



Report

TITLE: NORTHERN AND REGIONAL ECONOMIC DEVELOPMENT PROGRAM – FLAGSTAFF REGION BUSINESS SUPPORT HUB

Meeting: Council Meeting

Meeting Date: November 20, 2024

Background

The Northern and Regional Economic Development (NRED) Program provides funding to promote regional economic development and diversification. Approved applicants may receive between \$20,000 to \$200,000 for eligible project costs, requiring a 50% matching contribution from applicants.

Flagstaff County's Economic Development department is seeking approval to submit an NRED application for continued funding of the business retention and expansion programs under the Flagstaff Business and Community Support Hub for the period of 2025-2027. The grant will support the following three programs:

The **Business Supports Program (BSP)** is designed to strengthen and grow businesses in the Flagstaff Region. This program recognizes the diverse needs and challenges of local businesses and provides an opportunity for them to access funding for needs-based professional support. Some examples of eligible supports include:

- Assistance with creating employee contracts / developing staff handbooks
- Social media management training / website design / content creation and management
- Bookkeeping setup / cash flow analysis / budgeting support
- Access to courses on financial literacy, leadership skills, customer service, and operational efficiency.

The **Social Enterprise Support Program (SESP)** is designed to support Flagstaff Region's social enterprises. This program provides an opportunity for funded support to address critical areas that will enhance the social enterprise's stability and long-term impact to the region. Some examples of eligible supports include:

- Development of business plans (mission and vision alignment)
- Organizational charting / Board succession planning
- Financial planning assistance covering accounting and budgeting, cash flow management, sustainability planning, and assistance with grant applications
- Marketing strategies to effectively communicate the enterprise's mission and impact

The **Entrepreneurial Empowerment Program (EEP)** is dedicated to nurturing the vision and potential of local early-stage entrepreneurs. This program provides access to resources, mentorship, and strategic support to help individuals grow their ventures, create jobs, and drive sustainable economic development in the community. Some examples of eligible supports include:

- Mentorship to guide business strategy and personal development
- Business planning to help structure and scale new ideas

- Digital marketing strategies, and customer engagement tactics
- Financial guidance covering budgeting, securing funding, and managing cash flow

All three programs will create 5 additional spots/opportunities to support businesses, social enterprises, and entrepreneurs in the Flagstaff Region. Furthermore, all three programs operate on the following three phases:

1. Intake into program
2. Business needs-based Assessment (Budget of \$1,250)
3. Implementation support with a Subject Matter Expert (Budget of \$3,750)

Total Available Support/Spot: \$5,000

The proposed funding model for 2026-2028 is as follows:

To sustain this essential work, we will apply for multi-year funding to enable consistent support, with five program spots per year in each of the three programs.

Program Costs and Funding Breakdown:

Program	Available Spots	Year One (2026)	Year Two (2027)	Year Three (2028)	Total Over 3 Years
Business Support Program	5 Businesses	\$25,000	\$25,000	\$25,000	\$75,000
Social Enterprise Support Program	5 Social Enterprises	\$25,000	\$25,000	\$25,000	\$75,000
Entrepreneur Empowerment Program	5 Entrepreneurs	\$25,000	\$25,000	\$25,000	\$75,000
Marketing/Project Management	All Programs	\$5,000	\$5,000	\$5,000	\$15,000
Total Program Costs		\$80,000	\$80,000	\$80,000	\$240,000

Annual Funding Contribution:

Source	Year One (2026)	Year Two (2027)	Year Three (2028)	Total Over 3 Years
NRED Grant	\$40,000	\$40,000	\$40,000	\$120,000
Economic Development Reserves/Operating Budget	\$35,000	\$35,000	\$35,000	\$105,000
In-kind Contribution from Applicant	\$5,000	\$5,000	\$5,000	\$15,000
Total Project Value	\$80,000	\$80,000	\$80,000	\$240,000

Alignment with the Strategic Plan

LEADERSHIP: To ensure the reliability and continuity of Flagstaff County’s administration and municipal operations.

- GOAL: A positive relationship with provincial and national associations to elevate the issues and needs of Flagstaff County.
- GOAL: Supportive of the economic viability of the communities within Flagstaff County.
- GOAL: A leader in regional collaboration.

ECONOMIC PROSPERITY: To work collaboratively with our businesses and regional partners in the diversified growth of our economy.

Alternatives/Options

1. TO approve a 3-year program under the Business Community and Support Hub for Business Supports, Social Enterprise and Entrepreneurial Empowerment of \$80,000 per year subject to a successful grant application of \$120,000 (\$40,000 per year) from the Northern and Regional Economic Development (NRED) Program with Flagstaff County's matching portion of \$35,000 cash contribution plus \$5,000 in kind funding per year.
2. TO direct administration to not pursue the Northern and Regional Economic Development (NRED) funding for the Flagstaff Business and Community Support Hub.

Recommendation

TO approve a 3-year program under the Business Community and Support Hub for Business Supports, Social Enterprise and Entrepreneurial Empowerment of \$80,000 per year subject to a successful grant application of \$120,000 (\$40,000 per year) from the Northern and Regional Economic Development (NRED) Program with Flagstaff County's matching portion of \$35,000 cash contribution plus \$5,000 in kind funding per year.