

## Council Report

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<b>Report Number:</b>	ED2021-022
<b>Meeting Date:</b>	June 15, 2021
<b>Title:</b>	<b>Rural Economic Development Program Budget Update</b>
<b>Description:</b>	An update on the RED Grant Application for a Business and Workforce Attraction campaign and request to increase the budget from \$100,000 to \$145,000
<b>Author and Title:</b>	Rebecca Mustard, Manager of Economic Development

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### Recommendations:

**That** Report ED2021-022, **Rural Economic Development Program Budget Update**, be received;

**That** the Rural Economic Development application, Business and Workforce Attraction, project budget be increased for a total project cost of \$145,000 with the City's 50% contribution coming from the Economic Development 2021 and 2022 operating budgets; and,

**That** the Mayor and Clerk be authorized to execute any documents and agreements required by the approval of this project funding application.

**(Acting) Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

## **Background:**

At the Council Meeting of January 28, 2021, Council adopted the following resolution:

CR2021-021

**That** Report ED2021-007, **Rural Economic Development Program Application Request**, be received;

**That** the project Business and Workforce Attraction be approved for an application to the Ontario Rural Economic Development Program with a total project cost of up to \$100,000 with the City's 50% contribution coming from the Economic Development operating 2021 and 2022 operating budgets; and

**That** the Mayor and Clerk be authorized to execute any documents and agreements required by the approval of this application.

Carried

This report is to request an increase the project budget from \$100,000 to \$145,000.

## **Rationale:**

The Ontario Rural Economic Development (RED) program is a cost-share fund to support strong rural communities in Ontario. In Kawartha Lakes, the fund has been used to support a number of projects including downtown revitalization initiatives. The RED program funds up to 50% of eligible project costs.

In January, 2021, Staff brought a report to Council requesting approval to submit a funding application to the RED program for a business and workforce attraction project. The project proposed leveraging operating budgets in 2021 and 2022 to enhance execution of economic development programming and marketing.

As the funding application was further developed following the Council resolution, Staff found additional alignments within program plans and budgets that would facilitate an increase in the project budget from \$100,00 to \$145,000 (50% from the Economic Development operating budgets in 2021 and 2022). The increased project budget would further leverage provincial funding to extend the impact of this project.

Under the City's signing authority, grant applications that propose to commit operating dollars in future years requires the approval of Council:

2016-009 A By-Law to Provide Authority for the Execution of Certain Documents and Affix the Corporate Seal on Behalf of the City of Kawartha Lakes:

3.01 (d): Application forms for grant funding where any municipal funding is included in the current budget or is part of the normal operations of a department where a budget has not yet been approved or it is 100% funded from external sources.

As this proposed project extends into 2022, with expenditures from the 2022 operating budget, Council approval is required.

### **Other Alternatives Considered:**

The Business and Workforce Attraction project could be delivered within the \$100,000 budget, however, as the Rural Economic Development fund is a 50% contribution from the Province, the purchasing power of the Economic Development program budget is better leveraged using funding.

### **Alignment to Strategic Priorities**

The request for additional funding implements the 2020-2023 Kawartha Lakes Strategic Plan:

- A Vibrant and Growing Economy
- Good Government

Specifically, this increases efficiency and effectiveness of service delivery by leveraging funding.

### **Financial/Operation Impacts:**

The Rural Economic Development program requires matching contributions. The City's contribution will be made within the approved Economic Development operating budget for 2021. The 2021 operating funds were already in the Economic Development budget for business attraction marketing projects. A successful application to the fund will expand the scope and impact of the work planned for 2021.

The request of this report is to commit up to \$50,000 in municipal operating funds in the 2022 budget for a total project cost of \$145,000. The total City contribution to the project is \$72,500.

### **Consultations:**

none

### **Attachments:**

None

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**(Acting) Department Head: Richard Holy**