

# **Manitoba Municipal Relations**

Municipal Economic Development Infrastructure Program (MEDIP)

Program Guide

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# 1. Program Overview

The Municipal Economic Development Infrastructure Program (MEDIP) is an application-based program designed to foster economic growth and opportunities for Manitoba municipalities through shared priority projects that address gaps in current and emerging infrastructure needs. Funding is available through Manitoba's annual Rural Strategic Infrastructure Basket, delivered under the Strategic Municipal Investment Fund. Approximately \$44.5 million is available in fiscal year 2023/24 to support Manitoba municipalities outside Winnipeg to implement critical infrastructure projects that address the following key investment themes:

- **Economic Development** utilize strategic planning including asset management to ensure critical infrastructure is maintained and in place to support and promote long-term economic growth for municipalities
- Innovation utilize proven emerging technology to respond to current and future infrastructure demands
- Renewal replace or renovate existing infrastructure beyond its current service life

The MEDIP is intended to align with initial municipal planning, design, and engineering efforts. Advancement of such projects will help yield economic opportunities, stimulate job growth, and build strong, resilient communities across the province.

The MEDIP will build upon existing water and wastewater programming delivered through the Manitoba Water Services Board, and federal-provincial programming which is supported under the \$70.6 million Rural Strategic Infrastructure Basket. 100% of the rural capital basket is now fully allocated with the one-time per capita distribution of funding to be allocated in 2023/24.

#### 2. Eligible Recipients

All incorporated Manitoba municipalities outside the City of Winnipeg are eligible for MEDIP funding. Separate funding is allocated to Winnipeg projects for prioritization.

Ineligible applicants include for-profit corporations; not-for-profit organizations, First Nations, Northern Affairs communities, and individuals. Other funding mechanisms exist for these entities, while municipal infrastructure in Manitoba is owned and operated by local governments.

# 3. Eligible Project Categories

The MEDIP aims to provide targeted funding to municipalities based on their demonstrated level of need with a focus on the following investment categories:

- A. **Public Safety** projects that ensure economic activities in municipalities can develop in a safe and climate resilient environment
  - Disaster Prevention, Mitigation and Climate Resiliency
  - Fire Stations
- B. **Roads, Bridges and Active Transportation** projects that enhance the movement of goods, products, services, and people within and across municipalities
- C. **Multi-modal Transportation** projects such as airports, bus and other ground transportation hubs that support the movement of goods and people resulting in job growth and business opportunities

D. **Solid Waste Management and Organic Diversion** – projects that support effective waste management and reduction of waste to support environmental sustainability and economic growth into the future

A comprehensive listing of sample eligible projects under each of the above categories is listed under **APPENDIX A.** 

**NOTE**: Municipalities may choose to submit more than one project application under one or more of the above eligible project categories. If municipalities are requesting funding for more than one project, a clear indication of relative project priority must be provided (i.e. please designate each project as first priority, second priority, etc.). A separate application form must be submitted for each project to be considered.

## **Ineligible Projects**

Two categories are excluded from MEDIP: 1) water and wastewater, and 2) recreation and culture. There are existing funding opportunities available for municipalities to access support in these areas, including water and sewer support through the <a href="Manitoba Water Services Board">Manitoba Water Services Board</a>; and community development and recreation funding through the departments of Municipal Relations (e.g. <a href="Building Sustainable Communities">Building Sustainable Communities</a>) and Sport, Culture and Heritage (e.g. <a href="Arts">Arts</a>, <a href="Culture">Culture</a>, and Sport in Community Fund).

Municipalities are encouraged to apply for funding through existing intakes under these programs. For water and sewer projects, the recently announced <u>Tiered Municipal Water and Wastewater Investment Framework</u> establishes investment tiers for the province to clarify funding mechanisms, procurement approaches, and partnership opportunities for municipalities. Water and wastewater projects will be categorized into three tiers according to cost, project type and scale, and potential to utilize alternative delivery and financing approaches to better address investment demand and ensure success in this area of work.

## 4. Eligible Funding

MEDIP will fund municipalities based on their demonstrated level of need. Municipalities are expected to:

- 1) provide a municipal financial commitment towards the project;
- 2) are encouraged to seek additional funding support from external partners (e.g. federal contribution); and
- 3) propose a provincial share to cover remaining project costs.

Municipalities are encouraged to assess their financial capacity and propose costs that aligns with their level of need for the project.

There is no cap to the amount of funding that can be requested through the MEDIP project application process. However, total funds available will be allocated to as many projects as possible, after provincial review based upon shared priorities of the province, viability and relative quality of each application submitted.

As noted, funding from other federal grant programs can be combined with the MEDIP grant. Additional private, community, and other partner funding sources are strongly encouraged to leverage additional support and maximize overall project value.

# 5. Eligible Project Costs

Eligible project costs include costs directly related to, and incurred during the actual work on a project. A list of eligible and ineligible costs are provided under **APPENDIX B**. Please note that terms and conditions under individual project contribution agreements may list additional eligible/ineligible costs.

# 6. Application Process and Deadline

Municipalities can access the MEDIP application form through Manitoba Municipalities Online.

All submissions must include a completed application form and include a scanned copy of a resolution from Council approving of the project and documents showing the municipal commitment towards the project, and other funding sources.

Once completed, please submit the application through MMO under the heading "Submit/View Municipal Report," selecting 2023 Municipal Economic Development Infrastructure Program (Grant Application).

The deadline for submitting a complete MEDIP application form with a supporting Council resolution, through MMO, is Friday, **October 6, 2023.** 

#### 7. Evaluation Process and Criteria

Applications will be evaluated against key criteria and assessed to maximize available funding under MEDIP. An interdepartmental team will include Municipal Relations staff, technical and subject matter experts from other departments and relevant program areas (including Manitoba Transportation and Infrastructure, Environment and Climate, Consumer Protection and Government Services, and Office of Fire Commissioner). Projects must comply with all applicable laws and regulations, including federal, provincial, and municipal policies and regulations.

All complete and eligible project applications will be evaluated on their own merit based on the following criteria:

- Alignment with municipal plans, such as an asset management plan, local development plan, regional plan, master transit plan, active transportation plan, climate change plan, water management plan, other strategic plans, and work undertaken by Planning Districts and Watershed Districts, etc. Projects are expected to demonstrate how they align with existing municipal plans and priorities.
- Compliance with all applicable laws and regulations, including federal, provincial, and municipal policies.
- Regional benefits of the project. Joint applications involving additional municipal partners are strongly encouraged where applicable.
- Climate resiliency such as reducing Green House Gas (GHG) emissions, preventing disasters, mitigating impacts; and/or innovation that involves employing new designs,

technology, and systems to increase the resiliency of communities, economies, and ecosystems.

- Leveraged funding municipal contribution towards the project leverages other sources, such as funding through Federal grants (e.g. Federation of Canadian Municipalities, Canada Community-Building Fund – former Gas Tax funding), and private investments. Municipalities will not be able to stack provincial funding received under this program with other existing provincial funding.
- Project readiness municipalities must demonstrate the ability to initiate, implement, and be substantially completed within three (3) years with provincial funding fully advanced, expended or accrued by that date.
- Key project outcomes that align with MEDIP's investment themes of Renewal, Innovation and Economic Development.

Sample project concepts for specific categories are listed under APPENDIX A.

# 8. Approvals and Reporting Requirements

**Notification** – all applicants (both successful and unsuccessful) will be notified of the outcome of each of their applications through formal correspondence.

**Advanced funding** – successful applicants will receive advanced provincial funding for approved eligible projects costs on or before March 31, 2024 once a project contribution agreement has been signed by both the municipality and the Government of Manitoba. The contribution agreement will outline terms and conditions of the funding, which include reporting requirements and a stipulation that funds be placed into a segregated interest-bearing account until they are needed to cover approved project costs. Any interest earned over the term of the agreement form part of the provincial contribution.

**Project completion timeline** – Projects approved under the 2023 MEDIP application intake must be completed within 3 years. Provincial funds not used prior to this deadline must be returned to the Government of Manitoba if agreement conditions are not adhered to by applicants.

**Reporting** – Municipalities will be required to report annually on the progress of the project objectives, activities, and targeted outcomes. A financial report will be submitted with each annual report, until funds are fully expended, along with a reconciliation of funding upon project completion.

**Project cost overruns** – Should an approved project incur cost overruns, these costs shall be borne by the municipality and other project partners; no additional MEDIP funding will be available.

## 9. Additional Program Information

For more information about MEDIP, please contact: Municipal Funding Policy and Programs Branch of Manitoba Municipal Relations at <a href="MFPP@gov.mb.ca">MFPP@gov.mb.ca</a>.

## **MEDIP Project Categories**

# 1. Public Safety

# A. Disaster Prevention, Mitigation and Climate Resiliency

Projects that result in the construction, material enhancement or renewal of infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters.

Eligible projects under this category include (but are not limited to):

- Building drains, dams and dikes to reduce the risk of flooding.
- Restoring wetlands and other natural infrastructure to reduce the risk of drought.
- Constructing firebreaks to limit the spread of wildfires.
- Installing retaining walls, gabions, and revetments to control erosion.

#### **B. Fire Stations**

Projects that result in the construction, material enhancement or renewal of fire halls and fire station infrastructure.

Eligible projects under this category include (but are not limited to):

- Constructing a fire station.
- Renovating a fire station.
- Expanding a fire station.
- Fire Trucks if the acquisition or replacement is to meet new safety standards or part
  of a broader project involving the construction, renovation, or expansion of a fire
  station.

## 2. Road, Bridges and Active Transportation

Projects that result in new road construction, expansion or major renewal and rehabilitation of roads, which extend the useful life of the road; replacement or major rehabilitation of municipal bridges; and construction of active transportation infrastructure.

Eligible projects under this category include (but are not limited to):

- Widening and resurfacing local roads.
- Replacing bridges and culverts.
- Installing active transportation infrastructure (e.g. municipal owned bike lanes and hiking trails).
- Installing sidewalks, street lights and traffic signals (if done at the same time as the road project.
- Note: Ineligible projects include ongoing and routine repairs to roads and bridges.

## Roads

The following additional criteria may be used to evaluate and prioritize road applications:

- Physical state of the road (closed, reduced weight restriction, etc.)
- Type and volume of traffic using the road
- Length of detour if the road is closed
- Regional significance of the road with respect to commercial activity
- Whether the road provides the single point of access to a community

#### **Bridges**

Municipalities may also apply for cost-shared funding for preliminary or detailed design/engineering for bridges. If municipalities have completed both of these required steps, they may apply for funding for bridge replacement or major rehabilitation work:

- Preliminary Design / Engineering (including Environmental Assessments) municipalities may submit an application for preliminary design and engineering costs including environmental assessments with a quote for these services from a Professional Engineer (P. Eng.) registered or licensed to practice in Manitoba with the appropriate scope of practice in bridge engineering.
- Detailed Design / Engineering municipalities may submit an application for detailed design and engineering costs with a quote for these services from a P. Eng. Registered or licensed to practice in Manitoba with the appropriate scope of practice in bridge engineering. A copy of the preliminary design and engineering report for the proposed project, sealed by a P.Eng. must accompany this application.
- Bridge Replacement / Major Rehabilitation (Design-Bid-Build Option) —
  municipalities may submit an application for all construction costs for the project with
  a detailed cost estimate prepared by a P.Eng. registered or licensed to practice in
  Manitoba with the appropriate scope of practice in bridge engineering. A copy of the
  preliminary design and detail design report for the proposed project, sealed by a
  P.Eng. must accompany the application.
- Bridge to Culvert Replacement (Design-Build Option) municipalities may submit
  an application for all detailed design and construction costs for the project with a
  detailed cost estimate prepared by a P.Eng. registered or licensed to practice in
  Manitoba with the appropriate scope of practice in bridge engineering. A copy of the
  preliminary design and engineering report for the proposed project, sealed by a
  P.Eng. must accompany the application.
- Bridge Rehabilitation (Design-Build Option) municipalities may submit an
  application for all detailed design and construction costs for the project with a detailed
  cost estimate prepared by a P.Eng. registered or licensed to practice in Manitoba with
  the appropriate scope of practice in bridge engineering. A copy of the structural
  engineering assessment report for the proposed project, sealed by a P.Eng. must
  accompany the application.

The following additional criteria may be used to evaluate and prioritize bridge applications:

- Physical state of the bridge (closed, reduced weight restriction, etc.)
- Type and volume of traffic using the bridge
- Regional significance of the bridge with respect to commercial activity
- Length of detour if the bridge is closed
- Whether the bridge provides the single point of access to a community

## 3. Multi-modal Transportation

Projects that result in the construction, material enhancement or renewal of infrastructure that supports a shared passenger ground or air transport system that is available for public use.

Eligible projects under this category that aligns with a municipal public transit plan or determined through a study include (but are not limited to):

- Constructing designated public transportation surfaces, stations, stops and terminals.
- Renovating transportation maintenance facilities.
- Purchasing new zero or low emission public transit buses.
- Compliance with air transport regulation.
- Implementing Intelligent Transportation Systems.

# 4. Solid Waste Management and Organic Waste Diversion

Projects that result in the design, construction and/or modification of solid waste management facilities that also divert more material from landfills by using expansion to establish composting areas to divert waste and extend landfill life.

Eligible projects under this category include (but are not limited to):

- Landfill construction costs to resolve capacity challenges through expansion of composting capacity and organic waste diversion.
- Designing and constructing a material recovery facility.
- Installing a leachate collection system and other environmental compliance features in a landfill.
- Regional landfill expansion with the above noted parameters.
- Feasibility studies to inform implementation of innovative organic waste diversion efforts in municipalities (e.g. waste to energy technology).

#### **APPENDIX B**

#### **ELIGIBLE COSTS**

Eligible costs include the following types of costs incurred:

- a) the capital costs of acquiring, constructing, rehabilitating or improving an asset;
- b) the costs of surveying, engineering, design, supervision, testing, and management services, including fees paid to professionals, technical personnel, consultants and contractors.

#### **INELIGIBLE COSTS**

The following types of costs are ineligible costs:

- a) ongoing operating expenses or regularly scheduled maintenance work;
- b) purchase of tools and machinery to carry out the project;
- c) costs related to leasing land, buildings and other facilities;
- d) financing charges, loan costs and loan interest payments;
- e) any overhead costs, including salaries and other employment benefits of any employees of the municipality not related to the actual project; and,
- f) taxes for which the municipality is eligible for a tax rebate and all other costs eligible for rebates.

Please note that terms and conditions under individual project contribution agreements may list additional ineligible costs.