

Regions and Rurality Fund  
Component 4  
Axis – Support for vitalization

**MRC PONTIAC**  
**OUTAOUAIS**



June 2023

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## 1. Context

The Pontiac MRC, located in the western Outaouais region, is facing major territorial challenges: an aging population, loss of local services, has one of the lowest median incomes in Québec, and poor economic diversification since the 2008 forestry crisis.

On October 30, 2019, representatives of the Québec government, the Fédération québécoise des municipalités (FQM), the Union of municipalities of Québec (UMQ), the City of Montréal and the Québec City ratified the new agreement between the Québec government and municipalities at a signing ceremony held at the National Assembly.

A 2020-2024 Partnership: *For even stronger municipalities and regions* follows on from the 2016-2019 partnership agreement with municipalities, which expired on December 31, 2019. In total, nearly \$7.1 billion will be transferred to municipalities over a five-year period.

The Regions and Rurality Fund (FRR) has four components:

- Component 1 – Support for regional development
- Component 2 - Support for MRCs' local capacities to further development
- Component 3 - MRC "Signature innovation" projects
- Component 4 - Support for vitalization

The present vitalization framework relates to Component 4 - Support for vitalization, allotment for Vitalization Agreements with the MRC, with the purpose of mobilizing and cooperation of municipal organizations and partners to better face the specific challenges of vitalization.

Vitalization is understood by the *Ministère des Affaires municipales et de l'Habitation* (MAMH) as all the actions taken by a community to revitalize its environment and improve the quality of life of its population in a sustainable way. The government wishes to support the impacted MRCs, so that they can mobilize their communities and adopt a well-thought-out vitalization framework aimed at either stabilizing or turning around their demographic and economic indicators.

The objectives of Component 4 - Vitalization Support Axis, Vitalization Agreement portion with MRCs, is to

- Encourage the mobilization of elected officials and municipal administrations to address specific vitalization challenges.
- Foster collaboration between regional government departments and agencies, MRCs and local municipalities presenting these challenges.
- Support the implementation of vitalization approaches and initiatives within the concerned territory.
- Improve services or facilities for the population, through the realization of convincing projects, particularly in economic, social, tourism or cultural terms.

## 2. Economic vitality index

The economic vitality index was developed by the *Institut de la statistique du Québec* for MAMH, with the purpose of enabling the latter to simply evaluate and compare the economic vitality of its territories. The main advantage of using this composite index is the standardization of data by means of the Q rating, which enables precise comparison between territories.

The economic vitality index is a statistical calculation based on the following three indicators:

### 2.1 Rate of workers aged 25-64 - Labour market dynamism.

This corresponds to the number of workers, expressed as a percentage of the number of individuals filing tax returns with Revenue Québec. It includes both salaried employees and self-employed workers. This indicator highlights the dynamism of a territory's labour market.

### 2.2 Average total income for people aged 18 and over - Population standard of living.

The average income represents the central value that divides a given group of individuals with income into two equal parts. Average total income, also known as pre-tax income, is made up of wages and salaries, net income from self-employment, investment income, retirement pensions, government transfers and other cash income. Individuals with zero income are excluded from the calculation of average total income. Here, it is the standard of living of the territory's citizens that is targeted for information.

### 2.3 Average annual population growth rate - Demographic dynamics

This represents the average annual variation over five years in the size of the population in relation to the average population over a period of a given territory. This indicator is intended to represent demographic dynamics, a key factor in the vitality of a region, and one that has a significant impact on its economy.

Municipality	Ranking (Québec-wide)	Total Population	Economic vitality index (2018)	Quintile 2018
Alleyne-et-Cawood	1138	167	-17,92394	Q5
Bristol	1039	1017	-10,60363	Q5
Campbell's Bay	1003	729	-8,91555	Q5
Chichester	1015	346	-9,28913	Q5
Fort-Coulonge	965	1399	-7,66120	Q5
L'Île-du-Grand-Calumet	976	638	-7,98340	Q5
Otter Lake	1145	928	-19,31988	Q5
Portage-du-Fort	1137	214	-17,75580	Q5
Rapides-des-Joachims	1001	150	-8,87034	Q5
Waltham	980	375	-8,09832	Q5
Clarendon	752	1249	-2,76561	Q4

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L'Isle-aux-Allumettes	881	1319	-5,40937	Q4
Mansfield-et-Pontefract	711	2325	-2,00477	Q4
Shawville	897	1571	-5,79694	Q4
Sheenboro	919	117	-6,37156	Q4
Thorne	726	460	-2,36144	Q4
Litchfield	617	456	-0,46198	Q3
Bryson	653	695	-0,99578	Q3

### 3. Socio-economic profile of the population

#### *A declining and aging population*

With a population of 14,160 in 2018, the MRC Pontiac is one of the 15 most sparsely populated and least densely populated MRCs in Québec (1.11 inhabitants per km<sup>2</sup>). Since 2006, it has suffered a net loss of 596 inhabitants, and its demographic weight in the region has also declined, from 4.3% to 3.6%.

The average annual growth rate (AAGR) for the 2016-2018 period is -2.4 per 1,000 compared to -3.7 between 2006 and 2011, and -2.9 from 2011 to 2016, indicating a steady demographic decline, but one that seems to be slowing in recent years.

Since 2016, the Pontiac has been the only MRC in the region to see its population steadily decline, while the Outaouais ranking among the administrative regions with sustained demographic growth (TAAM of 7.1 for 2016-2018).

The Pontiac's population is aging rapidly. People aged 65 and over now account for a quarter of the population (24.8%), while the share of young people aged 0 to 19 is declining year by year, from 22.1% in 2008 to 18.8% in 2018. The average age, at 46.3, is well above that of the overall population of the Outaouais (40.9) and Québec (42.3).

People of working age (20 to 64) makes up only 56.4% of the population, the lowest share in the Outaouais.

The demographic dependency ratio, i.e., the number of dependents (0-19 + & seniors 65+) per 100 workers (20-64), is 77.4%, the highest in the region.

#### Projected population of the MRC Pontiac 2016-2041

2016	2021	2026	2031	2036	2041	Variation 2016-2041 (%)
14 300	14 000	13 800	13 500	13 300	13 200	-7,8

## 4. Mobilizing people around the region's development challenges.

To better understand the economic vitality issues facing its territory, the MRC Pontiac drew on the community portraits prepared by the *Observatoire du développement de l'Outaouais* (ODO) to obtain a more detailed portrait of economic vitality in the communities of the MRC Pontiac.

This portrait has enabled us to focus our reflections and proposed tools on the most critical issues affecting the economic vitality of our communities. Over the past two years, we have presented a portrait of the region's economic vitality, followed by an analysis of the elements that need to be worked on over the next few years to address vitalization issues. The definition of the vitalization framework draws heavily on several existing plans, processes, and strategies, including:

- Vision 2030 strategic development plan
- Territorial brand analysis report
- Residual materials management plan 2023-2029
- Development plan
- Characterization of the agricultural territory
- Agricultural zone development plan (PDZA)
- Cultural policy of the MRC Pontiac
- Vitalization Committee

## 5. Vitalization Committee

The Vitalization Committee acts in an advisory capacity to the MRC Pontiac Council. The general mandate of the Vitalization Committee, as set out in clause 5.3 of the Vitalization Agreement between the MRC Pontiac and MAMH, is to oversee the application of the agreement, in accordance with applicable standards and programs, and to manage the administrative and financial follow-up.

### 5.1 Committee responsibilities

- Define the vitalization framework and recommend its adoption to the MRC.
- Validate and recommend to the MRC the initiatives, projects, or interventions to benefit from the financial support provided under the agreement.
- Ensure that the objectives of the agreement are implemented and achieved.
- Submit to the MRC council any recommendations for changes to the vitalization framework, to the composition of the vitalization committee, or to projects that it deems useful or necessary.
- Report on its activities to the MRC Board at the next meeting.

### 5.2 Committee's composition

Appointed by the MRC Pontiac Council, the Vitalization Committee is made up of thirteen voting members and four non-voting members.

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Voting members:

- MRC Warden
- Mayor of Campbell's Bay
- Mayor of Alleyn-et-Cawood
- Mayor of Bristol
- Mayor of Chichester
- Mayor of Fort-Coulonge
- Mayor of l'Île-du-Grand-Calumet
- Mayor of Otter Lake, who serves as Chairman.
- Mayor of Portage-du-Fort
- Mayor of Rapides-des-Joachims
- Mayor of Waltham
- Representative of CJEP/PAJP
- Citizen representative

The mayor of Waltham acts as vice-chairman and, should she be required to act as substitute chairman, her pro-mayor may vote on behalf of the municipality.

Should a member mayor be unable to act, his or her deputy can be appointed as replacement, with voting rights.

Non-voting members:

- Director General, of the MRC Pontiac
- Economic Development Director, of the MRC Pontiac
- Socio-economic development coordinator
- A representative of the *Ministère des Affaires municipales et de l'Habitation* (MAMH)

### 5.3 Operations

The Vitalisation Committee is chaired by the Mayor of Otter Lake.

The MRC's economic development team is responsible for coordinating the vitalization committee's meetings, agendas and minutes.

Project evaluation sessions will be convened by the MRCs economic development team. Further meetings with the committee are planned to implement the Agreement.

The decision-making process is established by consensus, or by vote if consensus cannot be reached.

The members of the vitalization committee are subject to or, if not, adhere to rules of ethics and professional conduct governing their function, particularly with regard to integrity, impartiality and confidentiality, in a manner substantially equivalent to the principles of ethics and general rules of professional conduct set out in Chapter II of the Regulation respecting the ethics and professional conduct of public office holders (RLRQ, chapter M30, R. 1), when applicable.

## 6. Cadre de virilisation

To reverse the trend towards devitalization in the region, the Vitalization Committee has set itself the objective of promoting economic diversification in the region, based on the growth niches identified in the MRC Pontiac's strategic planning, while keeping its horizons open to innovative sectors that the Vitalization Committee deems to be promising for the region's development. The growth niches identified by the strategic planning process are:

- Tourism
  - Agrotourism - Outdoors - Cross-border tourism - Infrastructures
- Culture and Heritage
  - Cultural centres - Artists and craftsmen - Plural identity - Archaeology
- Agriculture
  - Circular economy - Development of fallow land - Markets - Eliminating the shortage of local produce - Promoting agri-environmental practices - Encouraging organic farming.
- Social Community
  - Organization relations - Services and programs for seniors - Home, youth and family services - Daycare spaces
- Environment
  - Active mobility - Adapting to climate change - Biodiversity - Supervising agricultural practices
- Forestry
  - TPI management - Local forests

### 6.1 Priority axis for revitalization

Within the framework of its vitalization agreement and future calls for projects, the MRC Pontiac is prioritizing the following vitalization axis:

1. Economic development
2. Urban development
3. Development of the territory's Natural environment
4. Community development

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#### 1. Economic development

Objectives:

- Economic development and diversification
- Workforce development and full utilization of regional human resources.
- Population retention and attraction of new residents



## 2. Urban development

Objectives:

- Transportation development
- Consolidation of the territory's recreational and tourism vocation
- Structuring of industrial activity
- Consolidation of the urban vocation
- Confirmation of the intermediate role of villages
- Maintaining the role of local centres

## 3. Development of the territory's Natural environment

Objectives:

- Preserve water quality throughout the territory
- Prohibit new outfitting operations with exclusive rights and ZECs
- Diversify activities in marginal agricultural sectors
- Plan the occupation and use of the territory's shores, lakes, and waterways
- Consolidate the agricultural vocation of parts of the territory whose dominant function is agriculture
- Promote sustainable forest management and the development of all agricultural resources.

## 4. Community development

Objectives:

- Population retention and attracting new residents (Vitalization Framework)
- Promoting entrepreneurship (vision 2030)
- Attractiveness strategy and development (vision 2030)
- Enhancement of local shops and services, etc.

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### 6.2 Structuring projects supported by the MRC Pontiac

1. Development plan for the entire territory
2. Industrial plan
3. Public transit plan

## 7. General principles, terms of application, and governing rules

### 7.1 Territory of application

The Vitalization Agreement applies to the entire territory of the Regional County of Municipalities (RCM) of Pontiac. To be eligible, a project must be carried out within the territory of the MRC Pontiac, in addition to meeting the criteria listed below. Priority will be given to projects that demonstrate clear benefits for one or more Q5 localities.

### 7.2 Eligible organizations

The following organizations are eligible to apply for financial assistance:

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- Municipalities
- Cooperatives
- Non-profit organizations
- Aboriginal band councils
- Private companies

\* Organizations listed in the register of companies not eligible for public contracts and organizations in the financial sector are not eligible.

### 7.3 Project selection criteria

Applications from all eligible applicants will be evaluated according to the following criteria:

- Concordance with a vitalization axis.
- Quality of application and promoter.
- Impact on employment and the economy.
- Innovative nature of the project.
- Impact on socio-economic vitality.
- Soundness of financial package.
- Respect for the environment.

Except for applications from non-profit organizations or municipalities:

- Concordance with a vitalization axis.
- Quality of application and promoter.
- Acceptability of the project to the community.
- Impact on socio-economic vitality.
- Soundness of financial package.
- Respect for the environment.

### 7.4 Ineligible projects

**The following projects are not eligible:**

- Projects that would contradict a government policy or measure approved by the *Conseil du trésor* or the *Government of Québec*, or that would cover an activity already financed by budgetary rules approved by the latter.
- Projects in the retail or restaurant sector, except those offering a local service, according to the criteria established by the MRC and included in the vitalization framework, and which are not in a competitive situation.
- Projects associated with the establishment or expansion of health services (e.g., health cooperatives);
- Projects consisting of studies, initiatives, action plans or strategic planning carried out as part of an organization's regular activities. However, this type of project may be eligible in cases where it is clearly demonstrated that it responds to a specific vitalization issue or situation.
- Projects related to municipal administration (e.g., renovation of the town hall, maintenance of the municipal garage).

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- Projects related to places of worship, unless the building is being converted to serve a purpose other than religious (e.g., converting a church into a community hall for the entire population would be eligible).

### 7.5 Applicable funding rates and thresholds

#### Maximum assistance

A single organization and its subsidiaries may not receive more than \$100,000 for a single project for the duration of the agreement. Financial assistance granted to a single private company, or its subsidiaries may not exceed \$150,000 at any time within a period of 12 consecutive months.

Funding for each project must include a non-government contribution of at least:

- 50% of the project's eligible expenses in the case of a private company or a not-for-profit organization owned by a private company.
- 10% of eligible project expenses for other eligible organizations.

#### Combining government grants

The maximum amount of government assistance includes the total amount of financial assistance granted. Non-repayable grants are considered at 100% of their value, and repayable grants are considered at 50% of eligible project costs by all government departments, agencies and Crown corporations, the governments of Canada and Québec, as well as municipal entities. If the maximum cumulation of another department or agency is more restrictive, the more restrictive cumulation must be respected.

This accumulation cannot exceed:

- 50% of eligible project expenses, in the case of a private company, or a not-for-profit organization owned by a private company.
- 90% of eligible project expenses for other beneficiaries.

### 7.6 Governance rules

#### Rules and procedures for awarding financial assistance.

The amount of financial assistance will be determined by the council of mayors and will be paid in the form of a non-refundable grant. Authorized projects will be the subject to a signed agreement between the MRC and the promoter. This document will define the conditions for payment of financial assistance and the obligations of the parties.

#### Project deadlines, progress, analysis, and follow-up

- There will be one or two calls for projects per year, depending on the funds available.
- The development team will assess the eligibility of applicants and analyze the projects received according to the project selection criteria.
- The Development Team's recommendations will be presented to the Vitalization Committee, which will then make recommendations to the Mayors' Council.

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- The mayors' council will evaluate the projects and recommendations. A resolution will be issued to this effect.
- Following adoption of the resolution, the project manager will draw up a contractual agreement between the MRC and the promoter. This document will define the conditions for payment of the financial assistance and the obligations of the parties.
- The promoter who has received a subsidy will be required to submit a final report. The form will be provided to the promoter by the MRC and must be used.

### 7.7 Eligible and ineligible expenses

#### **Eligible expenses are:**

- professional fees, consulting services\* (see ineligible expenses).
- Salaries directly related to the project.
- Purchases of goods and equipment related to the project, marketing, promotion and advertising activities and costs.

Leasehold improvements, repairs, expansion, or construction of a building, including the acquisition of land or a non-residential building.

#### **Ineligible expenses are:**

- \*Expenditures on studies, initiatives, action plans or strategic planning carried out as part of an organization's regular activities. However, this type of expenditure may be eligible in cases where it is clearly demonstrated that it responds to a specific vitalization issue regarding our current situation.
- The operating deficit of an eligible organization, the repayment of loans or the replenishment of working capital.
- Expenses already paid by the Québec government for the same project.
- Any expense not directly related to the project.
- Any expense relating to the relocation of a business or organization unless the local municipality in which the business or organization is located agrees.
- Any subsidy to government administration, except for educational network organizations
- Any expense related to activities governed by budgetary rules approved by the Québec government.
- Funding for projects or activities whose expenses were incurred before the project was submitted.
- Financing a project that has already been completed.
- Any expenditure made to companies registered with *the Registraire des entreprises du Québec* that are not eligible for public contracts.
- Any form of loan, loan guarantee or equity investment.
- Fees for professional services where the rate exceeds \$150 per hour.
- The portion of taxes (GST and QST) that the beneficiary can recover from governments.
- All recurring expenses.

## COMPONENT 4 - Axis Vitalization

### Construction work

When the purpose of the project is to finance the execution of construction work entrusted to a third party, the recipient eligible for financial assistance, except for a private company, must follow the provisions of the Act respecting contracting by public bodies (RLRQ, chapter C-65.1, section 23).

In the case of municipal organizations, educational bodies and organizations mandated by municipal authorities, contracts awarded by public tender must be open to liberalization agreements.

A public call for tenders is not required, on the advice of the MINISTER, when, due to an emergency, the safety of persons or property is at stake, or when only one contractor is possible due to a guarantee, a property right or an exclusive right.

Where the rules governing the awarding of construction contracts by an organization eligible for the program are more restrictive than these rules, the organization must apply its own rules.

### 7.8 Allocation of financial assistance

The MRC complies with the rules governing the awarding of contracts and ensures that its members respect the codes of ethics and professional conduct set out in the Act respecting ethics and professional conduct in municipal affairs (RLRQ, chapter E-15.1.0.1).

All authorized projects will be subject to a financial assistance agreement between the recipient and the MRC. This agreement will define:

- Terms and conditions of payment.
- Upon signature of the agreement, the MRC will pay a first instalment of its financial assistance.
- The remainder of the financial assistance is paid according to the terms and stages determined by the nature of the project, its duration, and the expected deliverables.
- Financial assistance may be paid in several instalments, as specified in the agreement.
- Subsequent payments are conditional on acceptance of the reporting documents required by the MRC.
- Obligations to be met by the beneficiary, particularly regarding expected project results.

*All projects must be completed within a period to be determined in the agreements signed. The MRC may, if necessary, review its commitments after this period.*