

GUIDE FOR PROMOTERS



COMMUNITY GREENHOUSE PROGRAM

2018-2022

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1. BACKGROUND

The goal of *The Plan Nord Toward 2035, 2015-2020 Action Plan* is to provide for the development of the full range of potential existing north of the 49th parallel for the benefit of the local population and the whole of Québec, through an exemplary form of sustainable development based on a comprehensive, integrated, consistent and responsible approach.

The *2015-2020 Action Plan* provides a framework for operations under the Plan Nord, setting out 90 priority actions to be implemented by 21 government departments and bodies. It sets out three key strategic policy directions:

- Develop the diversified economic potential of northern Québec
- Support the development of all communities in the area covered by the Plan Nord
- Protect the environment and preserve biodiversity.

The Société du Plan Nord is the key authority for the deployment of the various components of *The Plan Nord Toward 2035, 2015-2020 Action Plan*. Its mission is to contribute to the integrated and coherent development of the area covered by the Plan Nord, in compliance with the policy directions concerning the Plan Nord and in keeping with the principles of sustainable development.

Before a need expressed by the communities to put in place greenhouses but lacking the funds to proceed, the government has announced in its *Plan économique du Québec 2017-2018* a new measure to support the development of community greenhouses for the production of fresh fruits and vegetables. The government allocates 3 M\$ over 5 years at the Société du Plan Nord to put in place a new program. This action will stimulate the construction of non-profit greenhouses north of the 49th parallel.

For more information on the Société du Plan Nord and the document *The Plan Nord Toward 2035, 2015-2020 Action Plan*, visit our website: www.plannord.gouv.qc.ca.

2. COMMUNITY GREENHOUSE PROGRAM

2.1. OBJECTIVES

The Community Greenhouse Program, administered by the Société du Plan Nord, supports the northern communities that demonstrate interest in the development of community greenhouse¹ projects located on the Plan Nord's territory and that are consistent with the Plan Nord's approach.

¹ For the purpose of the Program, the term greenhouse can refer to growth tunnels, standalone or gutter connected greenhouses, as well as controlled environment agriculture systems.

The objective of the Program is to support the implementation of community greenhouses that will foster the improvement of the health and wellbeing of local populations by providing the following benefits:

- Better availability of fresh local produce
- Stimulation of community life (i.e.: citizen participation, opportunities to create links with schools to use greenhouses as tools for education, etc.).

The projects can take the form of gardening plots made available to the community or they can aim at selling produce to the local communities, as long as the operation remains non-for-profit or that the profits generated are entirely redistributed in the community

2.2. APPLICATION FOR FINANCIAL AID

Financial aid applications can be submitted at all time. However, the decisions regarding the recipients of the financial aid are made at specific predetermined dates. In order for a financial aid application to be subject to a decision for a given predetermined date, the request must be submitted at least one month before this date. For example, on the March 31st awarding date, decisions for projects submitted no later than February 28th will be made.

Deadline for the awarding period	Expected awarding date
February 28	March 31
April 30	May 31
June 30	July 31
August 31	September 30
October 31	November 30

The final date of decision is subject to change, for example in the case of projects that necessitate an approval from the Board of Directors of the Société du Plan Nord. If documents are missing, the Société du Plan Nord will notify the applicant. He or she will have to submit the required information, without which the financial aid request will be declined.

2.3. ELIGIBILITY CRITERIA

2.3.1. COMPLEMENTARITY WITH EXISTING PROGRAMS

The Program is intended to complement the contributions from communities and other government programs. It is intended to support projects that cannot attract sufficient financial assistance under existing programs. The applicant must show that other funding applications have been made.

2.3.1.1. Territory of application

The Community Greenhouse Development Program applies to projects or initiatives implemented in the area covered by the Plan Nord, which is the whole of Québec lying north of the 49th parallel, and north of the St. Lawrence River and Gulf.

2.3.2. APPLICANTS' ELIGIBILITY

2.3.2.1. Eligible client groups

- Social economy organization (non-profit organizations or cooperatives)²
- Band councils in Aboriginal communities
- Northern village corporations
- Municipalities, regional county municipalities and municipal organizations.

2.3.2.2. Ineligible client groups

- Provincial or federal government departments
- Provincial or federal state-owned corporations
- For profit enterprises (business corporations, sole proprietorships, general partnerships, etc.)

2.3.3. PROJECTS' ELIGIBILITY

2.3.3.1. Eligible projects

To be eligible to a financial aid, the projects must correspond to one of the following category:

- Projects to build or fit out new greenhouses for vegetable and fruit gardening
- Projects to improve existing greenhouses for vegetable and fruit gardening
- Feasibility or other studies for the construction of a new greenhouse for vegetable and fruit gardening or the improvement of existing ones.

² In the province of Québec, social economy regroups cooperatives, and mutual and non-profit organizations that are involved in market activities. These enterprises are driven by social objectives, that is to say, that they produce and sell different goods and services in order to respond to the needs of their members or the community.

Please note that the Société du Plan Nord will own the property rights of the studies funded through the Program in order to use them to its own benefit or to share them with other applicants that would have similar information needs. This provision is put forward to limit the multiplication of studies over the same subject, for the sake of efficiency and healthy management of public funds.

Moreover, in order for the project to be eligible to the Program, the applicant must prove that the management and operation of the greenhouse will be done by an organization that also complies with the applicant's eligibility requirements.

In this regard, the projects can be structured in one of these three different ways:

- **Public organization:** the management and the operation of the greenhouse are done directly by a public organization (municipality, MRC, band council or Northern village corporation). In this case, the project objective would not be considered as a market activity that aims at selling goods and services. For instance, a project where a band council would provide access to gardening plots to the community would fall in this category.
- **Non-profit:** the management and operation of the greenhouse is done by a non-profit organization. In that context, no profit can be generated. As a result, any surplus must be reinvested in the enterprise. The Board of Directors will have to include predominantly members of the community where the project will be implemented.
- **Cooperative:** the management and operation of the greenhouse is done by a cooperative. In this case, profits can be generated as long as they are redistributed to the members. At least one class of members should be open to all and must include predominantly members of the community where the project will take place.

2.3.3.2. Ineligible projects

Projects and their related activities that are subject to recurring financial support, individual projects (where the promoter is not registered as an organization or enterprise) and projects that have already begun or have been completed before the application is filed with the Program are ineligible.

The Société du Plan Nord reserves the right to reject any application that does not meet the criteria and conditions of the Program or that are inconsistent with the priorities of its 2015-2020 action plan.

2.3.4. ELIGIBILITY OF COSTS AND EXPENDITURES

2.3.4.1. Eligible costs and expenditures

Eligible expenditures are, in general, the costs or expenditures directly linked to the completion of the project, including:

- Necessary expenses for the project (construction, improvement), including wages and other remuneration, accommodation expenses during the construction period, and the purchase or leasing of apparatus and equipment
- Costs for plans and studies. When the project includes the payment of professional fees, the promoter must present at least two professional service offers (bids), unless justified by the applicant
- Professional fees
- Travel and accommodation expenses that are calculated according to the Government of Québec policies
- Capital expenditures
- Recognized training and skills upgrading costs at the beginning of the project.

2.3.4.2. Ineligible costs and expenditure:

- Representation costs, donations, sponsorship
- Expenditures on the purchase of a motor vehicle that can be licensed
- Expenditures to meet legislative and regulatory requirements related to the ordinary course of the applicant's activities
- Expenditures on a completed project
- Expenditures made before the date on which the financial aid request was submitted
- Eligible expenditures that may be reimbursed in another way
- Expenditures connected with a project that is inconsistent with established government policies or the laws and regulations in force
- The payment of an organization's or enterprise's debt or the repayment of an accumulated deficit
- Recurrent expenditures (i.e. operation and maintenance costs)
- Working capital.

2.4. AVAILABLE FUNDING AND FUNDING LIMIT

The Société du Plan Nord has an envelope of \$600 000 per year for fiscal years 2017-2018 to 2021-2022 to support community greenhouses projects.

Projects may be presented at any time. The envelope will be committed as and when projects are approved in order to maximise its utilisation.

2.4.1. MAXIMUM CONTRIBUTION

The maximum contribution for a project is \$275 000.

- The cumulative total of government assistance cannot exceed 90% of eligible project costs
- A cash contribution of at least 10% of the eligible project costs is required from the applicant or community.

2.4.2. CUMULATIVE GOVERNMENT ASSISTANCE

The maximum amount of government financial assistance is determined taking into account the total obtained from all sources of government assistance (grants, tax credits, loans, loan guarantees, equity participation etc.) for the project. The financial assistance may come from departments and bodies of the Government of Québec or the Government of Canada and from partners having access to intervention funds mainly from government sources.

3. PROJECT SELECTION PROCESS

3.1. PRELIMINARY ANALYSIS

All projects received will be subject to a preliminary analysis of the eligibility criteria for both the applicant and the project. The following criteria must be met:

- The project is located within the Plan Nord's territory of application
- All the required documents are duly completed:
 - application form for financial assistance, signed
 - all mandatory sections are filled
 - copy of the applicant organization's last financial statement
 - operating budget forecast for the first five years (in the case of a greenhouse construction or improvement project)
 - letter of support from local authorities
 - letters of support from project partners (if applicable)
 - at least two professional service offers (in the case of feasibility studies), unless justified by the applicant.
 - any other document considered useful in assessing the project.

- Eligibility of the applicant
- Eligibility of the project
- Observance of the limit on financial assistance authorized by the Community Greenhouse Development Program
- Observance of the rules on cumulative government assistance authorized by the Community Greenhouse Development Program
- A financial contribution of at least 10% of the eligible project costs is provided by the applicant or community
- The promoter has provided official proof of the approaches made to other funding providers and the complementary nature of the funding requested under the Program, in the form of E-mails, receipts, letters of refusal, etc.

Projects that do not meet all these compulsory criteria will be considered ineligible at the preliminary analysis stage.

3.2. PROJECT EVALUATION CRITERIA

Eligible projects will be assessed using an assessment grid. All the criteria and sub-criteria listed below will be applied to all projects.

Beside relevance and quality, the economic, social and environmental aspects of the projects will also be assessed.

3.2.1. INFRASTRUCTURE PROJECTS CRITERIA

3.2.1.1. Economic criteria

Local economic impact

- Fosters local and regional economic diversification
- Supports the creation of local jobs
- Does not jeopardize other economics activities (no unfair competition).

Market potential

- Relies upon market hypothesis that are based on a strong market study
- Clientele is clearly identified
- Relies upon realistic levels of production
- Identifies a reasonable selling price given the market reality
- Proposes an infrastructure whose capacity matches the needs of the potential users.

Equipment and infrastructures

- Proposes equipment and infrastructures that are reliable
- Evaluates with precision the energy needs
- Identifies the risks and appropriate mitigation strategies.

Budget and financing

- Evaluates with precision the operation costs
- Is based upon revenue forecasts that are backed by verifiable evidences
- Proposes a five-year budget that demonstrates the viability of the project
- Relies upon complementary financial contributions from local partners and other programs
- Demonstrates the capacity of the applicant to invest in the project
- Demonstrates a financial resilience on the part of the applicant to face the risks identified
- Justifies the magnitude of the initial investment.

3.2.1.2. Social criteria**Community support**

- Improves the living conditions of northern communities
- Helps local and native communities in their strategies to plan and structure their economic and social development.

Local participation

- Encourages the full participation of women and youth
- Promotes collaboration with suppliers or professionals coming from the local community
- Promotes the transfer of knowledge when local expertise is not available
- Identifies the training needs and proposes a training program, if need be
- Reinforces the acquisition of knowledge and skills by the local communities.

Consistency with local needs

- Meets a need that has been identified by the local community
- Is supported by the community (letter of support required)
- Offers goods and/or services that are intended to the local community.

Project management

- Proposes a well-defined governance structure
- Determines a marketing strategy to inform the community about the goods and services offered by the greenhouse activities
- Demonstrates that the project team has the required skills to plan and implement the project
- Propose a realistic and clear human resource plan.

3.2.1.3. Environmental criteria

- Decreases the impacts of the community and its organizations on the environment
- Meets the government's guidelines with regard to environmental protection and biodiversity conservation
- Implements environmental best practices
- Demonstrates a formal approach to sustainable development
- Uses renewable energy.

3.2.2. FEASIBILITY STUDY CRITERIA

The criteria applicable to feasibility studies are the following:

- Is evaluating a project that has the potential to be viable in the particular Northern Québec context
- Defines the content of the study and contains the essential sections of a feasibility study
- Demonstrates that the project team has the required skills to plan and carry the feasibility study
- Demonstrates that the cost of the study is reasonable and just
- Proposes a methodology that is adapted to the Northern context (consultation, close collaboration with local authorities, etc.).

4. PRESENTATION AND SUBMISSION OF PROJECTS**4.1. FORM**

Promoters must complete, sign and date the application form for financial assistance. The form is available on the Société du Plan Nord's website under the "financial assistance" tab.

4.2. QUESTIONS

For any questions concerning the call for projects, please contact the Société du Plan Nord's staff member responsible for the Program:

Mrs. Myriam Blais
Phone: 418 643-1874, extension 6436
Toll free: 1 855 214-9807
Email: myriam.blais@spn.gouv.qc.ca

4.3. SUBMISSION OF PROJECTS

When submitting a project to the Société du Plan Nord, the following documents must be included:

- Application form for financial assistance, completed, signed and dated
- Copy of the applicant organization's last financial statement
- Letter of support from local authorities
- Letters of support from project partners (if applicable)
- Operating budget forecast for the first five years in the case of a greenhouse construction or improvement project
- Two professional service offers (bids) in the case of feasibility or other studies required before the construction of a new greenhouse that require the payment of professional fees. If less than two offers are submitted, the applicant has to demonstrate that the choice of consultant is justified with regards to its capacity to carry the study as well as the price asked.
- Any other document considered useful in assessing the project (i.e. business plan).

The application may be submitted either:

Email to: programme-serres@spn.gouv.qc.ca

Fax: 418 643-3660

Mail to:

Société du Plan Nord
Community Greenhouse Program
900, boulevard René-Lévesque Est, bureau 720
Québec (Québec) G1R 2B5

The applicants can apply for funding through the Program at all time or until all funds have been allocated. In case the funds are no longer available, the applicant will be informed that his or her project submission can be postponed to the next fiscal year.

It is suggested to contact the Program coordinator before sending the application form in order to insure funds are still available. If the application for financial assistance is submitted by mail, the postmark will count as the date of submission. If the application is submitted by email, the date indicated on the email in the Program mailbox will be considered as the date of submission.

5. TERMS AND CONDITIONS

A financial assistance agreement between the Société du Plan Nord and the promoter will be drawn up for each project selected. The agreement will specify the terms and conditions of payment, the conditions for the granting of financial assistance, as well as the accountability requirements.

At the end of the project, a final report on the project and the use of the grant must be filed within the deadline set in the financial assistance agreement.

The report must contain, in particular,

- a detailed description of the project and the activities completed using the grant
- the total cost of the project and of each of its components
- the sources of financing and the amounts obtained from each source
- the number of jobs created, if applicable
- an appendix containing the supporting documents for project expenditure if not yet submitted, or a financial report setting out the expenditures.