



THE EASTERN ONTARIO DEVELOPMENT FUND



MINISTRY OF ECONOMIC DEVELOPMENT AND TRADE

Presentation Overview

- Introduction
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 - Program Overview

- Business Stream Detail

- Regional/Sectoral Stream Detail

- Program activity to date

- Points to consider when applying for Eastern Ontario Development Fund (EODF)

- Frequently Asked Questions

Program Objectives

1. Support and promote business retention, expansion and attraction for small, medium and large businesses to secure new jobs (and/or add value to existing ones) and sustainable economic growth in Eastern Ontario.
2. Support community and regional economic development projects and initiatives that are based on partnerships and directly support business and strategic industry sectors.

EODF Program Overview

- **\$80M fund to support job creation and investment in eastern Ontario**
- **Discretionary, non-entitlement program providing project-based conditional grants**
- **Funding allocated over 4 years: 2008 to 2012**
- **Support for Projects in two Funding Streams:**
 - **Businesses**
 - **Regional and Sector Development (*led by not for profit industry associations, NGOs or municipalities*)**
- **Continuous intake, 45 day service guarantee**

Program Performance Measures

- Jobs created / retained
- New investment attracted to region from outside Ontario
- Existing businesses expanded
- Economic growth and diversity in rural Eastern Ontario
- Private and other public sector investments in long term and viable business development projects

Eligibility Criteria – Business Stream

Will the project generate new investment at a business location in Eastern Ontario?

Will the funding be used for a new business activity (beyond what you are doing today?)

Is the value of the investment greater than \$500,000 over 5 years?

Will the project create 10 net new jobs or retain/enhance the skills of the existing workforce?

Eligibility Criteria – Regional Sectoral Stream

Is the project focused on economic and business development or job creation initiatives in your community/region?

Is the project value greater than \$100,000 over 5 years?

Is the project aligned with provincial and regional priorities?

Does the project have private sector support?

Does the project involve partnerships (applicants may apply individually)?

Will the funding be used for activities which are new or incremental to the applicant organization or any of the partners?

Form of Assistance

- 15% grant, maximum value \$1.5 M
- Minimum project size \$500k over 5 years
- Proponent brings 50% of investment
- Other government program stacking to 35% of project value permitted
- Provide up to 20% on contracting, 10% holdback until commitments met, clawback provision

Applicant

- For profit business with ability to provide three years of financial statements
- Minimum of 10 employees (calculations for full time equivalents/part time/seasonal staff)
- Limited to one approved project per year
- Eligible sectors include: Manufacturing, Processing, Tourism (e.g. hospitality & entertainment), Business Services

Projects

- Must be for new activities, e.g. new investment, new product/process, acquisition of technology, etc.
- Refinancing, acquisitions, “bail-outs”, restructurings, start ups, relocations from within Ontario ineligible; certain sectors and types of projects ineligible, e.g. residential development, free-standing restaurants, golf courses, personal care, retail
- Company commits to create minimum of 10 jobs (those companies with between 10 and 20 employees must create new jobs equal to 50% of current) over 5 years. Job retention considerations.

Regional / Sector Development Stream

Form of Assistance

- 50% grant, maximum value \$1.5M
- Minimum project size \$100K
- Proponent brings 34% of investment
- Other government program stacking to 16% of project value permitted

Regional / Sector Development Stream

Applicant

- Not-for-profit organizations, industry associations, non-government organizations and municipalities
- Partnerships preferred, private sector participation and support preferred
- Limited to one approved project per year

Regional / Sector Development Stream

Projects

- Must be focused on business or economic development / job creation initiatives
- Demonstrate alignment with provincial and regional priorities
- Flexibility in potential projects – link to job creation, investment attraction is key
- Projects could include implementation of business development/feasibility strategies, specific infrastructure directly required to enable an investment ; purely speculative infrastructure is ineligible as is typical/ongoing municipal infrastructure, e.g. roads and bridges, water and sewer replacement

EODF Application Process

- Eligibility Checklist submitted
- Confirmation of receipt
- Full application submitted
- Confirmation of complete application (45 day clock starts)
- Application assessment and due diligence
- Final decision by Minister, MEDT (45 day clock stops)
- Contract executed, 1st disbursement paid

Application Assessment Criteria

- Alignment with the purposes of the EODF
- What the Applicant brings to the Project that would suggest success in the chosen industry/sector/markets?
 - competitive advantages, assets that can be leveraged, unique service or product offerings, strong existing customer/client base etc.
- Demonstrated understanding/assessment of economic environment and drivers shaping economy/key sectors and local/regional businesses

Application Assessment Criteria cont'd

- The project's likely contribution to or negative impact on building a particular sector, cluster, supply or value chain, or otherwise anchoring additional economic activities in the region or elsewhere in Ontario?
- Any issues re: the project meeting the EODF program thresholds
- Project management structure, experience, and expertise, as described in the proposal
- Applicant's previous experience with projects of the scale or complexity contemplated in this application.

Program Activity to Date

- Eligibility Checklists received
- Full applications

Developing Your Application

- Program website www.ontario.ca/easternfund
- Regional Staff
- EODF Program Staff
 - Bonnie O'Neill, Rita Byvelds, Carrie Manchuk
 - Email address – eodf@ontario.ca
 - Phone – 1-866-909-9951

Tips for completing EODF checklists/applications

1. Define your Project
2. Set Clear Project Objectives and Deliverables
3. Justify the Need for the Project
4. Explain the Economic Benefits
5. Technical Viability
6. Strong Financial Plan
7. Uses of Funds
8. Common Strengths and Weaknesses of Projects

Frequently Asked Questions

Wineries? Wind or solar farms? Day care centres?

Educational institutions?

Accounting for in-kind contributions?

Stacking with AMIS

Stacking with RED

Infrastructure costs – site servicing

Bonusing

R+D costs

Projects in Ottawa

Relocation from within Ontario

New businesses

**Thank you for your time and support for the
development of this program.**

Kim Wingrove

Director

Regional Economic Development Programming

Ministry of Economic Development and Trade

900 Bay Street, Hearst Block

Toronto, ON M7A 2E1

(416)325-6641

Kim.wingrove@ontario.ca

eodf@ontario.ca
