

Program Guide

The purpose of this program guide is to provide as much relevant program information as possible to support applicants to the Recreational Infrastructure Canada (RInC) Program in Ontario and Ontario Recreation (Ontario REC). Here you will find information on various topics, such as eligible project categories, eligibility criteria and other program documentation.

The RInC Program in Ontario and Ontario REC will provide a timely, targeted stimulus to the economy, through investments that will spur construction activity related to existing recreational infrastructure. Beyond economic stimulus and job creation, renewing, rehabilitating and modernizing our recreational infrastructure has the additional benefit of encouraging higher levels of participation in physical activity and community building.

1. Introduction

The Recreational Infrastructure Canada (RInC) Program in Ontario and Ontario REC are designed to support the upgrading and renewal of recreational facilities in communities that can be completed by March 31, 2011.

Investments in recreation projects will stimulate the economy, enhance local facilities and services, improve energy-efficiency, and contribute to the health and quality of life in communities across Ontario. Given the short time-span over which the funding will be provided, this program is geared towards rehabilitation projects.

2. Funding Allocation

Canada's Economic Action Plan provided \$500 million over two years for the Recreational Infrastructure Canada program to support upgrading and renewal of recreational facilities in communities across Canada. The allocation for Ontario for this construction season is \$68 million. Funding over the next two years will be allocated based on applications submitted from Ontario communities. Ontario's 2009 provincial budget – *Confronting the Challenge: Building Our Economic Future* – provided \$32.5 billion in infrastructure investments over the next two years, including \$195 million for recreation infrastructure projects. Projects will be selected on the basis of merit and construction readiness.

The governments of Canada and Ontario can each fund up to one third of a project's total eligible cost up to a maximum of \$1 million each per project, with recipients providing the remaining balance.

3. Program Management

It is the intention of the governments of Canada and Ontario to have contribution agreements put in place quickly and efficiently so that available funds can flow to projects over the next two years. The contribution agreements are also an important part of the accountability framework for the funding that will be allocated out of the RInC Program in Ontario and Ontario REC.

Applications are required for all projects that proponents wish to be considered for funding under the RInC Program in Ontario and Ontario REC. These applications must be submitted using the application form available from the website (www.rinc-on.ca).

To maximize the number of recipients able to take advantage of the 2009 construction season, projects submitted before 5:00 p.m. EST on May 29, 2009, will be reviewed immediately with approved projects to be announced in June 2009.

Projects that come in after May 29, 2009, will be assessed and those approved will be announced in a timely fashion on an ongoing basis.

4. Eligible Applicants

Eligible applicants under the RInC Program in Ontario and Ontario REC include:

- A local or regional government established under provincial or territorial statute;
- A public sector body that is wholly owned by an eligible recipient listed above;
- A not-for-profit entity;
- A provincial or territorial entity that provides municipal-type services to communities, as defined by provincial or territorial statute; and
- A First Nation government, including a Band or Tribal council or its agent (including its wholly-owned corporation) on the condition that the First Nation has indicated support for the project and for the legally-designated representative to seek funding through a formal Band or Tribal Council resolution, or other documentation from self-governing First Nations.

5. Eligible Project Categories

Eligible projects under the RInC Program in Ontario and Ontario REC are for the upgrading and renewal of recreational facilities in communities that can be completed by March 31, 2011. For the purposes of the RInC Program in Ontario and Ontario REC, a project is deemed to have been substantially completed once all major construction work has been completed and the infrastructure is ready to be used for its intended purpose. Upon completion of the project, and prior to the final payment by Canada and Ontario, recipients will be required to provide a Solemn Declaration of Substantial Completion attested to by a registered professional or in a manner deemed satisfactory by Canada and Ontario.

Projects must fall within the following eligible project categories to be eligible for funding under the RInC Program in Ontario and Ontario REC. The following are eligible project categories:

- Arenas
- Gymnasiums
- Swimming pools
- Sports fields
- Parks, fitness trails, and bike paths
- Tennis, basketball, volleyball or other sport-specific courts
- Other multi-purpose facilities that have physical recreation activity as the primary rationale

6. Project Criteria

Eligible Projects must:

- Be for the rehabilitation or repair of existing infrastructure, including new construction that adds to or replaces existing recreational infrastructure capacity;
- Begin and materially conclude construction before March 31, 2011; and
- Be incremental (the project would not have occurred as proposed without support from the programs).

7. Project Selection

In addition to meeting the eligibility requirements described above, all eligible recipients will be required to provide a description of the project benefits, which may inform the evaluation and selection of projects under the RInC Program in Ontario and Ontario REC. For projects involving the rehabilitation of existing assets, such benefits could include: public health and safety, energy efficiency, accessibility and/or extending the economic life of the asset consistent with sound asset management principles. For projects involving new construction at an existing facility, these benefits could include: adding new public infrastructure for which there is a demonstrable need, replacing an existing asset that has reached the end of its useful life, but is still needed to provide public services, or improving the energy efficiency, accessibility, safety or quality of public infrastructure in a community.

Projects will be assessed on the degree to which they meet the eligibility requirements described above as well as the following selection criteria.

Project readiness: All eligible recipients will be required to provide information necessary to determine if the project is construction-ready and likely to be substantially completed by March 31, 2011.

Incrementality: All eligible recipients will be required to attest, in conjunction with their project application, that the work to be undertaken is an incremental construction activity that would not otherwise have been constructed by March 31, 2011, were it not for funding from the RInC Program in Ontario and Ontario REC. Federal and provincial funding could be used to provide sufficient funding to allow a project to proceed that would not otherwise be built, or could be used to accelerate a project planned for future years so that it can be completed by March 31, 2011.

Extent to which other funding is leveraged: The ability for a given project to leverage additional capital will be considered when making project decisions.

Public health and safety: The extent to which the project contributes to the overall health and/or safety of the public infrastructure.

Energy efficiency: The extent to which the project will have a positive impact on the environment by reducing energy consumption, water consumption and/or waste compared to the existing infrastructure, or by encouraging recycling or by using recognized green materials in the construction/restoration or improvement of the infrastructure.

Accessibility: The extent to which the project increases public access to, and participation in, the facility and/or activity.

Extending the life of the infrastructure: The extent to which the project will prolong the life of the infrastructure, and is consistent with sound asset management principles.

Percentage of funding that can be spent in 2009/10: Given the need for immediate economic stimulus, priority may be given to applicants who can incur more than half of their projects costs by March 31, 2010.

In instances where new construction at an existing facility is considered, the above noted merit criteria would apply, in addition to the following:

- there is a demonstrable need; and
- the new construction replaces an existing asset which has reached the end of its life cycle.

There is no limit to how many applications can be submitted under the RInC Program in Ontario and Ontario REC. Applicants who choose to submit more than one application should rank them in order of priority.

8. Eligible Costs

Eligible costs are costs considered to be direct and necessary for the successful implementation of an eligible project, excluding those explicitly identified in Ineligible Costs.

All eligible costs outlined below can only be reimbursed to the recipient following the signing of a contribution agreement.

- The costs to rehabilitate or repair fixed capital assets of recreational infrastructure, including new construction that is either adding to or replacing existing recreational infrastructure assets or capacity;
- The fees paid to professionals, technical personnel, consultants and contractors specifically engaged to undertake the surveying, design, engineering, manufacturing or construction of a project infrastructure asset and related facilities and structures;
- The costs of environmental assessments, monitoring and follow-up programs as required by the *Canadian Environmental Assessment Act*;
- The costs of any public announcement and official ceremony, or of any temporary or permanent signage;
- Other costs that are considered to be direct and necessary for the successful implementation of a project and that have been approved in advance; and
- Incremental costs of the applicant's employees or direct costs may be included under the following conditions:
 - the applicant is a local, regional or First Nations government;
 - the applicant satisfies the federal and provincial governments that it is not economically feasible to tender a contract;

- employees or equipment are employed directly in respect of the work that would have been the subject of the contract; and
- approved in advance and in writing.

9. Ineligible Costs

Ineligible costs associated with a project will not be reimbursed and include the following:

- Project costs incurred before the project approval date, and after March 31, 2011;
- Project costs incurred as of January 27, 2009, may be deemed eligible, on a case-by-case basis;
- Movable equipment;
- Services or works, that in the opinion of the federal or provincial governments, are normally provided by the applicant or a related party;
- Salaries and other employment benefits of any employees of the applicant;
- An applicant's overhead costs, its direct or indirect operating or administrative costs, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its applicant's staff;
- Costs of feasibility and planning studies;
- Taxes, such as GST, for which the applicant is eligible for a tax rebate and all other costs eligible for rebates;
- Costs of land or any interest therein, and related costs;
- Cost of leasing of equipment by the applicant;
- Legal fees; and
- Routine maintenance costs.

10. Cost-sharing

The governments of Canada and Ontario can each fund up to one third of a project's total eligible cost up to a maximum of \$1 million each per project, with recipients providing the remaining balance.

The federal government will provide a share of the eligible costs of an infrastructure project as follows:

a. Cost Sharing for Provincial Assets

Federal funding for Provincial Assets, from all federal sources, will not exceed a maximum of 50 percent (50%) of the total eligible costs of the project.

b. Cost Sharing for Local Government or Not-For-Profit Sector Assets

Federal funding for local government and not-for-profit sector assets will be one-third (33.3%) of total eligible project costs. On an exceptional basis, the federal share of funding may be up to 50 percent (50%) of total eligible project costs. The federal share of the project, from all federal sources (for example, Gas Tax) cannot exceed 50 percent (50%) of the total eligible project costs.

The provincial share of the project may include “stacking” or combination of provincial funds from different sources, unless doing so would cause the recipient to violate the terms of an existing agreement.

11. Endorsement

Prior to final approval of funding, projects must be duly authorized or endorsed by, as applicable:

1. In the case of a local government submission, a resolution of its council; or
2. In the case of a not-for-profit private-sector body submission, a resolution of its board of directors; or
3. In the case of a First Nations government, a band council resolution.

The resolution can be submitted at the time of the application or as soon as possible after it is passed.

All funded projects will require a resolution to enter into a contribution agreement.

12. Ownership of Asset

If at any time within ten (10) years from the date of completion of the project, the recipient sells, leases, encumbers or otherwise disposes of, directly or indirectly, any asset constructed, rehabilitated or improved, in whole or in part, with the financial assistance contributed under the terms of the RInC Program in Ontario or Ontario REC, the recipient must repay the federal and provincial governments, on demand, a proportionate amount of the financial assistance, as follows:

Where Project asset is sold, leased, encumbered or disposed of:	Repayment of contribution (in current dollars)
Within 2 Years after Project completion	100%
Between 2 and 5 Years after Project completion	55%
Between 5 and 10 Years after Project completion	10%
10 Years after Project completion	0%

13. Expiration of the RInC Program in Ontario and Ontario REC

All projects are required to begin and materially end construction prior to March 31, 2011. Should this condition of funding not be met, Canada and Ontario shall have the right to cancel funding in whole or in part, and further, Canada and Ontario shall have the right to be repaid any funding advanced, in whole or in part, for any project that is not completed by the end of the program.

The Federal (Minister of Industry) and the Ontario Minister of Energy and Infrastructure, pending consultation with funding recipients, may cancel funding for any project that has not begun construction within sixty (60) days of its start date.

14. Reporting and Public Information

All recipients of funding for a project, funded under the RInC Program in Ontario and Ontario REC, will be required to submit progress reports every three months until project completion, or more frequently if requested in writing. The progress report should detail progress on the implementation of the project, and amounts received from Canada and Ontario through the agreement, amounts expended on approved projects, and an overall update on the project status. Further information on the details of this reporting will be provided to funding recipients in the future.

15. Environmental Assessment

Projects receiving federal and provincial funding may require federal and provincial environmental assessment requirements to be met, including the *Canadian Environmental Assessment Act*. The information requested in the project application will help to determine whether an assessment is required. Construction should not begin on the project pending this review.

16. Contact Information

Recreational Infrastructure Program in Ontario
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