



Frequently Asked Questions

UPDATED June 25, 2020

This FAQ document supports information on the <u>Rural and Northern Communities (RNC) Program</u> webpage and provided in the <u>RNC Program Guide</u>. Applicants are advised to refer to all these resources prior to filling out the application for the program.

GENERAL

Q: What is the Investing in Canada Infrastructure Program – Rural and Northern Communities Program?

A: Canada and British Columbia governments, through a bilateral agreement, are investing in the Rural and Northern Communities Program to support infrastructure projects in communities across the province. Canada created the Investing in Canada Plan with the objectives to: create long-term economic growth, support a low carbon, green economy, and build inclusive communities. In 2017, Canada committed \$3.9 billion in infrastructure funding to BC in an Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program (ICIP) under the Investing in Canada Plan. In signing the agreement, BC agreed to assign provincial funds to the four funding streams: public transit infrastructure, community, culture and recreation infrastructure, green infrastructure, and infrastructure in rural and northern communities. The Rural and Northern Communities program consists of combined federal-provincial funding and is a competitive, merit-based grant program. It is focused on improving the quality of life in rural communities through investment in infrastructure. For more information on the Investing in Canada Plan, see the Government of Canada websites: http://www.infrastructure.gc.ca/plan/about-invest-apropos-eng.html or https://www.infrastructure.gc.ca/pt-sp/bc-eng.html

Q: Do you have any tips for preparing to apply to the program?

A: Yes, please see below for:

- Read the Program Guide and the Application Questions to ensure that the project will be eligible and that
 it will meet the program criteria and outcomes. These are available on the Program website and will also
 assist with entering project information into the online application directly through the LGIS.
- Read the Accessing the Online Application document on the RNC Website for instructions that will assist you in applying for a business BCeID (this can take 15 days) if your organization does not already have access to the Local Government Information System (LGIS). Applications will only be accepted by submitting them using LGIS. The process to obtain a BCeID and gain access to LGIS can take some time and it is encouraged to start this process as soon as possible. Once your organization has its BCeID it must then request access to LGIS in order to gain access the online RNC Program application. Please note that the BCeID must be specific to the applicant (not a consultant assisting with an application).
- Check what is in your capital plans, and work towards having your asset management framework complete and up to date.
- Ensure that a potential project is ready to go, i.e. land is purchased, permits are in place where possible, and that the project timeframe aligns with program timelines (anticipated approval in Fall 2021 and that the project can be completed within 5 years).
- Contact staff with questions prior to the application deadline to allow time to answer questions.





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- Prepare mandatory documents such as a detailed cost estimate (see template on the Program website),
 project study or plan, and review permits and approvals necessary to proceed.
- For Environmental Quality outcome projects: Check the status of your water conservation plan

WHO CAN APPLY?

Q: Who is eligible to apply to the RNC Program?

A: Local governments, Indigenous Ultimate Recipients (both on and off-reserve), Not-for-profit organizations and For-Profit organizations (when partnered with a local government or Indigenous governing body) are eligible applicants.

Q: Can I partner with another Local Government or First Nation to apply for funding under this program?

A: Yes, one eligible ultimate recipient can partner with another eligible recipient to apply for funding. A partnership agreement or Memorandum of Understanding should be provided with the application. Another organization is considered a partner when they contribute value to the project (generally funding, either for construction of the project or for ongoing operations and maintenance). Funding will be awarded to the primary applicant, who would be expected to fulfill the requirements of the Shared Cost Agreement.

Q: I am a For-Profit organization; can I apply for funding under the RNC Program?

A: Yes, a For-Profit organization may submit <u>one</u> application per intake. The project must have a partnership with a local government or Indigenous governing body by way of a resolution from the appropriate council or board. The two entities must work in collaboration on the proposed project for the project to be eligible. **This will not count as an application for the Local Government or Indigenous governing body.** Please refer to section 2.1.3 in the RNC Program Guide for the definition of an eligible For-Profit organization. The project must be for public use and benefit and revenues must not exceed operating expenses in the five years following project completion and be located within a community in BC that has a population under 25,000.

WHAT PROJECTS ARE ELIGIBLE

Q: What types of projects are supported by the RNC Program?

A: There are a wide variety of projects that could be eligible under the RNC Program such as regional food hubs; community freezers and kitchens; community greenhouses and food storage distribution; road/dock/airport which improve access to a community; community energy systems including micro-hydro, solar and wind; and, health and educational facilities that support the Truth and Reconciliation Commission of Canada's Calls to Action.

If your proposed project supports one of the federal outcomes and meets the additional requirements outlined in the RNC <u>Program Guide</u>, as well as other program requirements, your project should be eligible. Eligible projects will be infrastructure for public use and benefit. A list of criteria around eligible projects is provided in section 3.2 of the Program Guide. A list of example projects will be available on the program website. If you are still unsure,





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please contact program staff. In certain circumstances, we may also discuss with federal staff at Infrastructure Canada.

Q: Will the Program support design-only projects?

A: No, projects must construct capital infrastructure. However, the design costs associated with the infrastructure constructed are eligible costs under the Program.

Q: In previous programs, projects were not required to meet outcomes. Why does this program require projects to meet outcomes?

A: This program uses a federal outcome-based approach rather than a category-based approach. Projects that meet the specified outcomes as listed in the RNC Program Guide will be eligible for funding. The use of outcomes focuses funding on desired results and provides more flexibility around the types of projects applied for under the program.

Q: The Program Guide identifies that the program is designed to support projects that can be completed in five to six years. Does this mean that projects that can be completed in a shorter timeframe are ineligible?

A: All projects that can be completed within this timeframe are eligible, including those that can be completed in a shorter period. We encourage that projects that will take longer than 5 to 6 years to complete, be phased.

Q: Can we submit an application for a project that was unsuccessful under a previous infrastructure grant program?

A: Yes, if the project has good alignment with the program outcomes and criteria. We recommend that you contact Ministry program staff to discuss your previous application and areas where improvements can be made prior to submission under the program. Note that the application questions are different than for previous programs.

Q: Is there a maximum grant amount for projects?

A: There is no maximum grant amount under the program. However, fair distribution of the funds will be considered. If the proposed project's total eligible cost exceeds around 10% of the total funding available under the intake, the proponent should consider phasing the project. If submitting an application for a phase of a larger project, the phase as included in the application should be able to independently demonstrate how it meets the outcome requirements and align with the overall program objectives (program outcomes must be met at completion of the phase).

WHEN CAN I APPLY and WHAT ARE THE FUNDING TIMELINES

Q: What are the application timelines?

A: The application intake opens on June 25,2020. Applications can be submitted until <u>11:59(PDT) October</u> **22,2020. Reminder**: If your organization does not already have a BCeID for you to be added as a user, it can take





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up to 15 business days to obtain a business BCeID. Please account for this while creating your timelines for applying. The deadline for applying for a business BCeID in order to apply for the RNC Program is October 1, 2020.

Q: When will funding decisions be announced?

A: Funding decisions are a two-phase process with provincial shortlisting and final approval into ICIP by Canada and are generally made one year from intake. The next intake targets projects that will be initiated in 2021 or 2022.

HOW DO I APPLY

Q: What is the process for applying?

A: Applicants must complete and submit an online application form through the LGIS. It is a two-step process. New users are encouraged to start the process of requesting a business BCeID as early as possible, as the BCeID will be required to then request and set up access to the LGIS. This can take up to 15 business days. The set up in LGIS requires verification (it is not instant) and can normally be completed within 5 business days. Please refer to the Accessing the Online Application document on the RNC website.

Q: Do I need to answer all of the questions on the application form?

A: Yes. Please note that answering N/A to required questions (except when instructed) may affect your project's scoring and ranking in the technical assessment process. There is a need to ensure that projects align with program and senior government priorities, and to gather enough information to assess applications accordingly.

Q: I don't know how to answer one of the questions on the application form. What should I do?

A: Please contact Ministry program staff for guidance if you do not know how to answer a question. We can provide advice.

Q: Where can I obtain assistance in completing the application form?

A: Ministry Program staff are happy to provide advice and clarify where we can. However, please note that we are a small team. With many potential applications, we are limited in capacity, we ask that applicants with questions review the program materials on the website first. This will increase the quality of the conversation and corresponding advice.

Q: What are some tips for applying for funding a project with multiple phases?

A: The application should clearly identify the breakdown of the different phases. A detailed break-down for all phases should be included in the Detailed Cost Estimate Template. Contact Ministry program staff if you wish to discuss how phasing will affect your application.





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PROJECT COSTS

- Q. Our project incurred costs before we were approved for RNC funding. Are these costs considered eligible and can we claim them for reimbursement?
- **A.** No. Only costs incurred <u>after</u> the final project approval date as specified in the Shared Cost Agreement with the Province of BC are eligible, except for the costs associated with climate lens assessments. Note that costs associated with climate lens assessment is in place.
- Q: Do invoices need to be paid prior to submitting a claim to the Province for reimbursement under the grant?
- **A:** Yes, invoices must be paid by the applicant prior to submitting a claim for reimbursement under the program. The program is claims based.
- Q: There are changes or variations to our original, approved project. Do we have to notify the Province?
- **A:** Yes. All proponents need to advise the Ministry of Municipal Affairs and Housing, in writing, of any variation from the approved project. Before such changes are implemented, they must be approved by the Ministry otherwise costs incurred may not be eligible for reimbursement.
- Q: We have decided not to proceed with our project as originally outlined. Can we use the program funds for another infrastructure project in our community?
- A: The funding is specific to the project, not the community. Please contact Ministry program staff to discuss.
- Q: Can we directly award a contract(s) for undertaking the project?
- **A:** All contracts must be awarded in a way that is transparent, competitive and consistent with value for money principles. All records of the tendering process need to be retained and made available upon request. Projects that involve sole source contracting (contracts over \$40,000 or, for the acquisition of architectural and/or engineering services, over \$100,000) will be subject to federal Treasury Board approval prior to approval into the program. Please be aware that federal Treasury Board approval can delay the approval process. Additional information will be requested from applicants in this case to support a submission and to ensure that contracts are being awarded in a fair manner.
- Q: Are we allowed to use our own staff time to carry out project construction?
- **A:** The use of the organization's staff time may be allowed in certain cases where it is not economically feasible to tender a contract. This type of arrangement must be approved in advance and in writing by the Province and by Canada.
- Q: If we are unable to move forward with the project after funding is awarded, can we be reimbursed for costs incurred prior to the cancelation?





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A: No, any cost incurred to the cancelled project will not be reimbursed. Funding requires that projects meet the outcomes of the program.

USE OF OTHER FUNDING SOURCES AND BORROWING

Q: Can we use funding acquired from other federal grant programs as our contribution to project funding under the RNC program?

A: It cannot be utilized as part of the ultimate recipient's contribution to the project and federal funding will be reduced to the maximum commitment under the RNC program. Federal government funding is subject to stacking rules, please refer to the program guide for more details. If you need further assistance, please contact Ministry staff.

The exception to this is Indigenous Ultimate Recipients who, with approval from Canada may use other federal sources of funding to fund projects up to 100% of eligible project costs, however other federal funding program stacking rules may apply, please contact Ministry staff to discuss.

Q: Can we use money from the Gas Tax Community Works as part of the applicant financial contribution under the program?

A: No, funding obtained under Gas Tax Community Works funds cannot be used as part of the local government funding contribution under this program. It is counted as federal funds and would be subject to stacking rules under the program (i.e. the maximum senior government contribution under the program would be maintained and using these funds could reduce the federal grant award amount).

Q: Where can I find out more about the borrowing process for long term borrowing / loan authorization bylaws (local governments)?

A: More information can be found here: https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/bylaws/provincial-approval-of-bylaws/loan-authorization-bylaw-requirements. Refer to the section on Borrowing Process. Bringing the loan authorization bylaw to third reading is the initial step in the process.

Q: We are having trouble completing the 3rd reading for a loan authorization bylaw by the intake deadline. What should I do?

A: Please contact Ministry program staff for options. Where a delay is justified, a short extension may be able to be given. Where borrowing and public approval is required, the 3rd reading will still be required for the project to be assessed and progress further in the selection process.

Q: Are there any restrictions to applying under the RNC Program if we have already applied under a different program [such as the Environmental Quality (EQ) or Community, Culture and Recreation (CCR) Programs]?





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A: An applicant may apply to more than one open program for the same project, however, the project will only be funded through one program. If an application submitted to more than one program (for the same project) and is subsequently successful, it will be funded under the program as determined by the Ministry. This decision is final and not subject to appeal.

If a project is approved under one program, it becomes ineligible for funding under another program. For example, if a project is approved for funding under the EQ Program, the same project will be ineligible for funding under the RNC Program. If an application is submitted under the RNC Program for the same project, it will still count towards the application limit for the program.

The total amount of RNC funds available under this intake is less than the funding available under other programs. Please take this into consideration when applying. The Senior Government (federal and provincial) funding contribution is higher under RNC than in other programs for some applicant types.

PROJECT SELECTION

Q: What is the evaluation process for applications under the funding?

A: The Program is merit based and projects are subject to a comprehensive technical ranking assessment and internal provincial review, with a list provided to the Oversight Committee and recommendations submitted to Canada for final approval. The internal provincial review may include consideration of factors such as regional distribution of funding, previous funding, communities in need, and unmitigated project risks.

Applicants must ensure that their application demonstrates how the project will be eligible for funding (See RNC Program guide), how the project benefits align with one or more of the outcomes (See RNC Program guide), how the project aligns with program criteria described in the application form and in this RNC Program guide, and how the project is supported by sustainable management and planning.

Q: How do I create a strong application?

A: A strong application clearly demonstrates how the project aligns with program objectives, describes the need for the project within the community clearly, has a detailed budget, demonstrates that appropriate stakeholders have been consulted and required permits have been identified, demonstrates a plan for operation and maintenance, and has good alignment with organizational objectives. A well written application is clear and concise, with full but succinct answers that directly address all questions. There are character limits for questions within the application form which are visible when using the online application form.

When answering questions, don't leave them unanswered or with N/A; please contact the Ministry program staff for assistance before submitting if you are having trouble with an answer. Ensure that attachments are in a searchable format. Include letters of support from organizations such as health authorities where applicable and from any project partners (or a partnership agreement / Memorandum of Understanding).





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SUCCESSFUL PROJECTS

Q: How do we get reimbursed for expenditures?

A: To receive both the federal and provincial governments' contributions for approved projects, claims must be submitted for eligible costs to the Ministry. Only costs incurred, paid and consistent with and comparable to those identified in the signed shared cost agreement are eligible for reimbursement. Where multiple projects are ongoing (e.g. through different grant funding programs or through a phased approach), please ensure that claims are specific to the approved project only.

Q: Will an Impact Assessment be required?

A: Applicants are expected to determine whether all applicable legislative or regulatory requirements will or have been met, including requirements for federal or provincial environmental assessments as defined in the *Impact Assessment Act 2019*.

Q: What should I expect in terms of reporting requirements for an approved project?

A: Ultimate recipients will be required to submit quarterly progress reports and monthly budget forecast reports to Ministry program staff. The payment of claims will be conditional upon submission of requirements that support sustainable infrastructure management, such as relevant plans or confirmation that required permits have been obtained. Reporting on federal targets and indicators will be required, as related to reductions in greenhouse gas emissions, accessibility standards, increased broadband access, long-term drinking water advisories, compliance with federal effluent regulations and increased active transportation and transit. The RNC Program guide contains additional details on reporting requirements.

Q: Do I need to retain ownership of infrastructure assets once the project is complete?

A: Yes. There will be a requirement in the Shared Cost Agreement with the Province that ultimate recipients will need to maintain ongoing operations and retain title to and ownership of the asset for at least 5 years following completion of the project. Assets may be able to be transferred to Canada, British Columbia, or a municipality or regional district in certain circumstances with agreement from the Province and Canada.

ADDITIONAL REQUIREMENTS FOR PROJECTS OVER \$10 MILLION

Q: What additional requirements will there be for projects over \$10 Million?

A: For projects with total estimated eligible expenditures of \$10 million or more, requirements will include:

Climate Lens Assessment – a Greenhouse Gas (GHG) Emissions Assessment:





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- The GHG Mitigation Assessment estimates a project's GHG emissions and reductions relative to a business-as-usual scenario. The assessment requires adherence to the ISO 14064-2 standard for project-based GHG accounting. Supplemental guidance is provided by the GHG Protocol for Project Accounting. The assessment must be prepared or validated by a qualified Professional Engineer or a GHG accounting professional accredited by ISO 14064-3 or ISO 14065.
- Climate Lens Assessment a Climate Change Resilience Assessment
 - o The Climate Change Resilience Assessment is used to identify, assess, mitigate and manage potential risks associated with climate change during a project's design and operation. The assessment can range from preliminary to comprehensive depending on the magnitude of the risks identified. The assessment aligns with the ISO 31000:2018, Risk management Guidelines standard. It must be conducted by a qualified professional engineer, registered planner, biologist or hydrologist with expertise in resilience assessments, or an expert with Canadian Risk Management designation, ISO31000 certificate or equivalent.
- Community Benefits Reporting for projects with total eligible expenditures of \$25 M or more.
- Value Engineering for projects with total eligible expenditures of \$15 M or more and a sufficiently complex nature that they would benefit from a value engineering assessment. (Application of this requirement is on a case by case basis at the discretion of BC. Contact Ministry program staff to discuss this requirement.)

These will be requested following Provincial "approval-in-principle" of the project for funding.

Q: Where can I obtain additional information on the Climate Lens?

A: The Climate Lens Guidance document (September 2019) available on the RNC website provides additional information.

Q: How do these additional requirements affect funding approval?

A: These additional requirements for larger projects, along with a federal form to determine if there are any federal environmental assessment or Indigenous consultation requirements (form is applicable to all projects, not just large projects), will be required to be completed to BC and Canada's satisfaction prior to Canada's approval of a project into the program. Only organizations whose applications are shortlisted and given Provincial "approval-in-principle" will need to complete these additional requirements, they are not required at the application stage.

Q: Are there any special requirements for any specific outcomes?

A: The Adaptation, Resilience and Disaster Mitigation outcome will require all projects under this outcome to conduct a Climate Change Resilience Assessment.

The assessment required when applying to this outcome will be requested following Provincial "approval-in-principle" and is not required at the initial application stage.