# **Economic Infrastructure** Application Guide



# **Program Overview**

The Economic Infrastructure program provides grant funding to support major infrastructure projects that will strengthen the local and regional economy. The program supports public multi-use facilities or capital investments that drive revenue and job creation and provide a long-term asset for communities throughout central and northern British Columbia.

# **Funding Terms**

Up to \$100,000 grant to a maximum of 70% of the eligible project budget; or

Up to **\$300,000** grant to a maximum of **50%** of the eligible project budget.

# **Application Intake Deadlines**

Northern Development approves Economic Infrastructure projects on a tri-annual basis.

Applications must be received prior to midnight on the <u>intake deadline day</u> to be eligible for consideration in that funding cycle.

In fairness to all grant applicants, applications that are received after the deadline will be moved to the next funding cycle.

# **Eligibility**

## **Eligible Applicants**

\*All applicants must be located within Northern Development's service region.

- Local governments
- Registered not-for-profits
- Registered First Nation bands
- Wholly owned First Nation development corporations

## **Eligible Projects**

The types of project that may be eligible include, but are not limited to:

- Airports
- Greenhouses
- Communications infrastructure
- Energy diversification
- Commercial building upgrades
- Industrial park development



## **Eligible Costs**

- Capital expenditures considered to be direct and necessary for the successful implementation of an eligible project
- Contractor fees
- Incremental third-party project management
- Rental of tools and equipment for construction work
- Wages for direct project labour
  - Detailed timesheets must be kept for all employees working on the project and must include:
    - Employee's name
    - Date(s) worked
    - Description of work
    - Hourly rate
    - Daily hours must break out the number hours worked on the project versus hours not worked on the project
  - Overtime hours will only be eligible at the straight time rate
    - ie. 4 hours of overtime can be claimed as 4 hours at the regular hourly rate
    - Paystubs and timesheets will be requested at Northern Development's discretion
  - \*We highly encourage the use of the Staff Labour Expenses Template to track each employee's time spent on the project.
  - CPP, EI, Pension (employer portion eligible to a maximum of 9.85%) related to direct project labour
    - \*We highly encourage the use of the Staff Labour Expenses Template to track these expenses.
- PST

#### **Other Eligible Costs** (In-Kind Volunteer Labour, Internal Equipment Use, and/or Monetized Donations)

- In-kind (volunteer) labour contributions, internal equipment use (heavy equipment or machinery owned by the applicant to be used during the project), and/or monetized donations (donated materials, equipment, or services from third-parties) may be considered
  - When noting in-kind (volunteer) labour contributions in the budget and under other funding sources in the application form, applicants must attach a breakdown of the calculation used for the in-kind amount. For valuing volunteer labour as an in-kind contribution to the project, the following rates are eligible:
    - \$15/hour for volunteer labour
    - \$30/hour for volunteer skilled labour (trades requiring specialized ability or training)
    - In-kind (volunteer) labour contributions must be documented once projects commence (volunteer time logs for labour with name, date, and hours) in order to verify volunteer contributions
  - When noting internal heavy equipment use in the budget and under other funding sources in the application form, applicants must attach a breakdown of the calculation used for that amount
    - A maximum rate of \$75/hour may be used
    - Internal equipment use must be documented once projects commence (log with equipment type, date, hours, and hourly rate) in order to verify
  - When noting monetized donations in the budget and under other funding sources in the application form, applicants must attach confirmation of the committed donation(s)
    - Monetized donations must be documented once projects commence and receipts must be obtained
    - \*We highly encourage the use of the Staff Labour Expenses Template to track these expenses.



# **Ineligibility**

### **Ineligible Costs**

- GST
- Costs incurred (work started and/or deposits paid) prior to signing an agreement with Northern Development
- Vacation pay, statutory holiday pay, WCB, extended benefits or other benefits (such as a fitness credit), bonuses, or allowances (such as vehicle, phone or living expenses)
- Regular or routine repair and maintenance
- Administration costs related to the project
- Costs related to planning, design, engineering, environmental reviews and preparing tender documents
- Purchases of construction equipment or tools
- Real estate and other fees related to purchasing or leasing land, buildings, or facilities
- Marketing/advertising
- Projects and/or project activities that may displace any level of government from its core obligations are not eligible for funding *(including infrastructure costs such as paving, sidewalks, sewer/water)*

# **Application and Program Requirements**

Only applications that meet these requirements will be processed.

All applicants are required to confirm the following information.

- Applicants MUST identify a total of four (4) deliverables that will be used to determine and measure if the project has been successful in meeting the goals and objectives. Job creation and revenue generation deliverables are mandatory for all projects. The remaining two deliverables required can be identified by the applicant. The deliverables should be quantitative and have relevance to the project.
  - Projected direct job creation (construction and permanent) MANDATORY
  - Projected revenue generation MANDATORY

All applicants are required to submit the following documents.

- Complete <u>Application Form</u>
- Detailed project budget using Northern Development's <u>Project Budget Template</u> (required; in excel format)
- Verification of approval from other funding sources (e.g. approval letter or contract; required prior to approval, except in the Northeast)
- Applicants are responsible for securing a resolution of support and must provide a copy to Northern Development.
  - The appropriate government agency is determined based on the location of the project. For example:
    - A project within a First Nations community/reserve requires a band resolution of support
    - A project within the municipal boundary requires a resolution of support from the municipality
    - A project outside the municipal boundary that is not within a First Nations community requires a resolution of support from the regional district
  - Sample Resolution: THAT, the (insert appropriate government name) supports the application to Northern Development Initiative Trust from the (insert applicant organization name) for the (insert project name).



- Society certificate of incorporation (required for not-for-profit applicants)
- Before photo(s)
- Most recent annual financial statements
- If applicable: Detailed quotes
- If applicable: Letters of support from community organizations
- If applicable: Lease agreement/or user agreement
- If applicable: Business case or other market research
- If applicable: Asset management plan
- If applicable: Community alignment document (OCP, council priorities, strategic plan, economic development plan etc.)

## **Application Assessment**

Northern Development staff undertake comprehensive due diligence of each funding application received, which may include contacting relevant agencies and organizations as part of the review process.

All projects are assessed on the strength of the application, key deliverables, requested funding percentage, applicant contribution, and strategic factors identified in the funding application package.

Strategic factors:

- Total projected # of new full-time equivalent (FTE) jobs
- Proposed incremental revenue generation over the first two years
- The extent of Northern Development's financial contribution to the eligible project budget
- The extent of the applicant's financial contribution to the eligible project budget
- Is this the first time the applicant has accessed Northern Development funding through the Economic Infrastructure program for this facility?
- If the applicant has accessed Northern Development funding through the Economic Infrastructure program for this facility, were they successful in achieving the deliverables from the project.
- Has the applicant provided quote(s) supporting the entire project budget?
- Will the project utilize contractors/labour from within the Northern Development region?
- Is the applicant making a non-financial contribution to the project (in-kind volunteer labour and/or internal equipment usage)?
- Will the project take place in an unincorporated community or municipality with a population of 1,000 or less?
- Will the project take place in community with a population between 1,001 to 5,000?
- Has the applicant provided evidence of broad-based support from multiple stakeholders?
- The applicant has demonstrated how ongoing operating and maintenance will be managed over the asset's life span?
- Will the project result in reduced operation/maintenance/related costs over the life cycle of the asset?
- Will the project result in a reduced environmental footprint?
- Has the applicant provided a copy of the organization's asset management plan/strategy?
- Does the project demonstrate alignment with a larger community strategic document (e.g OCP)?
- Will the project address health and safety concerns at the facility?
- Will the project improve accessibility for people who experience disabilities?
- Has the applicant provided relevant market research/business case for the project?
- Will the project result in resident/workforce attraction or retention in the community?
- The project supports a multifunctional space/amenity and provides multiple uses



# **Reporting**

Applicants should be aware that there are reporting requirements for this program and should be prepared to meet them.

Projects must be evaluated and verified following the completion of the project prior to disbursing funding. A project is considered complete when photos of the completed project have been taken and all related expenses have been invoiced and entered in the applicant's accounting software. <u>The Reporting Form</u> and <u>Actual Project Expenses Template</u> must be completed.

For grants of \$100,000 or less, a <u>Key Deliverables Reporting Form</u> is required one year after the final disbursement. For grants greater than \$100,000, a <u>Key Deliverables Reporting Form</u> is required for two years; one year after the final payment date and two years after the final payment date.

Additional applications for subsequent projects within the same facility and/or footprint will not be accepted until the applicants key deliverable reporting requirements have been fulfilled.

# **To Apply**

Please review all program documents in detail as incomplete applications will not be reviewed.

Completed application forms with all supplementary materials should be provided electronically to Northern Development by email to <u>info@northerndevelopment.bc.ca</u>.

# **Resources**

- Important Dates
  Intake deadlines, Regional Advisory Committee Meeting and Board Meeting schedules.
- <u>Funding Program Matrix</u> Available funding programs and eligibility criteria.
- <u>Application Process</u> Details on the process of applying and getting approved for Northern Development funding.
- <u>Post-Approval Process</u> Process and responsibilities for successful funding applicants.

# **Questions?**

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