant award.
3. Disbursements. No funds will be distributed to an organization until the required executed agreement and all required documents are submitted to the City. Disbursements will be made as follows:
 - a. Grant Funding. At the discretion of the City, the City will pay grant recipients PAR funding one of two ways:
 - i. the full amount of the grant within 30 days of receiving the fully executed agreement and any other required documents; or
 - ii. the grant funding will be paid on an expenditure basis under the below process:

1. cultural organizations must provide the City with detailed receipts prior to receiving reimbursement, and
 2. reimbursement requests can be made no more than once per month.
- b. Unused Funds. Cultural organizations who do not expend all of their grant funds shall return any unused portion of the grant funds to the City by June 30th of the fiscal year, unless otherwise determined by the City.
 - c. Timing. PAR Program funds will be disbursed in accordance with the City's fiscal year. The City Council anticipates approving PAR Program distributions when the Council approves the City's fiscal budget.

C. PAR Program Credit

A cultural organization's use of PAR funding is important to the PAR Program because it allows City residents to know how the PAR funding is being disbursed to benefit the community.

1. PAR Program Logo. Each cultural organization that receives PAR Program funding shall ensure that brochures, news releases, programs, publications and other printed material includes the PAR Program logo or other language required by the PAR Program, identifying an organization's use of the PAR Program funding where projects, performances or other activities are funded in full or in part by the PAR program.
2. Failure to Acknowledge. A cultural organization's failure to acknowledge PAR Program funding may be considered by the PAR Program in considering future PAR funding to the organization.

D. Reporting Requirements

1. Mid-Year Report. Each cultural organization who receives PAR Program funding is required to submit an audit report by December 31st of the fiscal year the organization receives the funding. The mid-year report must itemize how the PAR Program funding had been expended to date and how any unexpended funds will be expended before the end of the fiscal year. Failure to provide the report will result in being disqualified from receiving for future PAR Grants for up to one year.
2. Year-End Report. Each recipient cultural organization must submit a year-end report that shows an itemization of how the organization expended PAR Program funding. Failure to provide the report will result in being disqualified from receiving for future PAR Grants for up to one year.
3. Multi-Year Projects. Cultural organizations receiving funding for multi-year projects shall submit a mid-year and year-end report each year of the organization's multi-year project.
4. Other Reports. The City Council or PAR Board may require other reports as they deem necessary to ensure that PAR Program funding is being properly expended as set forth in the agreement.
5. Compliance Report. City staff will develop and present a compliance report each year to the PAR Board and City Council.

Attachment A
PAR Grant Application

Attachment B
(Sample Agreement Form)



PARKS, ARTS, AND RECREATION FUNDING AGREEMENT

This agreement for receiving funding from Springville City’s Parks Arts and Recreation (“PAR”) fund is made on _____, 2024, by and between Springville City (“City”), 110 South Main Street, Springville, Utah 84663, and _____ (‘Recipient’), located at _____.
The total amount of funding agreed to be provided is \$_____.

TERMS AND CONDITIONS

Description of Services. Recipient’s PAR application is attached to this agreement as Exhibit A. Recipient will use PAR program funds only for the purposes stated in their application.

Recipient is a 501(c)(3) nonprofit organization or a city-funded recreation, arts or cultural program or facility and agrees to follow all local, state and federal laws and regulations governing Recipient’s organization, including, but not limited to, all workers compensation, licenses, permits, certificates, tax and other requirements. A qualifying 501(c)(3) nonprofit organization must have or commit to have a significant presence in Springville City and have as a primary purpose the advancement and/or preservation of natural history, art, music, theater, dance or cultural arts.

PAR program funds will be disbursed in accordance with the City’s fiscal year (July 1-June 30). Distribution of the funds will be at the discretion of the City. Organizations who do not expend all their funds shall return any unused portion of their funds to the City by June 30th of the fiscal year, unless otherwise determined by the City.

Each organization that receives PAR funding shall ensure that all promotional items, programs, publications, performances and other printed materials include the PAR program logo or other language required by the PAR program supplied by the City. City may, but is not required to, use Recipient’s name, picture, photographs, or likenesses in advertising the program.

Recipient must provide an itemized report showing their expended funds in a mid-year report (due December 31st) and year-end report (due on the 4th Tuesday in June) as outlined in the Policy and Procedures of PAR tax funding. Reports are due during the fiscal year period of the PAR funding disbursement. Failure to provide the report will result in being disqualified from receiving for future PAR Grants for up to one year.

Recipient participates at his/her own risk. Recipient assumes all risk of damage or loss to his/her merchandise, personal property, and personal effects.

Recipient releases and discharges City and its officers, employees, volunteers and/or agents from any and all claims, causes of action, losses or other damage resulting from, arising out of, or relating in any way to his/her program.

Recipient shall indemnify, defend and hold harmless City and its officers, employees, volunteers and/or agents from any and all losses, damages, or claims in connection with his/her program.

Recipient Signature: _____ Date: _____

Company Name: _____

Springville City: _____ Date: _____