

**COUNCIL OF THE TOWN OF LA PLATA**  
**Ordinance 09-3**

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<b>Introduced By:</b>	<b>Councilwoman Paretta D. Mudd, mayor pro tem</b>
<b>Date Introduced:</b>	<b>March 24, 2009</b>
<b>Planning Commission Public Hearing:</b>	<b>[Not required]</b>
<b>Town Council Public Hearing:</b>	<b>[Not required]</b>
<b>Amendments Adopted:</b>	
<b>Date Adopted:</b>	<b>April 28, 2009</b>
<b>Date Effective:</b>	<b>May 14, 2009</b>

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1  
2 **An Ordinance** concerning

3  
4 **Community Grant Policy**

5  
6 **FOR** the purpose of establishing terms and conditions under which the La Plata Town Council  
7 may make certain grants of money to certain entities for public purposes; and all matters  
8 generally relating thereto.

9  
10 **BY** adding

11  
12 Chapter 26 – Community Grant Policy  
13 Section 26-1 through 26-5  
14 Code of the Town of La Plata  
15 (1998 Edition and Supplements)

16  
17 **SECTION 1: BE IT ENACTED BY THE COUNCIL OF THE TOWN OF LA PLATA**  
18 that new Sections 26-1 through 26-5 be and they hereby are added to the Code of the Town of  
19 La Plata (1998 Edition and Supplements), to be under a new Chapter 26, Grant Policy, to read as  
20 follows:  
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**Chapter26 – COMMUNITY GRANT POLICY**

**26-1 PURPOSE AND SCOPE.**

A. THE PURPOSE OF THIS CHAPTER 26 IS TO PROVIDE THE AUTHORIZATION, AND TO ESTABLISH A PROCESS AND PROCEDURE, FOR THE LA PLATA TOWN COUNCIL TO MAKE GRANTS OF TOWN FUNDS TO NON-PROFIT COMMUNITY ORGANIZATIONS WITHIN THE TOWN OF LA PLATA THAT SERVE OR PROMOTE THE PUBLIC HEALTH, SAFETY OR WELFARE OF THE TOWN AND ITS RESIDENTS AND TO PROVIDE ACCOUNTABILITY TO ENSURE THAT THE GRANT FUNDS ARE EXPENDED PROPERLY. THE TOWN COUNCIL EXPRESSLY FINDS THAT SUCH GRANTS OF TOWN FUNDS WILL SERVE A PUBLIC PURPOSE.

B. THIS CHAPTER 26 APPLIES ONLY TO GRANTS OF TOWN FUNDS TO ORGANIZATIONS WHICH, IN TURN, WILL MAKE FURTHER DISTRIBUTION OF SUCH FUNDS TO QUALIFIED COMMUNITY ORGANIZATIONS. THIS CHAPTER 26 DOES NOT REGULATE OR RESTRICT THE TOWN COUNCIL’S AUTHORITY TO APPROPRIATE AND MAKE A DIRECT GRANT THAT WILL BE EXPENDED BY THE ORGANIZATION TO WHICH THE GRANT IS MADE EXCLUSIVELY FOR THAT ORGANIZATION’S PURPOSES.

**26-2 AUTHORITY.**

THE TOWN COUNCIL MAY APPROPRIATE AS PART OF THE TOWN’S ANNUAL BUDGET AND MAKE GRANTS OF TOWN FUNDS TO AN ORGANIZATION DESCRIBED IN SECTION 26-3 FOR THE ORGANIZATION’S OWN PURPOSES AND FOR FURTHER DISTRIBUTION OF SUCH FUNDS TO QUALIFIED COMMUNITY ORGANIZATIONS DESCRIBED IN SECTION 26-4.

**26-3 ORGANIZATIONS TO WHICH GRANTS MAY BE MADE.**

THE LA PLATA TOWN COUNCIL MAY MAKE A GRANT AUTHORIZED BY THIS CHAPTER 26 TO AN ORGANIZATION THAT MEETS ALL OF THE FOLLOWING CRITERIA:

- A. THE ORGANIZATION IS A NON-STOCK NOT-FOR-PROFIT CORPORATION IN GOOD STANDING, ORGANIZED UNDER THE LAWS OF MARYLAND.
- B. THE CORPORATION HAS ITS PRINCIPAL OFFICE IN THE TOWN OF LA PLATA.
- C. THE CORPORATION MEETS THE REQUIREMENTS FOR TAX-EXEMPT STATUS UNDER 26 U.S.C §501.

63  
 64 D. THE CORPORATION IS ORGANIZED FOR THE PURPOSE OF ENHANCING THE  
 65 QUALITY OF LIFE AND CONDITIONS OF THE CITIZENS OF THE TOWN OF LA PLATA,  
 66 AND PROMOTING THEIR HEALTH, SAFETY AND/OR WELFARE.

67  
 68 E. THE CHARTER OR BYLAWS OF THE CORPORATION PROVIDES FOR A BOARD  
 69 OF DIRECTORS THAT CONSISTS OF NOT LESS THAN FIVE MEMBERS, AT LEAST ONE  
 70 OF WHICH IS APPOINTED BY THE TOWN COUNCIL. THE TOWN COUNCIL MAY  
 71 APPOINT ONE OF ITS MEMBERS TO THE CORPORATION’S BOARD OF DIRECTORS.

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 73 F. THE CORPORATION ENTERS INTO A GRANT AGREEMENT WITH THE TOWN  
 74 THAT COMPLIES WITH THE REQUIREMENTS OF SECTION 26-5.

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 76 **26-4 ORGANIZATIONS TO WHICH GRANT FUNDS MAY BE DISTRIBUTED.**

77  
 78 SUBJECT TO THE TERMS OF A GRANT AGREEMENT ENTERED INTO PURSUANT TO  
 79 SECTION 26-3.F. AND 26-5, AN ORGANIZATION TO WHICH THE TOWN COUNCIL  
 80 MAKES A GRANT OF TOWN FUNDS MAY DISTRIBUTE ALL OR A PORTION OF SUCH  
 81 GRANT FUNDS TO ONE OR MORE QUALIFIED COMMUNITY ORGANIZATIONS. AS  
 82 USED IN THIS CHAPTER, A “QUALIFIED COMMUNITY ORGANIZATION” IS AN  
 83 ORGANIZATION THAT MEETS ALL OF THE FOLLOWING CRITERIA:

84  
 85 A. THE ORGANIZATION IS A NON-STOCK NOT-FOR-PROFIT CORPORATION IN  
 86 GOOD STANDING, ORGANIZED UNDER THE LAWS OF MARYLAND.

87  
 88 B. THE CORPORATION HAS AN OFFICE IN THE TOWN OF LA PLATA.

89  
 90 C. THE CORPORATION MEETS THE REQUIREMENTS FOR TAX-EXEMPT STATUS  
 91 UNDER 26 U.S.C §501, REGARDLESS OF WHETHER THE ORGANIZATION HAS  
 92 RECEIVED RECOGNITION OF SUCH TAX-EXEMPT STATUS.

93  
 94 D. THE CORPORATION IS ORGANIZED FOR THE PURPOSE OF PROVIDING  
 95 NEIGHBORHOOD BASED OR COMMUNITY-WIDE SERVICES TO CITIZENS OF THE  
 96 TOWN OF LA PLATA AND SURROUNDING AREAS, AND PROMOTING THEIR HEALTH,  
 97 SAFETY AND/OR WELFARE.

98  
 99 E. THE CORPORATION ENTERS INTO A GRANT AGREEMENT THAT COMPLIES  
 100 WITH THE REQUIREMENTS OF SECTION 26-5.

101  
 102 **26-5 GRANT AGREEMENTS.**

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104 (1) BEFORE THE LA PLATA TOWN COUNCIL MAKES A GRANT OF TOWN FUNDS  
105 PURSUANT TO SECTION 26-2, THE ORGANIZATION TO WHICH THE GRANT WILL BE  
106 MADE SHALL ENTER INTO A GRANT AGREEMENT WITH THE TOWN THAT SHALL  
107 INCLUDE THE FOLLOWING PROVISIONS, IN ADDITION TO SUCH OTHER PROVISIONS  
108 THAT ARE NOT INCONSISTENT WITH THOSE REQUIRED BY THIS SECTION 26-5 OR  
109 OTHER LAW:

110  
111 (1) A PROVISION THAT THE ORGANIZATION SHALL NOT DISCRIMINATE ON THE  
112 BASIS OF RACE, GENDER, RELIGION, NATIONAL ORIGIN, AGE, DISABILITY, OR ANY  
113 OTHER PROHIBITED BASIS IN THE CONDUCT OF THE ORGANIZATION’S AFFAIRS AND  
114 IN THE DISTRIBUTION OF TOWN GRANT FUNDS.

115  
116 (2) A PROVISION SPECIFYING THE PURPOSES FOR WHICH THE ORGANIZATION  
117 MAY EXPEND GRANT FUNDS, INCLUDING THE EXTENT TO WHICH SUCH FUNDS MAY  
118 BE EXPENDED FOR THE ORGANIZATION’S ADMINISTRATIVE EXPENSES.

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120 (3) A PROVISION THAT THE ORGANIZATION SHALL NOT DISTRIBUTE ANY TOWN  
121 GRANT FUNDS TO AN ORGANIZATION THAT IS NOT A QUALIFIED COMMUNITY  
122 ORGANIZATION.

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124 (4) A PROVISION THAT THE ORGANIZATION SHALL PROVIDE A COPY OF ITS  
125 BUDGET TO THE TOWN COUNCIL AT THE BEGINNING OF EACH YEAR.

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127 (5) A PROVISION THAT REQUIRES THE ORGANIZATION TO PUBLICIZE EACH YEAR  
128 THE AVAILABILITY OF TOWN GRANT FUNDS FOR DISTRIBUTION TO QUALIFIED  
129 COMMUNITY ORGANIZATIONS AND THE PROCESS BY WHICH ORGANIZATIONS MAY  
130 APPLY FOR A DISTRIBUTION OF SUCH FUNDS.

131  
132 (6) A PROVISION THAT THE ORGANIZATION SHALL PROVIDE TO THE TOWN  
133 COUNCIL FROM TIME TO TIME THE CRITERIA THAT THE ORGANIZATION’S BOARD OF  
134 DIRECTORS WILL USE TO EVALUATE REQUESTS FROM QUALIFIED COMMUNITY  
135 ORGANIZATIONS FOR DISTRIBUTION OF TOWN GRANT FUNDS.

136  
137 (7) A PROVISION THAT THE ORGANIZATION SHALL PROVIDE TO THE TOWN AT  
138 LEAST ANNUALLY FINANCIAL STATEMENTS OF A TYPE AND IN A FORM  
139 ACCEPTABLE TO THE TOWN TREASURER, AS SPECIFIED IN THE AGREEMENT.

140  
141 (8) A PROVISION THAT THE ORGANIZATION SHALL PROVIDE AN ANNUAL REPORT  
142 TO THE TOWN COUNCIL CONCERNING THE ORGANIZATION’S ACTIVITIES AND  
143 DISTRIBUTION OF TOWN GRANT FUNDS SINCE THE PREVIOUS REPORT.

144

145 (9) A PROVISION THAT THE ORGANIZATION SHALL AUTHORIZE THE TOWN TO  
146 AUDIT ALL BOOKS AND RECORDS OF THE ORGANIZATION TO ENSURE THE PROPER  
147 USE AND DISTRIBUTION OF TOWN GRANT FUNDS.

148  
149 (10) A PROVISION THAT REQUIRES THAT, IN THE EVENT OF DISSOLUTION OF THE  
150 ORGANIZATION, THE ORGANIZATION SHALL RETURN ALL UNEXPENDED TOWN  
151 GRANT FUNDS TO THE TOWN.

152  
153 (11) A PROVISION THAT REQUIRES THE ORGANIZATION TO ENTER INTO A GRANT  
154 AGREEMENT WITH A QUALIFIED COMMUNITY ORGANIZATION BEFORE IT MAY  
155 DISTRIBUTE ANY TOWN FUNDS TO THAT QUALIFIED COMMUNITY ORGANIZATION.  
156 SUCH A GRANT AGREEMENT SHALL INCLUDE THE FOLLOWING PROVISIONS, IN  
157 ADDITION TO SUCH OTHER PROVISIONS THAT ARE NOT INCONSISTENT WITH THOSE  
158 REQUIRED BY THIS SECTION 26-5 OR OTHER LAW:

159  
160 (A) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION  
161 SHALL NOT DISCRIMINATE ON THE BASIS OF RACE, GENDER, RELIGION, NATIONAL  
162 ORIGIN, AGE, DISABILITY, OR ANY OTHER PROHIBITED BASIS IN THE CONDUCT OF  
163 THE ORGANIZATION'S AFFAIRS AND IN THE DISTRIBUTION OF TOWN GRANT FUNDS.

164  
165 (B) A PROVISION SPECIFYING THE PURPOSES FOR WHICH THE QUALIFIED  
166 COMMUNITY ORGANIZATION MAY EXPEND GRANT FUNDS.

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168 (C) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION MAY  
169 BE REQUIRED TO PROVIDE A COPY OF ITS BUDGET PRIOR TO RECEIVING A  
170 DISTRIBUTION OF TOWN GRANT FUNDS SHOWING HOW THE GRANT FUNDS WILL BE  
171 USED.

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173 (D) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION MAY  
174 BE REQUIRED TO PROVIDE AT LEAST ANNUALLY SUCH EVIDENCE AS MAY BE  
175 REQUIRED TO DEMONSTRATE THAT THE GRANT FUNDS HAVE BEEN USED BY THE  
176 QUALIFIED COMMUNITY ORGANIZATION IN THE MANNER SPECIFIED IN ITS GRANT  
177 APPLICATION.

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179 (E) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION MAY  
180 BE REQUIRED TO PROVIDE AN ANNUAL REPORT CONCERNING THE QUALIFIED  
181 COMMUNITY ORGANIZATION'S ACTIVITIES AND USE OF TOWN GRANT FUNDS SINCE  
182 THE PREVIOUS REPORT.

183  
184 (F) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION MAY  
185 BE REQUIRED TO AUTHORIZE THE AUDIT OF ALL BOOKS AND RECORDS OF THE

186 QUALIFIED COMMUNITY ORGANIZATION TO ENSURE THE PROPER USE AND  
187 DISTRIBUTION OF TOWN GRANT FUNDS.

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189 (G) A PROVISION THAT THE QUALIFIED COMMUNITY ORGANIZATION  
190 AGREES TO RETURN OR REIMBURSE ALL TOWN GRANT FUNDS THAT IT HAS NOT  
191 SPENT IN ACCORDANCE WITH THE TERMS OF THE GRANT AGREEMENT.

192  
193 **SECTION 2: AND BE IT FURTHER ENACTED BY THE COUNCIL OF THE**  
194 **TOWN OF LA PLATA** that this Ordinance shall become effective at the expiration of fifteen (15)  
195 calendar days after its approval by the Council.

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197 **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

**SEAL:**

**COUNCIL OF THE TOWN OF LA PLATA**

\_\_\_\_\_  
Roy G. Hale, Mayor

\_\_\_\_\_  
James Goldsmith, Councilman

\_\_\_\_\_  
Scot D. Lucas, Councilman

\_\_\_\_\_  
Paretta D. Mudd, Councilwoman

\_\_\_\_\_  
Vic E. Newman, Councilman

ATTEST:

\_\_\_\_\_  
Judith T. Frazier, Town Clerk

Date: \_\_\_\_\_

**EXPLANATION:**

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW  
((Double Parenthesis)) indicate matter deleted from existing law.  
Underlining indicates amendments to bill.  
~~Strike-Out~~ indicates matter stricken from bill by amendment or deleted from the law by amendment.