



The Corporation of the Town of Tecumseh

Chief Administrative Officer

To: Mayor and Members of Council

From: Margaret Misek-Evans, Chief Administrative Officer

Date to Council: September 24, 2019

Report Number: CAO-2019-07

Subject: Rural Economic Development (RED) Program Application

Recommendations

It is recommended:

That Report CAO-2019-07 Rural Economic Development (RED) Program Application be received;

And that should funding be approved by Ontario, Council approve the Town's 50% share up to \$20,000, through the Lifecycle – Strategic Issues Reserve Fund for 2020;

And furthermore that the Mayor and Clerk **be authorized** to sign any documents/agreements (if required) for the Rural Economic Development (RED) Program Application.

Background

On May 10, 2019, the Ontario Government announced it was revitalizing the Rural Economic Development (RED) program, which would begin intake on July 29, 2019. The deadline to apply for funding under the program was September 9, 2019. The program is cost-share funding which supports activities that create strong rural communities in Ontario. The funding assistance is aimed at: addressing barriers to economic development, attracting and retaining jobs and investment, and enhancing economic growth. It also invests in rural communities to help diversify and grow local economies. RED is administered by Ontario's Ministry of Agriculture, Food and Rural Affairs (OMAFRA).

Eligible applicants include municipalities, not-for-profits, Indigenous Communities or Organizations, and Local Services Boards.

The RED program supports projects in two streams:

- **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. The Ontario government provides up to 50% of eligible project costs to a maximum of \$150,000.
- **Strategic Economic Infrastructure Stream:** Minor capital Projects that advance economic development and investment opportunities. The Ontario government provides up to 30% of eligible project costs to a maximum of \$250,000.

Eligible Costs for the program include project management professional fees, wages for new hires, minor capital costs, software, training, marketing and rental fees.

Applicants who have their projects selected are required to sign a Contribution Agreement with the Province and register in the Government of Ontario's Transfer Payment Common Registration (TPCR) system.

Notification on successful applications is normally provided within three months of the closure date, however the timing may vary.

Comments

During the Strategic Planning process for 2019-2022, Tecumseh Council identified economic development, increasing residential development and promoting local businesses as priorities. As part of the Official Plan update process, several discussion papers outlining employment areas, growth issues, agricultural and industrial sectors and sustainability also identified a number of areas of potential growth and expansion within the Tecumseh business community.

Administration has submitted an application for Rural Economic Development (RED) Program funding under the Economic Diversification and Competitiveness Stream to conduct a Business Retention and Expansion (BR&E) Program at an estimated cost of \$40,000. These costs will include a consultant and student intern to conduct the program. Under the cost-sharing program, the Town would be responsible for 50% of the cost. Prior to this application, the Town of Tecumseh has never applied for funding under the Rural Economic Development (RED) Program. The Windsor-Essex Economic Development Corporation provided a letter of support and has committed to assist with this project either through contributing to the research and/or through in-kind support.

The BR&E Program is expected to be undertaken in the 2020 fiscal year and will include reaching out to a selection of businesses from local industry including the manufacturing, farming, commercial and small business sectors in Town. The specific businesses to be interviewed will be determined with the consultant to provide representative information. These interviews may include direct outreach, focus groups and possibly an online survey.

A BR&E Program will provide opportunities for dialogue with businesses to identify gaps and needs for business expansion and succession planning as well as identify other needs for follow up. The information gathered will provide necessary insight to support and attract new

opportunities for existing businesses as well as assist in an overall plan to market and promote the area for new investment. The information will also assist with addressing recommendations in the Official Plan and help support existing businesses with diversification and future growth.

The results of the BR&E Program will: identify strategies to attract business and value-add opportunities, provide insights into what existing businesses and farms need to expand or diversify, assist with succession planning for future success and identify where the Town can assist with either resources, connections or support. It is also intended to develop and grow relationships between the Town, stakeholders and the business/farm community as Tecumseh moves forward with economic development.

Funding decisions are anticipated within about three months of the application period. We are anticipating the decision will be made in time for January 2020, which is when it is anticipated the project may begin. Should the funding be received, the Town will launch a Request for Proposals for a contractor to conduct the Program with support from the Manager Strategic Initiatives. The RFP process will be conducted in accordance with the Town's procurement policies and with necessary approvals sought from Council as needed.

Consultations

Chief Administrative Officer
Financial Services

Financial Implications

Should the grant application be approved, the Town would be required to provide 50% of funding for eligible costs and 100% funding for ineligible costs which would be taken from the Lifecycle – Strategic Priorities Fund. These funds are expected to be spent within the 2020 fiscal year with final billing potentially in early 2021 depending on completion.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Lesley Reeves
Manager Strategic Initiatives

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1	Town of Tecumseh RED Application
2	Letter of Support from the Windsor-Essex Economic Development Corporation