

## POLICIES & OBJECTIVES

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### CHAPTER 6 – PUBLIC SERVICE CONTRACTS, GRANT POLICIES, AND INCENTIVE PROGRAMS

#### PART I - PUBLIC SERVICE FUND (AMENDED 2024)

As part of the budget process, the City Council appropriates funds to contract with organizations offering services consistent with the needs and goals of the City. Depending upon the type of service category, payment terms of the contracts may take the form of cash payment and/or offset fees or rent relating to City property in exchange for value-in-kind services. The use of the public service contracts will typically be for specific services rendered in an amount consistent with the current fair market value of said services.

##### A. Public Service Fund Distribution Criteria

In order to be eligible for a public service contract in Fund Categories 1-3, organizations must meet the following criteria:

1. **Criterion 1: Accountability and Sustainability of Organization** - The organization must have the following:
  - Quantifiable goals and objectives.
  - Non-discrimination in providing programs or services.
  - Cooperation with existing related programs and community service.
  - Compliance with the City contract.
  - Federally recognized not-for-profit status.
    - Public Service Contract applicants may also apply under the fiscal sponsorship of a not-for-profit organization.
  
2. **Criterion 2: Program Need and Specific City Benefit** - The organization must have the following:
  - A clear demonstration of public benefit and provision of direct services to City residents.
  - A demonstrated need for the program or activity. Public Service Funds may not be used for one-time events, scholarship-type activities or the purchase of equipment.
  
3. **Criterion 3: Fiscal Stability and Other Financial Support** - The organization must have the following:
  - A clear description of how public funds will be used and accounted for
  - Other funding sources that can be used to leverage resources.
  - A sound financial plan that demonstrates managerial and fiscal competence.
  - A history of performing in a financially competent manner.

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- 4. Criterion 4: Fair Market Value of the Services** - The fair market value of services included in the public service contract should equal or exceed the total amount of compensation from the City unless outweighed by demonstrated intangible benefits.

### **B. Fund Categories**

For the purpose of distributing Public Service Funds, contracts are placed into the following categories:

- 1. Public Service Contracts**
- 2. Emergent Community Needs Grants**
- 3. Rent Contribution**
- 4. Historic Preservation**

### **C. Public Service Contracts**

A portion of the budget will be designated for service contracts relating to nonprofit services with a demonstrated community benefit aligned with City goals and priorities. Services that fall into this category would include, but not be limited to the following: community art & culture, childhood education, medical treatment, emergency assistance, food pantry, housing outreach & education, mental health, senior services, and safe haven. To the extent possible, individual special services will be delineated in the budget.

The City will award Public Service Contracts through a competitive bid process administered by the Nonprofit Services Advisory Committee and City Staff. The City reserves the right to accept, reject, or rebid any service contracts that are not deemed to meet the needs of the community or the contractual goals of the service contract.

Each provider will have a Public Service Contract with a term of up to four years. Eighty percent of each annual appropriation will be available at the beginning of the fiscal year, with the remaining 20 percent to be distributed upon demonstration through performance measures (quality and quantity) that the program has provided public services meeting its goals as delineated in the Public Service Contract. The disbursement of all appropriations will be contingent upon council approval. Public Service Contract providers will be required to submit current budgets and evidence of contract compliance (as determined by the contract) by the given deadline of the first contract year.

All Public Service Contract proposals must be consistent with the criteria listed in this policy, in particular criterion 1-4.

### **D. Emergent Community Needs Grants**

A portion of the budget will be designated for grants to nonprofits to launch a new program or to address an emergent community need. Proposals must be consistent with the criteria listed in this policy, in particular criterion 1-4. Awards

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are limited to 1-2 years. Organizations receiving grant funding to launch a new program must show how the program will be financially viable without ongoing support from the City. If funding is used to address an emergent need, organizations must demonstrate how short-term City funding would address the need.

The City will award Emergent Community Needs Grants through a competitive bid process administered by the Nonprofit Services Advisory Committee and City Staff. The City reserves the right to accept, reject, or rebid any service contracts that are not deemed to meet the needs of the community or the contractual goals of the service contract.

### **E. Rent Contribution**

A portion of the budget will be used as a rent contribution for organizations occupying City-owned property and providing services consistent with criterion 1-4 pursuant to the needs and goals of the City. To the extent possible, individual rent contributions will be delineated in the budget. Rent contributions will usually be memorialized by a lease agreement with a term of five years or less, unless otherwise approved by City Council.

The City is required to make rent contributions to the Park City Building Authority for buildings that it occupies. Qualified Organizations may enter into a lease with the City to occupy City space at a reduced rental rate pursuant to criterion 1-4. The difference between the reduced rental rate and the rate paid to the Park City Building Authority will be funded by the rent contribution amount. Rent Contribution lease agreements will not exceed five years in length unless otherwise directed by the City Council. Please note that this policy only applies when a reduced rental rate is being offered. This policy does not apply to lease arrangements at "market" rates.

### **F. Historic Preservation**

Each year, the City Council may appropriate a specific dollar amount relating to historic preservation. The City Council will appropriate the funding for these expenditures during the annual budget process. The funding source for this category is the Lower Park Avenue, the Main Street RDA, and the General Fund. The City Council hereby authorizes the Historic District Grant Program. The disbursement of the funds shall be administered pursuant to the Historic District Grant Program pursuant to applications and criteria established by the Planning Department, and awarded by the Planning Department except that City Council approval shall be required for disbursement amounts greater than \$25,000. In instances where another organization is involved, a contract delineating the services will be required. Projects involving city property or partnerships shall be limited to Category A. Repair funds, remaining end of fiscal year funds, or funds allocated via the General Fund through the separate Budgeting for Outcomes (BFO) annual process.

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### **G. Exceptions**

Rent Contribution and Historic Preservation funds will be appropriated through processes separate from the Public Service Contract process and when deemed necessary by City Council or its designee. All final decisions relating to public service funding are at the discretion of the City Council.

Nothing in this policy shall create a binding contract or obligation of the City. Individual Service Contracts may vary from contract to contract at the discretion of the City Council. Any award of a service contract is valid only for the term specified therein and shall not constitute a promise of future award. The City Council reserves the right to reject any and all proposals, and to waive any technical deficiency at its sole discretion. Members of the City Council, the Service Contract Sub-Committee, and any Advisory Board, Commission or special committee with the power to make recommendations regarding Public Service Contracts are ineligible to apply for such Public Service Contracts, including historic preservation funds. City Departments are also ineligible to apply for Public Service Contracts. The ineligibility of Advisory Board, Commission and special committee members shall only apply to the category of Public Service Contracts that such advisory Board, Commission and special committee provides recommendations to the City Council. All submittals shall be public records in accordance with government records regulations ("GRAMA") unless otherwise designated by the applicant pursuant to UCA Section 63-2-308, as amended.