

Regional Development Corporation

Guiding Principles for Recreation Infrastructure Investments

Background

The authority for provincial investments in recreation infrastructure is assigned to the Regional Development Corporation (RDC) under its Act.

Eligible Applicants

- Municipalities;
- Regional Service Commissions; and
- Not-for-profit corporations.

Guidelines / Principles

To facilitate regional cooperation and ensure proposals for new recreation infrastructure and major renovations are both feasible and sustainable, the principles outlined below will be used when reviewing projects seeking government funding.

Applications for recreation infrastructure projects seeking RDC funding must:

1. Include a Needs Assessment

Consideration should be given to the following:

- a) Location of the proposed new as well as existing infrastructure;
- b) Infrastructure in adjacent communities;
- c) Demographics of the community and surrounding area (both past and anticipated for the future); and
- d) Community plans.

2. Include a Business Plan

A Business Plan that demonstrates the viability of the project is a requirement. At a minimum, the Business Plan must identify the following:

- a) Project construction costs;
- b) Financing requirements of the organization;
- c) Details of how the financing requirements will be met;
- d) Construction plan; and

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- e) Financial projections for ongoing operations that demonstrate viability of the project.
3. Have the support of the municipality and/or Local Service District and/or Regional Service Commission.
4. Have strong community and/or private sector support as demonstrated by funding and/or fundraising efforts.
5. Be sustainable without continued government assistance.
6. Provide success indicators and tangible/measurable economic benefits.
7. Demonstrate a reasonable payback and return on investment (ROI) for the Province.
8. Include a written commitment to fund any cost overruns, as well as all annual operating / maintenance costs, including a reserve for capital repairs.
9. Be in a strategic location that supports a new or existing development initiative.
10. Demonstrate compliance with all relevant legislative, building code and regulatory requirements, such as environmental and purchasing requirements. Where possible in terms of cost, quality and availability, applicants will be encouraged to consider the use of New Brunswick goods and services in the project.
11. Demonstrate that all required financing is in place prior to RDC advancing funds.
12. Leverage funding and/or investment from federal, local and/or private sources.
13. Align with the Province's wellness strategy by contributing to the enhancement of wellness in the community.

As necessary, RDC staff can provide guidance to applicants regarding the above requirements. Once a complete proposal is received, it will be examined for technical and financial feasibility as well as merits to the communities to be served.

Approval of recreation infrastructure projects is subject to budget appropriation to RDC programs.

Types of Assistance

The Province of New Brunswick will protect the taxpayers' money when making investments in recreation infrastructure projects.

- There may be financial implications imposed where projects are not completed on time and/or on budget.

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- Financing support may be awarded in the form of forgivable loans. The proponents will earn forgiveness when key performance indicators are met such as ROI.

Eligible Costs

- Design / engineering fees;
- Capital construction costs; and
- Capital equipment.

Ineligible Costs

- Land;
- Licensed vehicles and rolling stock;
- Leasing of equipment;
- Legal and accounting fees;
- Financing charges and interest costs;
- Costs incurred before the signing of an agreement;
- Services or work normally provided by an applicant, department, agency or Crown Corporation; and
- Operational costs.