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**TO:** Northern Community Economic Development Select Committee      **MEETING:** May 17, 2018

**FROM:** Sharon Horsburgh  
Sustainability Coordinator      **FILE:** 6750-01

**SUBJECT:** Northern Community Economic Development Summary Report Update

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### **RECOMMENDATION**

That the proposed changes to the Northern Community Economic Development (NCED) Application Form and Summary Report be approved.

### **SUMMARY**

On February 15, 2018 the Northern Community Economic Development (NCED) Select Committee conducted a review of the NCED program. This was the first review to occur since 2012 when the NCED program was established.

Staff was requested to make changes to the Program Guide including revisions to the application form and summary report to require better quantification of the economic impacts of each project that receives funding. Based on input and feedback from the local economic development community, NCED applicants will be requested, through the application process to submit more detailed information and to quantify the economic impact of projects on the local economy.

The committee requested these changes be brought back to a new meeting once the reporting criteria have been developed.

### **BACKGROUND**

In 2012, the RDN Board approved the Northern Community Economic Development (NCED) service for Electoral Areas E, F, G and H, as well as the City of Parksville and the Town of Qualicum Beach. The NCED Select Committee was established to ensure the funds requisitioned for the service are directed to best serve the residents in the service area.

Since incorporation of the Program has provided grant funding to thirty-five different projects. The committee concluded that the NCED program is a valued funding source by many community based organizations. The NCED program was designed to support the initiatives of local organizations that contribute to strengthening the local economy.

At its February 15, 2018 meeting the Committee made a number of motions for changes to the NCED Program that included recommended changes to the Program Guide. The motions adopted are summarized as follows:

1. To continue with the Northern Community Economic Development Program.
2. That the Northern Community Economic Development Program funding request of a maximum of \$5,000 be removed.
3. That staff evaluate all Northern Community Economic Development Program applications and that all the applications should be presented to the committee.
4. That the Northern Community Economic Development Select Committee continue to hold two funding intakes per year.
5. That the applicants align their proposed project to an economic benefit in the community.
6. That Staff develop reporting criteria.
7. That grant recipients report back to the committee before being allowed to apply for further funding with the Northern Community Economic Development Program.

It was acknowledged by the Committee that the NCED Program has been successful in supporting the initiatives of local organizations. However, the committee would like to see more measureable impacts of the funding and as such directed staff to revise the NCED program guide and update the summary report.

A revised NCED program guide is attached that addresses all the motions and includes proposed changes to the application form and summary report. The changes to the Application Form and Summary Report are based on a review of best practices of other economic development funding agencies such as the Island Coastal Economic Trust and discussions with stakeholders in the economic development community and past recipients of the NCED grants.

In the NCED Program guide the eligibility section states that projects: “must clearly demonstrate economic benefits flowing to the general business community as well as the community as a whole”.<sup>1</sup> To help participants consider economic indicators early in the process, two additional questions have been added to the Application Form. Specifically, question 3 requests performance measures to be identified. Question 4 requests any baseline information that can help to measure the success of the project. These questions help to establish indicators to measure and evaluate success of the project.

The summary report is structured to evaluate projects through requesting information that will assist staff to quantify the direct economic benefits of project funding in SD 69. Applicants are also asked to report on the economic indicators that were identified in their application. This is a direct link between the Application Form and the Summary Report. These changes are designed to improve the NCED application process and for reporting back to the committee. The proposed changes introduce new reporting criteria and NCED applicants will be more aware of quantifying the impacts of their project in terms of employment and goods and services purchased in the Summary Report. Furthermore, the specific request to provide a quantitative value should help to quantify the economic impacts of the projects that are funded through the NCED program.

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<sup>1</sup> Northern Community Economic Development (NCED) Program Guide (2018) pp. 4

To ensure applicants are aware of the NCED program requirement to report back to the committee on the economic impact of the grant, this is referenced on page 4 of the Program Guide, under ineligible projects. In addition, this requirement is noted in the Summary Report.

With respect to Motions 2, 3 and 4, the reference to NCED funding limited to \$5,000 has been removed from the Program Guide; staff has provided an evaluation of all nine Northern Community Economic Development Program applications which were received as part of the spring round of NCED funding applications; and two funding intakes per year will continue.

#### **ALTERNATIVES**

1. To approve proposed revisions to the NCED Program Guide
2. To recommend other changes to the NCED Program Guide

#### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with revising the NCED Program Guide.

#### **STRATEGIC PLAN IMPLICATIONS**

The NCED program presents an opportunity to advance the Board's vision of a diverse regional economy that is healthy, diverse and growing; and provides meaningful employment to residents that creates local business opportunities. The proposed changes will allow the RDN to better quantify the economic impacts of projects on District 69.



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May 3, 2018

#### Reviewed by:

- P. Thompson, Manager, Long Range Planning
- G. Garbutt, General Manager, Strategic & Community Planning
- P. Carlyle, Chief Administrative Officer

#### Attachments

1. NCED Program Guide