

# Rural Economic Development (RED) Program - Indigenous Funders Forum

May 27, 2020

Ministry of Agriculture, Food and Rural Affairs



# What is the RED Program?

- Ontario's Rural Economic Development (RED) program is cost-share funding which supports activities that create strong rural communities in Ontario, and opens doors to rural economic development by:
  - Providing funding assistance to address barriers to economic development, to better position rural communities to attract and retain jobs, and investment, and enhance economic growth;
  - Providing funding to build community capacity and support for economic development in Ontario's rural communities; and
  - Investing in rural communities to help diversify and grow local economies – making economic growth more inclusive so Rural Ontario continues to share in the province's economic prosperity.

# Who is Eligible?

The following organizations are eligible for RED Funding:

- Municipalities
- Not-for-Profit Entities
- Indigenous communities and organizations
- Local Services Board

## Important Definitions

- The lead applicant is the primary contact with OMAFRA, signs the Contribution Agreement and receives all payments.
- Co-applicants contribute financial or in-kind resources to the project and sign the Contribution Agreement with the Ministry. Fill-out a co-applicant form for each additional applicant.
- Partners contribute financial or in-kind resources to the project without signing the Contribution Agreement with the Ministry.

# Project Categories and Types

## **Economic Diversification and Competitiveness Stream**

Projects that remove barriers to business and job growth, attract investment, attract or retain a skilled workforce or strengthen sector and regional partnerships and diversify regional economies in Rural Ontario.

Projects must include implementation-oriented activities beyond strategic plan development (for example, economic development, feasibility, marketing, research or evaluation) with a few exceptions.

## **Strategic Economic Infrastructure Stream**

Projects advance economic development and investment opportunities in Rural Ontario (e.g. rehabilitation of cultural, heritage or tourism attractions; redevelopment of vacant or under-used properties; main street minor capital improvements).

Applications for strategic economic infrastructure Projects should include previously completed work (e.g. plans, strategies, research, data) that identifies the Project as an economic development priority.

# What Types of Projects are Eligible?

## Economic Diversification and Competitiveness Stream

1. Entrepreneurship / Business succession
2. Business retention and expansion
3. Downtown revitalization
4. Technology adoption/innovation initiatives
5. Service delivery improvement
6. Attract and retain workers/immigrants/youth
7. Skills training and development
8. Collaborative marketing and outreach
9. Sector/Value chain development

The majority of costs for projects in this stream will be non-capital. Projects must include implementation-oriented activities beyond strategic plan development.

**NOTE:** Projects in either stream must be undertaken in rural Ontario or benefit rural Ontario. Rural Ontario includes **census subdivisions with under 100,000 in population, or population density under 100 people/km<sup>2</sup>**

## Strategic Economic Infrastructure Stream

1. Rehabilitation of cultural, heritage or tourism attractions
2. Redevelopment of vacant and/or underutilized buildings
3. Streetscaping and landscaping

Applications for strategic economic infrastructure Projects should include previously completed work (e.g. plans, strategies, research, data) that identifies the Project as an economic development priority.

# What Support is Available?

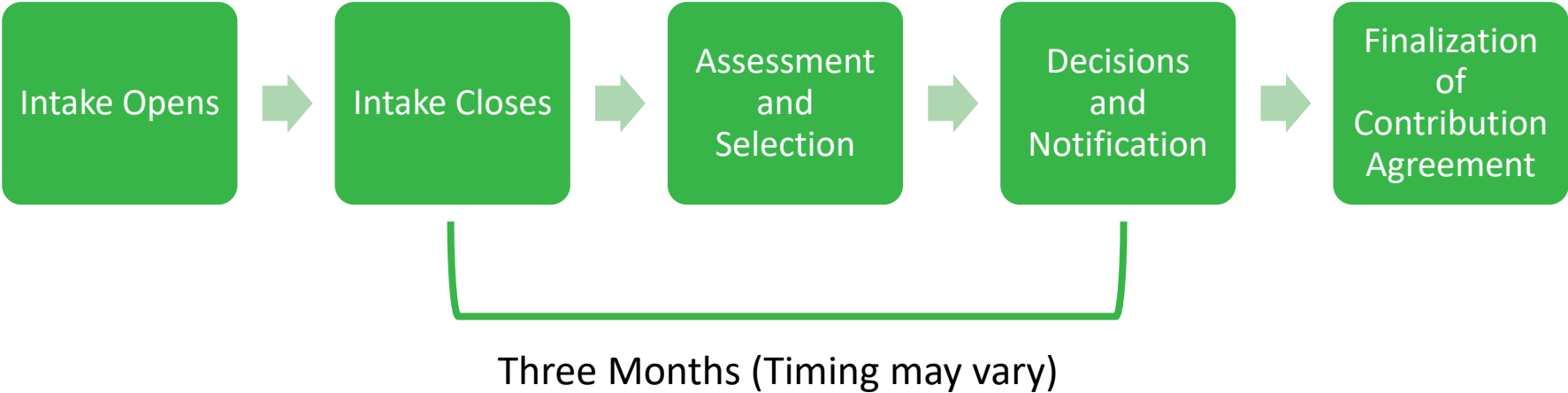
Stream	Maximum Provincial Cost Share	Maximum Provincial Funds
Economic Diversification and Competitiveness	50%	\$150,000
Strategic Economic Infrastructure	30%	\$250,000

- Projects receiving other provincial funding are not eligible to apply for or receive funding under the RED program
- Combined federal and provincial funding cannot exceed 90 per cent of the Project's eligible costs.

# What Types of Projects are Ineligible?

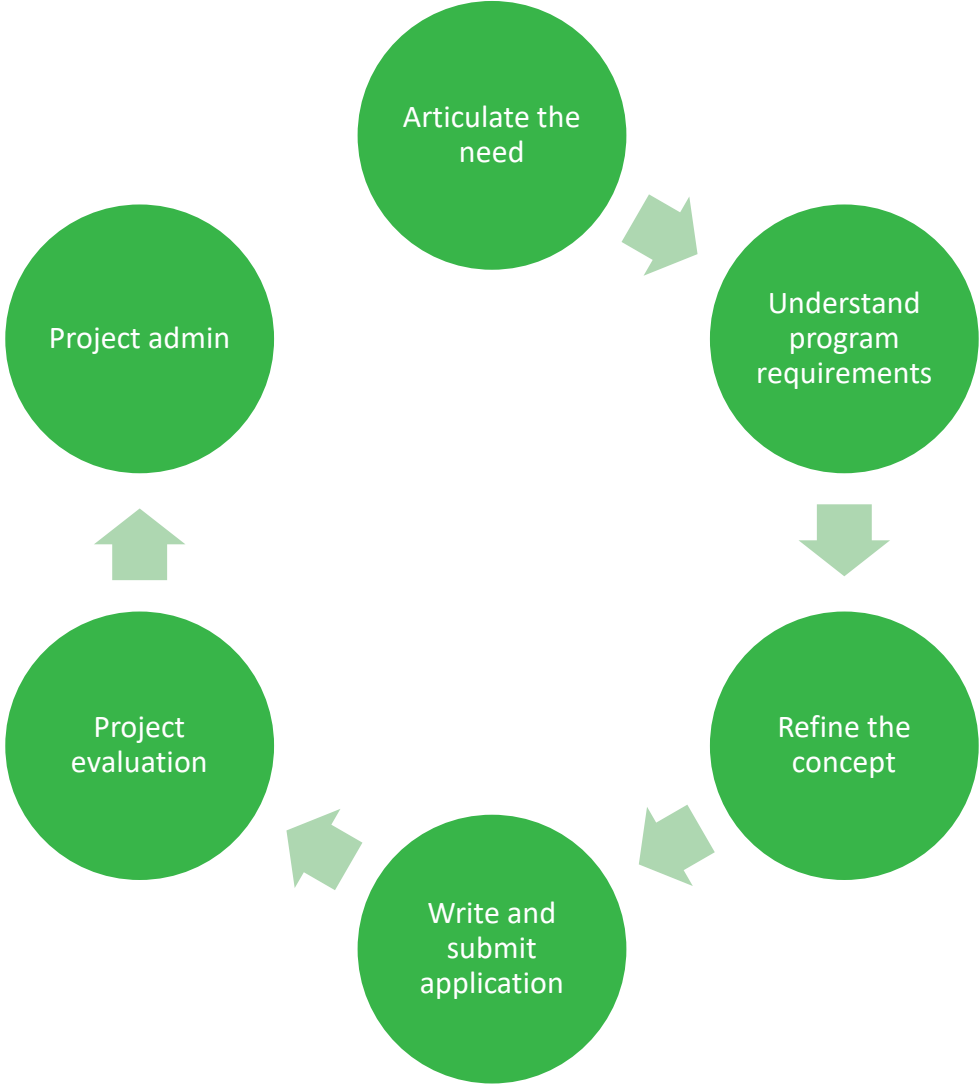
- Strategic plan development (e.g., economic development, feasibility, marketing, research or evaluation)
- Projects whose primary purpose is to identify and inventory existing assets (e.g. industrial land inventories, business directories)
- Projects for debt restructuring, fundraising or financing
- Projects that primarily benefit a business
- Academic research
- Projects with only third-party consulting costs for project management
- Major capital projects (e.g., new building construction, roads, bridges, water/wastewater treatment facilities, utility distribution, broadband)
- Projects receiving other provincial funding
- Collaborative marketing and outreach projects that do not have an impact across sectors, value chains, or multiple communities in a region

# RED Program Process



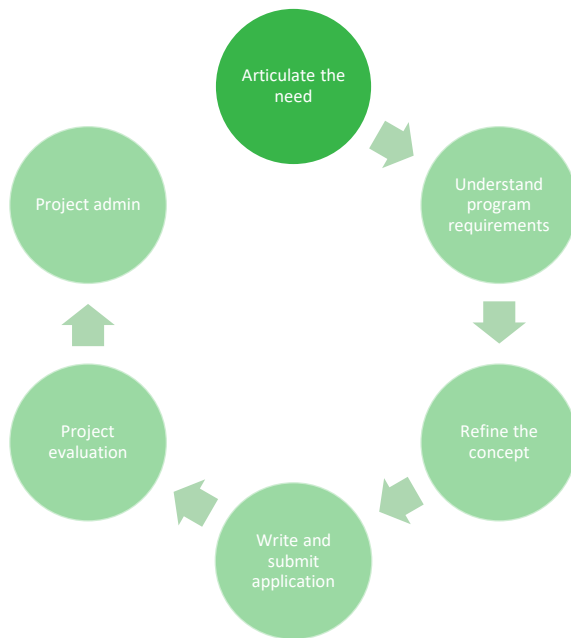


# RED Application Writing Process



# Articulate Project Need

RED projects reduce barriers to economic development

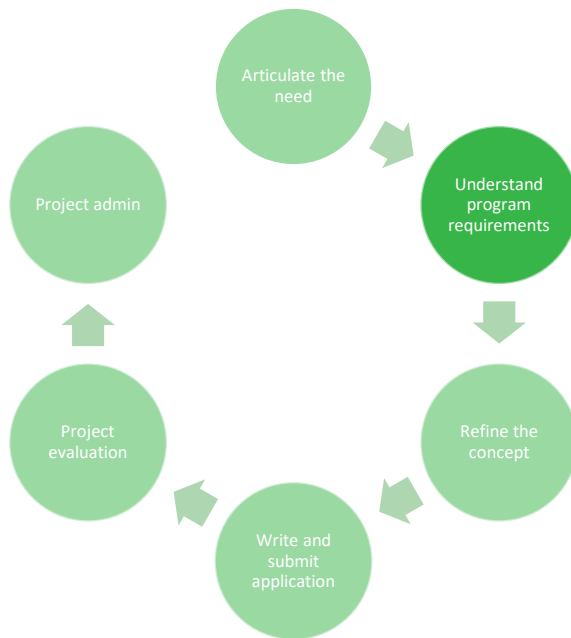


Consider:

- Background work that has been completed to identify barriers or the need for this project (e.g. strategic plans, feasibility studies)
- What actions will be done in the project to reduce barriers?
- Why your organization?
- What can your organization do under its current mandate?
  - Does the project align with that mandate?

# Understand Program Requirements

RED projects create strong rural communities in Ontario

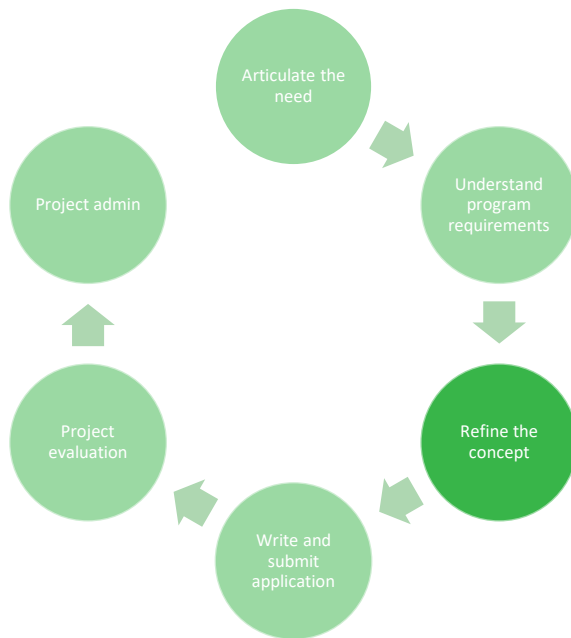


Consider:

- Which of the five program outcomes does your project address?
- Does your project rate well based on the criteria in the guidelines?
- Are your organization, project, and potential costs eligible?
- What projects have been funded in the past?
  - <https://data.ontario.ca/dataset/announced-projects-rural-economic-development-program>
- Do you need clarification?
- OMAFRA and MENDM staff can offer insight into how to design your project, and complete the application

# Refine the Concept

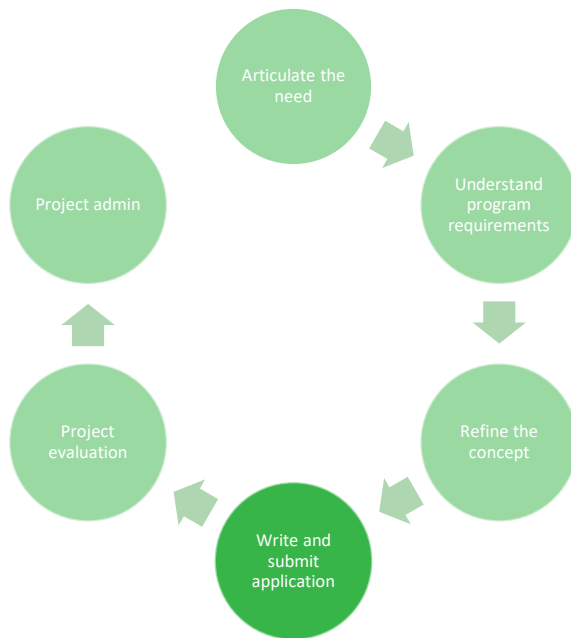
RED is a competitive process



Consider:

- Are there any potential co-applicants or partners that can help?
- Is there any supporting information required that will help support your application?
- Does this project address a need or priority established in previous work (e.g. strategic plan)?
- Can you identify and describe the impacts that are expected by undertaking the project?
- Have specific project costs for each proposed activity been well defined, and developed based on a strong rationale?

# Write and Submit the Application



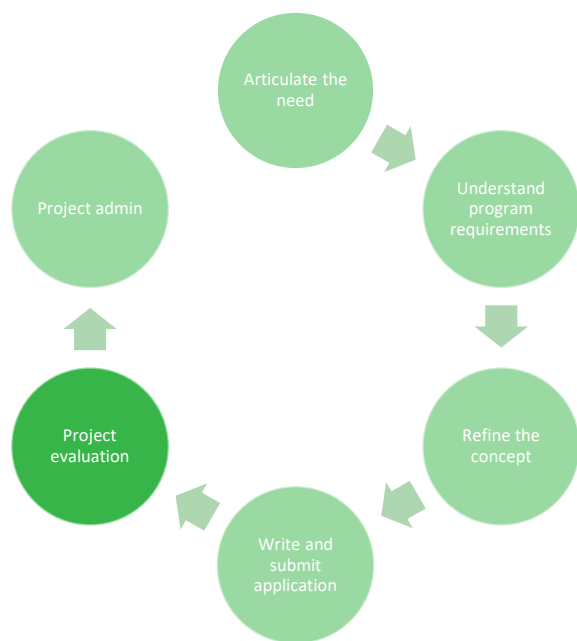
Remember to:

- Read the guidelines in full
- Answer all of the questions in the application
  - Keep language simple and direct
  - Assume analysts do not know the context
- Review (and review again)
- Use one co-applicant application for each project co-applicant
- Pay attention to the deadline
- Submit to RED@Ontario.ca

# Project Evaluation

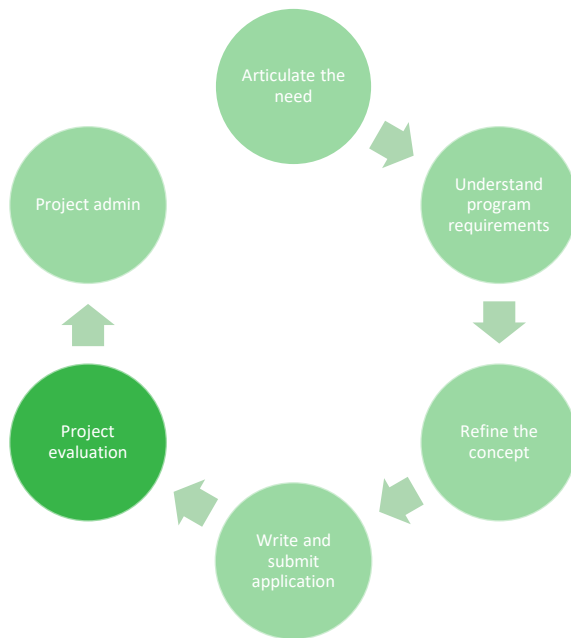
Eligible applications will be assessed on criteria including:

- reducing economic barriers
- alignment with the RED program's outcomes
- project work plan
- collaboration and partnerships
- regional, sector, or value chain impacts
- sustainability beyond the Project timelines
- project budget, including reasonable and eligible Project costs
- project oversight
- financial commitment
- financial capacity



# Project Evaluation

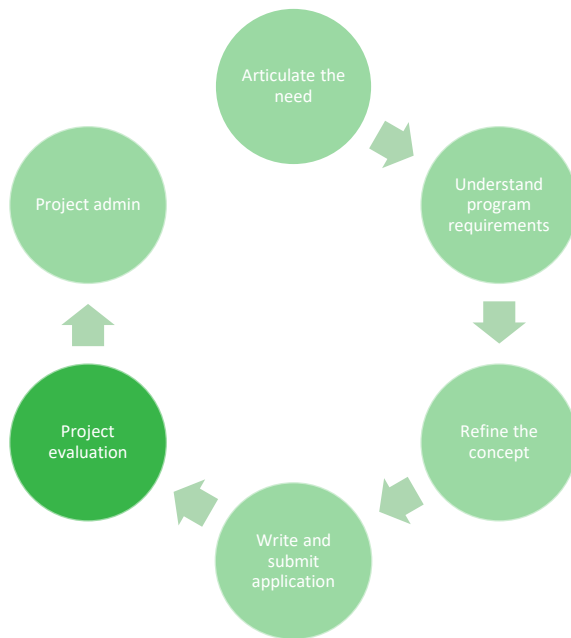
What makes a weak proposal?



- Project is not well defined
  - Poor fit with program objectives
  - No clear objectives & deliverables/outcomes
- Lack of financial information, supporting documentation
  - Costs and project activities not clearly defined
  - Project budget, expenditure and source of funding numbers do not match or math is incorrect
  - Unsecured funding
- Incomplete application submitted

# Project Evaluation

What makes a strong proposal?

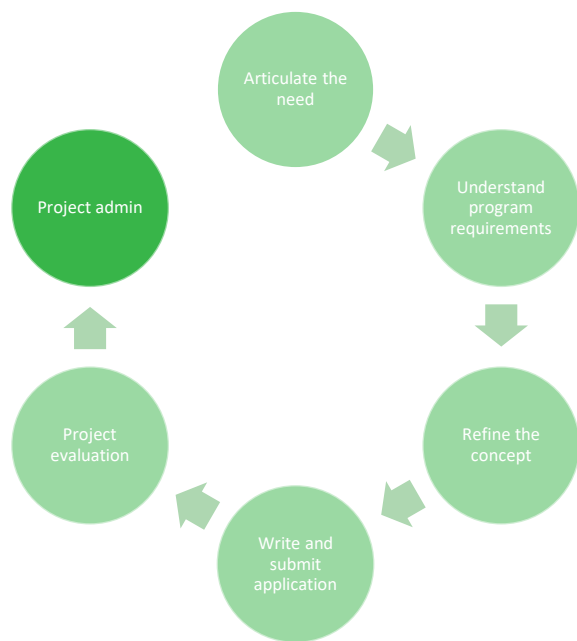


- Project objectives and deliverables are clear and measurable
  - Need for project is evident (and has research to support)
  - Outcomes match program objectives
- Positive economic impacts
- Financially committed co-applicants and partners
- Strong letters of support
- Request for eligible costs only
- Organization has capacity to complete project & reporting requirements



# Project Administration

If your project is selected



- Review and complete any conditions or requirements for funding (e.g. council resolution, confirmation of funding)
- Review and complete the contribution agreement
  - Be aware of communications requirements and limitations
- Set up reporting system

# Questions?

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[www.ontario.ca/redprogram](http://www.ontario.ca/redprogram)