



Subject: Application to the Rural Economic Development Program

Report to: Thorold City Council

Recommendations

1. That the addition to the capital budget of the deferred \$88,000 for improvements to the Lock 7 Viewing Centre, **BE APPROVED** subject to the successful receipt of the grant;
2. That should the grant application be successful, that the required City portion of \$61,600 be funded from the Municipal Land and Building Reserve; and
3. That staff **BE AUTHORIZED** to apply to the Rural Economic Development Program.

Key Facts

- The purpose of this report is to seek Council's approval of deferred budget items related to infrastructure improvements at the Lock 7 Viewing Centre, subject to successful receipt of the grant.
- Staff have requested \$88,000 for new doors (\$45,000); safety improvements for staff (\$10,000); security cameras (\$8,000); and repairs to building's siding (\$25,000) that are currently on the deferral list.
- The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) has announced that it is accepting applications to the Rural Economic Development Fund: Strategic Economic Infrastructure Stream.
- Successful applications will receive provincial project support for 30% of eligible costs, up to a maximum of \$250,000 per project.
- If the City is successful in their application, project funding from the Province will be provided on a reimbursement basis, this includes a 10% holdback until a final report is received and accepted by OMAFRA, for an estimated total of \$26,400, with \$61,600 funding required from the City

Budgetary Status

Staff have identified \$88,000 in refurbishments and upgrades are needed at the Lock 7 Viewing Centre. These items are currently on the deferral list in Draft Budget 2023. Staff are recommending that the project proceed only if the grant funds are received. This will require City funding of \$61,600 proposed to come from the Municipal Land and Building Reserve Fund.

Analysis

Staff have identified that a number of improvements are required at the Lock 7 Viewing Centre. These include: new doors (\$45,000); safety improvements for staff (\$10,000); security cameras (\$8,000); and repairs to building's siding (\$25,000). These items are currently on the deferred budget list.

On Monday, January 23rd, 2023 staff were informed that OMAFRA had opened the intake for new [Rural Economic Development \(RED\) program](#) applications until February 23rd, 2023. The purpose of the program is to provide cost-share funding to support activities that address barriers to economic development and enhance strategic economic infrastructure.

The budgeted improvements at the Lock 7 Viewing Centre qualify for the RED program Strategic Economic Infrastructure stream, which provides up to 30 per cent, to a maximum of \$250,000 in cost-shared funding for minor capital projects that advance economic development and investment opportunities. The Strategic Economic Infrastructure Stream provides funding for infrastructure projects such as: rehabilitation of cultural, heritage or tourism attractions; redevelopment of vacant or under-used properties; and main street minor capital improvements.

The following costs associated with the Lock 7 Viewing Centre upgrades would be considered eligible items: contractor's fees; cost of materials, supplies, and labour for the rehabilitation of the building; equipment and machinery required; and project-related technology. If the City were successful in submitting an application to the Rural Economic Development program there would be an estimated cost savings of \$26,400.

Ineligible costs include administrative costs such as Harmonized Sales tax; financing and financing charges; and any project costs incurred prior to application approval. Applicants are typically informed within three months of submitting an application if they have been approved by the Province.

Alternatives Reviewed

Council could not approve the budget request by staff and continue to defer the required infrastructure improvements that the Lock 7 Viewing Centre.

Relationship to Strategic Plan

Approving the budget request and submitting an application to the Rural Economic Development program would enable staff to undertake the necessary improvements at the Lock 7 Viewing Centre. This would support creating a welcoming environment for tourists and visitors to the city. Staff at the Centre would be in a position to create an engaging environment that would position them to direct people to Thorold's businesses and other amenities contributing to the economic success and prosperity of the city. This is directly aligned with the City's Strategic Plan's goal of business and economic growth.

Other Pertinent Reports

None

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This report was prepared in consultation with Maria Mauro, Director, Finance.