

FRR4
Vitalization Agreement

Vitalization framework



IN CONTEXT

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

- Component 1 - Support for regional outreach
- Component 2 – Support for local and regional development
- Component 3 - MRC "Signature innovation" projects
- Component 4 – Vitalization and intermunicipal cooperation.

This vitalization framework concerns Component 4 - Support for vitalization, of which the vitalization agreement between the Ministère des Affaires municipales et de l'Habitation (MAMH) and the MRC, to help communities meet the specific challenges of vitalization.

Vitalization is described by MAMH as the set of actions put forward by a community, in order to revitalize its environment and sustainably improve the quality of life. The government wishes to support the MRCs concerned so that they can mobilize their communities and adopt a well-thought-out vitalization framework to stabilize or turn around demographic and economic indicators.

1. OBJECTIVES OF THE AGREEMENT

- To encourage the mobilization of elected officials and municipal governments to address specific vitalization challenges.
- To promote collaboration between the government apparatus in the region, the MRC and the local municipalities facing these challenges.
- To support the implementation of vitalization initiatives on the territory of the MRC.
- Act positively on the vitality of the territory by improving services or facilities for the population, by the realization of convincing projects on the economic, social, tourist or cultural levels.

2. ECONOMIC VITALITY INDEX

To meet the needs of the Ministère des Affaires municipales et de l'Habitation (MAMH), the Institut de la statistique du Québec designed and produces a composite index in order to measure, on a regular basis, the economic vitality level of municipalities, Aboriginal communities, unorganized territories, and regional county municipalities (MRC's).

This economic vitality index is based on three indicators: **the labour market** (the rate of workers aged 25 -64), **the standard of living** (the median total income of individuals aged 18 and over), and **the demographic dynamics** (average annual population growth rate over five years).

The March 2021 publication of the Institut de la statistique du Québec reports data for 2018. In this report, the MRC du Golfe-du-Saint-Laurent in the 5th quintile (Q5) is reported as -11.94771, which ranks it 98th out of 104 with the following statistics: Rate of workers aged 25 – 64: 61.8%, the median total income: \$ 33 348, and the average annual population growth: -11.8%.

Within the MRC du Golfe-du-Saint-Laurent, the individual municipalities and Aboriginal communities are classified as such:

Municipality/Aboriginal community	Population	IVE (2018)	Quintile 2018
Côte-Nord-du-Golfe-du-Saint-Laurent	837	-4.91466	Q4
La Romaine (Reserve)	981	-13.47313	Q5
Gros Mecatina	432	-13.11477	Q5
Pakuashipi (Indian settlement)	228	-20.92151	Q5
Saint-Augustin	431	-7.95900	Q5
Bonne-Espérance	663	-7.88038	Q5
Blanc-Sablon	1084	0.60170	Q3

3. VITALIZATION COMMITTEE - GOVERNANCE AND OPERATION

*** (See Annexe 1 – Operating rules vitalisation committee)**

The Vitalization Committee shall be composed of:

Voting members:

- One (1) representative of the MRC Council;
- One (1) representative (Director General) of a municipality Q5;
- Three (3) citizens from different sectors and environments.

Non-voting members:

- Two (2) representatives of the MRC (one (1) from the administration, one (1) development agent);
- One (1) representative of the MAMH.

The members of the vitalization committee will have to accept and sign the code of ethics in effect at the MRC du Golfe-du-Saint-Laurent.

The general mandate of the vitalization committee is to see to the application of the agreement, in accordance with the applicable standards and programs, and to manage the administrative and financial follow-up. The Vitalization Committee shall in particular:

- Adopt the operating rules of the vitalization committee;
- Formulate a vitalization framework and recommend its adoption by the MRC. In accordance with the conditions of use set out in Appendix A, this framework includes
 - The preferred axes of vitalization;
 - The types of projects that will be favoured;
 - Project selection criteria;
 - Applicable assistance rates and thresholds;
 - Governance rules (e.g., project submission deadline) when the envelope will be used to participate in the financial arrangement of projects.
- Validate and recommend to the MRC the initiatives, projects or interventions that should receive financial support under the agreement.
- Ensure that the objectives of the agreement are met.

The work of the committee is governed by the operating rules of the vitalization committee, particularly with regard to the coordination of the committee and the monitoring of its work, the holding of meetings, the role of members and resource persons, the decision-making process, quorum, committee coordination, the length of members' terms of office and conflicts of interest.

The committee is responsible for selecting the recipients of any financial assistance. The committee makes recommendations for funding to the MRC Council for approval. The MRC Council is responsible for the final decision regarding the funding of the proposed projects.

The committee shall meet a minimum of 4 times a year (4 for project analysis, 1 for the adoption of the report).

The draft agenda, date, place, time of the meeting as well as, to the extent possible, all documents to be studied must be sent to the committee members at least **FIVE** days in advance.

The meeting shall be called by the MRC.

All voting members of the Vitalization Committee are entitled to vote.

For a proposal to be adopted, it requires the support of a simple majority of the voting members of the vitalization committee present. In the event of a tie vote, the vote will be postponed to a later meeting of the Vitalization Committee.

A quorum shall consist of 5 members, 3 voting members and one representative of each the MRC and MAMH.

The term of office of the members is the term of the agreement. The MRC reserves the right, during the course of the agreement, to make changes to the composition of the committee by resolution.

In the event of a conflict of interest, the member of the vitalization committee must leave the meeting during the deliberations and voting. Members of the committee shall be bound by the code of ethics in effect at the MRC.

In order to amend the present operating rules, the MRC's general management shall forward the proposed modifications to the committee members, along with the text of the proposed amendments, at least 7 days before a committee meeting.

4. ELIGIBLE AMOUNTS

The eligible amounts are 4 357 685 \$.

Party	2021-2022	2022-2023	2023-2024	2024-2025	TOTAL
Minister	1 743 074 \$	871 537 \$	871 537 \$	871 537 \$	4 357 685 \$

All funds must be engaged by December 31, 2026.

All projects must be completed by November 15, 2027, to allow all disbursements to be made before December 15, 2027.

5. PRIVILEGED AXES OF VITALIZATION

Vitality is defined as “to give life to”. Social and economic opportunities help communities live longer and healthier lives. The quality of life is high in a region where residents have everything they need to survive and thrive. The privileged axes of vitalization described below are designed to improve the quality of life of its citizens and to make the region one where people want to come and stay. Who better to promote the region than the people of the region...

Developing communities: Beautify communities and promote pride of ownership. Support initiatives in beautification, creation of green spaces, promote physical activity, including outdoor activities and support the heritage and cultural offer.

Examples of projects:

- Developing an attractive gateway to identify communities, create warm, welcoming atmospheres.
- Projects that encompass community involvement (greenhouses, gardens, etc.)
- Projects that promote culture, tradition and heritage, including recreotourism.
- Projects that promote social inclusion.

Valorisation of community living spaces: Offer citizens quality infrastructures tailored to their needs and interests.

Examples of projects:

- Projects that support the maintenance and upkeep of community infrastructures.
- Projects that create new community living spaces.

Attractivity and Retention: Attracting and retaining people is not only about economic prospect but also about attractiveness to the environment. The Lower North Shore is majestic in its beauty and an ideal location for outdoor enthusiasts. Supporting and encouraging projects and initiatives aimed at attraction and retention are vital to the survival of the communities within the MRC du Golfe-du-Saint-Laurent.

Examples of projects:

- Projects encouraging people to return and promote the Lower North Shore as a land of opportunity.
- Projects that encourage the settlement of young people and families.

Economic Development: Encourage innovative¹ initiatives, support entrepreneurial and business development that will diversify the region's economic activities and create sustainable, stable jobs. Support non-profit organizations in connection with entrepreneurship, the economy and the community sector.

Examples of projects:

- Projects that have identifiable economic benefits for the community and the region.
- Projects in new or developing sectors.

Innovative is described as something new or original for the MRC du Golfe-du-Saint-Laurent.

***(New February 2026) Improving community services for the well-being of the population:**

The improvement of community services for the well-being of the population focuses on creating supporting environments, encouraging strong social connections and fostering community involvement.

Examples of projects:

- Projects that develop personal skills and promote the growth of the population.
- Projects that support social programs.

6. ADMISSIBLE ORGANIZATIONS

The following organizations are eligible to receive agency funding for the implementation of the agreement and for the completion of projects:

- Municipal organizations and aboriginal communities;
- Private and social economy enterprises, excluding private enterprises in the financial sector;
- Cooperatives, with the exception of cooperatives in the financial sector;
- Non-profit organizations;
- Organizations of the education networks;
- Legal entities wishing to start a business.

A single organization and its subsidiaries may not receive more than \$100,000 for a single project for the duration of the agreement.

7. ORGANIZATIONS NOT ADMISSIBLE FOR FUNDING

Organizations listed in the Business Registry as ineligible for government contracts are not eligible. The Minister may refuse an application from an otherwise eligible organization if the organization is involved in a dispute with the Government of Quebec or is in default of its obligations to the Minister under an Act administered by the Minister, a regulation made under the Act or an agreement.

8. ADMISSIBLE PROJECTS

To be eligible, projects must fall directly under the vitalization axes determined in the vitalization framework adopted by the organization.

They must also be time-limited, one-time, non-recurring initiatives that do not include the operating costs that the organization must assume to remain active regardless of the volume of its activities.

9. PROJECTS NOT ADMISSIBLE FOR FUNDING

The following projects are not eligible:

- Projects that would contradict a government policy or measure approved by the Treasury Board or the Government of Quebec or that would cover an activity already funded by budgetary rules approved by the latter;

- Projects in the field of retail or food service, except to provide a local service, according to the criteria established by the organization and included in the vitalization framework, and which is not in a competitive situation;

- Projects associated with the establishment or expansion of health services (e.g. health cooperatives);

- Projects that consist of studies, research, action plans or strategic planning carried out as part of an organization's regular activities. However, this type of project may be eligible if it is clearly demonstrated that it addresses a particular vitality issue or situation;

- Projects related to municipal administration (e.g. renovation of the city hall, maintenance of the municipal garage);

- Projects related to the place of worship, unless it is a conversion of the building to a non-religious use (e.g. conversion of a church into a community hall for the general population would be eligible).

10. ELIGIBLE EXPENSES

Subject to compliance with applicable laws and regulations, eligible expenses are

- Direct expenses of the organization not related to its regular activities, such as salaries and service contracts, that are exclusively required for the coordination, planning and implementation of the agreement;
- funding for projects carried out by eligible organizations in accordance with the vitalization framework, with the exception of non-eligible expenses;
- Administration costs, which may not exceed 10% of the overall envelope.

11. INELIGIBLE EXPENSES

Ineligible expenses are:

- The operating deficit of an eligible organization, the repayment of loans or the replenishment of its working capital;
- Expenses incurred prior to the signing of the agreement;

- Expenses already paid by the Quebec government for the same project;
- Expenditures related to projects already carried out;
- Any expenses (including operating costs) not directly related to the project;
- Any expense related to the relocation of a business or organization unless the local municipality where the business or organization is located agrees;
- Any grant to the government administration, with the exception of organizations in the education community networks;
- Any expenditure related to activities governed by budgetary rules approved by the Government of Quebec;
- Any expense incurred with companies listed in the Registre des entreprises not eligible for public contracts;
- Any form of loan, loan guarantee or equity investment;
- The refundable portion of taxes.

Any financial assistance granted to an eligible organization from the agreement envelope to carry out a project in accordance with the vitalization framework is provided for in a financial assistance agreement between the organization and the eligible recipient. The agreement sets out the terms and conditions for the granting and payment of the amounts awarded as well as the control and accountability mechanisms.

12. PROJECT SELECTION CRITERIA

The following criteria will guide the Vitalization Committee in analyzing projects:

- Consistency with the vitalization framework;
- The promoter's ability to carry out the project;
- The quality of the financing plan;
- The quality of the project implementation plan;
- The quality of the governance structure;
- The mobilization and commitment of the community;
- The duration of the project (time limit, one-time and non-recurring)
- The sustainability of the project.

13. RATE OF ASSISTANCE

Assistance to a corporation wishing to start a private business, to a private business, or to any non-profit organization where at least half of the members are directly or indirectly related to a private business, where applicable, may not exceed 50% of eligible expenses. Assistance to other eligible recipients may not exceed 90% of the total eligible expenses.

The maximum assistance per project is \$100,000 for the period covered by the agreement.

Exceptionally, on the recommendation of the Vitalization Committee and the council of the MRC, and with the approval of the Minister of Municipal Affairs and l'Habitation (MAMH), a project may benefit from an increase in the financial assistance ceiling up to a maximum of \$250,000. To qualify, the project must meet certain criteria, including the

project's role in structuring vitality of the territory, its relevance to the vitalization axes and the need to use this increased financial assistance ceiling to carry out the project.

14. CUMULATIVE AIDE

The stacking of assistance, if any, to an eligible organization for a project from federal or provincial government departments or agencies, their crown corporations and municipal entities, namely municipal bodies included in section 5 of the Act respecting access to documents held by public bodies and the protection of personal information, shall not exceed these same rates.

Financial assistance provided to an eligible organization for a project must comply, where applicable, with the stacking rules of any other government program contributing to the financing package.

15. CONSTRUCTION WORK

When the project is intended to finance the execution of construction work entrusted to a third party, the eligible recipient of financial assistance, with the exception of a private enterprise, must follow the provisions of the Act respecting contracting by public bodies.

For municipal agencies, educational agencies or agencies mandated by the municipal government, publicly tendered contracts must be open to liberalization agreements.

Public tendering is not required, on the advice of the Minister, when, due to an emergency situation, the safety of persons or property is at stake or when only one contractor is possible due to a guarantee, property right or exclusive right.

Where the construction contracting rules of an agency eligible for the program are more restrictive than these rules, the agency shall apply its own rules.

16. TERMS AND CONDITIONS FOR THE PAYMENT OF FINANCIAL ASSISTANCE

Any financial assistance granted to an eligible organization from the envelope of the agreement to carry out a project in accordance with the vitalization framework is provided for in a financial aid agreement between the MRC and the organization. The agreement sets out the conditions for the granting and disbursement of funds.

In general, disbursements are made as follows:

- 80% upon signature of the ratified agreement between the MRC and the promoter;
- 20% upon receipt of a final activity report.

The MRC reserves the right to modulate the payment of financial assistance according to needs.

17. SUBMISSION OF AN APPLICATION FOR FINANCIAL ASSISTANCE

Projects are accepted on a continuous basis.

*Funds must be engaged by December 31st, 2026

The response time after submission dates is 45 to 60 days.

18. CHANGES TO THE VITALIZATION FRAMEWORK

During the course of the agreement, the Vitalization Committee reserves the right to modify and improve the vitalization framework according to new development opportunities that arise in its territory.

19. CERTIFICATE OF COMPLIANCE WITH REGULATIONS

Where applicable, in connection with its application for financial assistance and the project submitted, the project promoter shall provide the MRC with a certificate or attestation of compliance with the regulations.

20. PRESENTING AN APPLICATION FOR FINANCIAL ASSISTANCE

Applications for financial assistance, accompanied by the required documents, must be submitted by email to jackie.gallibois@mrcgsl.ca

Annexe 1 – Operating rules of the vitalization committee

Objectives and role

The general mandate of the Vitalization Committee is to see to the application of the agreement, in accordance with the applicable standards and programs, and to manage the administrative and financial follow-up.

It may call upon any resource person it deems useful for the proper conduct of its activities. These resource persons do not have the right to vote.

The Vitalization Committee is responsible for:

- Adopting the operating rules of the vitalization committee;
- Formulate a vitalization framework and recommend its adoption by the MRC du Golfe-du-Saint-Laurent. This framework includes:
 - The territory of implementation of the agreement;
 - The preferred axes of vitalization;
 - The types of projects that will be favoured;
 - Project selection criteria;
 - Applicable assistance rates and thresholds;
 - The rules of governance (e.g.: deadline for project submission) when the envelope will be used to participate in the financial arrangement of projects;
- Validate and recommend to the MRC the initiatives, projects or interventions that should receive financial support under the agreement;
- Ensure that the objectives of the Agreement are met.

Number of meetings

The committee will meet once a month.

Notice of Meeting

The draft agenda, the date, the place, the time of the meeting as well as, to the extent possible, all documents to be studied must be sent to the members of the committee at least **FIVE DAYS** in advance. The meeting shall be convened by the MRC du Golfe-du-Saint-Laurent.

Composition

Following the requirements and recommendations of the Ministère des Affaires municipales et de l'Habitation, the Vitalization Committee has been appointed by the MRC Council and is composed of:

Voting members

- One (1) representative from the council of the MRC;
- One (1) representative (general director) from a Q5 municipality;
- Three (3) citizens representing different sectors and environments;

Non-voting members

- Two (2) MRC representatives: one (1) from Administration and one (1) development agent;
- A representative of the regional office of the ministère des Affaires municipales et de l'Habitation (MAMH)

Procedure

a) Voting rights

All voting members of the Vitalization Committee are entitled to vote.

b) Method of decision

For a proposal to be adopted, it requires the support of a simple majority of the voting members of the Vitalization Committee present. In the event of a tie vote, the vote shall be postponed to a later meeting of the Vitalization Committee.

c) Facilitation

The meeting is facilitated by the person delegated to coordinate the vitalization committee or by the reeve. In their absence, the executive director shall act as facilitator.

Quorum

A quorum consists of 5 members, 3 voting members and one representative of each the MRC and MAMH.

Committee coordination

The coordination of the vitalization committee is ensured by the person delegated by the MRC du Golfe-du-Saint-Laurent. In addition to overseeing the coordination of the vitalization committee, the delegated person ensures the implementation of the vitalization agreement and the follow-up of projects.

Term of office

The term of office of the members is that of the agreement and its possible extensions.

Conflict of interest

In the event of a conflict of interest, the member of the vitalization committee must declare their conflict and leave the meeting during the deliberations and voting. Committee members are required to respect the code of ethics in effect at the MRC.

Amendments to the operating rules

In order to amend the present operating rules, the MRC's general management must send a notice of motion to the committee members with the text of the proposed amendments, at least 5 days before a committee meeting.