

Total Development Fund

Funding Guidelines

Regional Development Corporation
March, 2023

Purpose

The Total Development Fund (TDF) supports provincial priorities as well as sector/industry-wide initiatives that optimize development, improve productivity, accelerate growth, and/or enhance competitiveness across key sectors/industries.

Projects supported with this fund must be linked to a regional or government priority and/or a departmental strategy and be able to demonstrate an economic benefit to the applied sector/industry or to the province.

Objectives

- **Increased Efficiency and Productivity**

Increased adoption and adaption of new and innovative practices and technology by the private sector.

- **Strategic Infrastructure**

Support infrastructure initiatives that increase development and competitiveness in key sectors.

- **Research and Development**

Support Research and Development initiatives that focus on pre-commercialization applied research that benefit of the sector being targeted

- **Strategic Sector Initiatives**

Support government priorities as recommended by line departments and government.

Eligibility

The TDF is available to:

- Incorporated Legal entity such as a not-for-profit or for profit, municipalities, Regional Service Commissions, First Nations.
- Post-secondary and research Institutions; and
- Provincial government departments and crown corporations.

RDC may consider non-repayable requests from for-profit organizations under the following circumstances:

- The for-profit organization qualifies under federal-provincial agreements requiring a provincial contribution.

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- The project is a key sector, regional or provincial priority as identified and supported by the appropriate GNB Department or Agency; examples: strategic economic or tourism infrastructure requests that will increase development and/or competitiveness, pre-commercialization projects, or market development initiatives.

Eligible Expenditures

Eligible expenditures include but are not limited to:

- Capital expenditures for acquiring, constructing, renewing, rehabilitating, materially enhancing or renovating an asset;
- All other eligible expenditures deemed reasonable and necessary for the successful implementation of the project.

Ineligible Expenditures

The following expenditures are **not eligible** for funding under this fund:

- Cost of land or any interest therein, and related costs;
- Cost of licenced vehicles (except for the purposes of public transportation);
- Support of operating costs including wages and salaries (except in cases of a pilot project);
- Reduction of deficits or the retirement of debts;
- Fundraising campaigns;
- Taxes for which the recipient is eligible for a tax rebate and all other expenditures eligible for rebates;
- Hospitality expenses (for example, alcoholic beverages, meals and gifts);
- Travel is an eligible expense only if it is directly related to the project and must respect GNB travel policies;
- Municipal administrative buildings (town halls, garage);
- Funding to any organization that has not completed the terms of any previous contribution;
- Activities that serve primarily the membership or purposes of religious or political organizations.
- Legal fees;
- Financing charges and interest costs;
- Mergers; and
- Volunteer labour costs.

Assessment

Applications will be evaluated against the following eligibility and assessment criteria:

The project benefits

- The proposed project benefits, and their value to the province / region.

The project viability

- The likelihood that the proposed project can be realized / completed as proposed.

The project sustainability

- The probabilities that the project or the intended effects of the project can be maintained once it has been completed.

The applicant viability

- The state of the operational and financial stability of the applicant.

The applicant capacity

- The management and financial capacity of the client to meet costs associated with the delivery of the project.

All proposal submitted for assessment are subject to applicable environmental assessment requirements and to the Government of New Brunswick's duty to consult policy where applicable.

The amount of detail and supporting evidence to be provided in an application will be relative to the size, complexity and funding amount requested. Due to limited resources however, not all projects meeting eligibility criteria will necessarily be approved.

Proposal Process

All proposals will be submitted through the RDC application form and include a business case detailing all relevant information required in the eligibility and assessment criteria.

- All applicants will submit proposals for funding directly to the Regional Development Corporation.
- If applicable, RDC will obtain a sector review from the appropriate department when receiving a request directly from the client.
- Where a submission is deemed sufficiently detailed and in accordance with the eligibility requirements, RDC will review for consideration.
- Initiatives will be approved by the President of RDC.
- Any initiatives that require major investments over \$500,000 will be submitted to Executive Council for approval.

Level and Type of Assistance

Through the TDF, the Regional Development Corporation may assist in the form of a non-repayable contributions at the following levels:

- **up to 100%** to provincial government departments in support of strategic initiatives that have sector-wide impact;
- Up to **40%** of provincial contribution towards eligible expenditures with a maximum of **50%** under extenuating circumstances to non-profit, municipalities, Regional Service Commissions and First Nation governments;
- **Up to 20 %** provincial contribution (with exceptions up to 35% under extenuating circumstances) toward eligible expenditures in all other projects;
- Funding commitments for individual initiatives will **not exceed 3 fiscal years**.

Pilot projects may be funded for a maximum of 3 years after which the proponent must demonstrate sustainability. Proponents must also work with government to identify a lead department that will be responsible for any further funding if applicable.

This funding program will **not** provide incremental assistance to, or replace, existing programs delivered by provincial government and funding will be done on a reimbursement basis after the applicant has submitted a claim for eligible costs complete with invoices and proof of payment.

The payment of any funding is subject to there being an appropriation for the fiscal year in which the payment is to be made. RDC may reduce or cancel the funding if departmental funding levels are changed by the Legislative Assembly during the term of this funding program.

Payment Procedures

All applicants will be subject to the following to receive any payments related to a project:

- Applicants must complete, sign and forward a claim form including copies of all pertinent documentation relating to the project for reimbursement of expenditures.
- **Cash payments will not be eligible for reimbursement.**
- Donations of materials, equipment, or services are **not eligible** to be included in the claim as they are not actual costs incurred (paid out) on the project. Only actual costs incurred are eligible for reimbursement.
- Expenditures can be reimbursed in installments, or one lump sum at the end of the project.
- Payments will be made by direct deposit service only.

Reporting Requirements

The Regional Development Corporation will measure outcomes / objectives and results will be published in the annual report. RDC will require all applicants to submit appropriate documentation to support all investments made under the Total Development Fund.

Supporting documentation may be in the form of:

- outcome report including metrics;
- financial report;
- audited financial statements;
- invoices;
- proof of payments;
- legal agreements; and/or
- any other necessary documentation.