

REPORT

TO: Mayor Lawlor and Members of Council

FROM: Tony Boutassis, Manager of Investment Attraction

DATE: May 15, 2023

REPORT NO.: BEC-2023-006

SUBJECT: Business Concierge – Active Projects Update

RECOMMENDATION:

THAT Report No. BEC-2023-006, dated May 12, 2023, regarding "Business Concierge – Active Projects Update", be received for information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- The Business Concierge Program was approved by Council in March 2021, through Report No. <u>ADMIN-2021-0006</u> and has continued to be successfully implemented as a valuable service provided to investors.
- To stay competitive, maintain an 'open for business' approach, grow nonresidential assessment and attract high-quality local jobs, through crossdepartmental collaboration, the Business Concierge program helps streamline the review and delivery of major economic development leads and projects.
- The Business Concierge Program assists projects along the full continuum of business attraction and retention – from initial concept and site selection, through to construction, project completion and beyond.
- Currently, the Business Concierge Program is assisting 9 active projects potentially representing over \$1.2 billion in investment, over 3,000 direct jobs and about 6 million sq. ft. of development.
- Non-residential investments contribute to assessment growth and resulting tax revenue (in addition to expanded local economic activity), which is key to the delivery of Town services that residents and businesses rely on.
- This report provides an overview and update on the 9 active development projects being serviced by the Business Concierge Program (Appendix 1).

BACKGROUND AND DISCUSSION:

The Town's Business Concierge Program was launched in March 2021, through the approval of Report No. <u>ADMIN-2021-0006</u>. The Program is designed to assist Halton Hills in being competitive, maintaining an 'open for business' approach, growing non-residential assessment and attracting high-quality local jobs by streamlining the review and delivery of key economic development leads and projects. The program takes a cross-departmental approach.

Development of the Program included:

- Research of best practices and consultation with key Town staff;
- Interviews with staff from other municipalities that have initiated similar programs;
- Industry stakeholder engagement and survey to obtain feedback on current customer service levels;
- Development of project eligibility criteria to determine what projects fall under the Business Concierge stream;
- Implementation of the Strategic Economic Development Team (SEDT), which includes the CAO and senior staff who meet on a bi-monthly basis;
- Creation of a project tracking tool that organizes projects by priority and tracks key economic development and finance related statistics;
- Bi-weekly meetings with Halton Region Economic Development; and
- Development Review Committee (DRC) integration.

Main goals of the Business Concierge Program are to:

- Provide business owners, major investors and/or developers with a formal, "white glove" service that offers simplified and time-sensitive development process facilitation; and,
- Provide rapid and coordinated issue resolution through the convenience of a single point of contact.

Participation in the program is complimentary. This service is part of the full continuum of business supports provided by the Town's Investment Attraction and Economic Development divisions. It provides a clear path for companies investing in Halton Hills as they advance through the investment path (Figure 1). That is, as companies in the Foreign Direct Investment (FDI) pipeline as well as regional investment leads progress through the pre-qualification process, they feed into the Business Concierge Program once an investment decision is made. When the development is complete, companies then feed into the Town's Business Retention & Expansion (BR&E) Program for aftercare and servicing.



Figure 1: Halton Hills Economic Development Investment Path

Over the past two years, the Program has evolved. Rather than being static and rigid, it has remained flexible and responsive to new needs, opportunities, challenges and trends that have arisen over time. Along with facilitating and expediting major investments, through the Business Concierge Program, the Manager of Investment Attraction performs the following additional support services:

- Acts as the primary Economic Development contact and commenter for internal planning, development engineering, transportation and building related matters and projects;
- Provides strategic guidance, advisory services and comments from an economic development perspective on matters involving external agencies, including Halton Region, Conservation Authorities and Provincial Agencies;
- Provides an economic development perspective on cross-departmental projects by actively participating on project committees (e.g. Phase 2B Secondary Plan);
- Responds to site selection and development inquiries for potential industrial, commercial, institutional and tourism related investments;
- Represents (along with the Manager of Economic Development and Innovation) the Town at the Halton Region Economic Development Directors meetings; and
- Supports Town initiatives that continue to streamline the review of major nonresidential investments.

It is important to note that servicing investment leads is typically a lengthy and complex process. It is not uncommon for it to take several years from the time that a potential investor(s) and Town staff make initial contact to explore a project, to site purchase, to the time when a development application is received, and ultimately to when there is visible sign of investment as construction starts, and ultimately to when a building is occupied.

Active Investment and Development Projects

Supporting major non-residential investment is a significant undertaking, involving cross-departmental collaboration as well as consultation with external stakeholders including Halton Region, Conservation Authorities and Provincial agencies. Staff continue to observe strong demand for shovel-ready employment lands within the

Premier Gateway, including interest in smaller industrial buildings. There is interest from industrial, major office, hospitality, tourism and commercial uses.

Investments that entail higher density employment uses are of most interest to the Town. However, it is recognized that new industrial buildings being constructed on a speculative basis may ultimately be occupied by a variety of variety of uses (e.g. manufacturing vs logistics) depending on market and economic forces.

The Town's strategic location in the GTA, access to major international markets and infrastructure and the 'open for business' approach being promoted by the Town are key factors driving interest in potentially locating in Halton Hills. Current and changing market and economic conditions are a major factor that has and will continue to influence business investment decisions and the type of employers seeking to locate in Halton Hills as well as the broader GTA. Changing market conditions can create uncertainty that is outside of the Town's direct control.

The Town's Economic Development team continues to proactively market Halton Hills as a prime investment destination, as outlined in the annual <u>Invest Halton Hills</u> and <u>State of Culture reports</u>.

Business Concierge assists in facilitating projects that are categorized into three categories: (i) active projects; (ii) upcoming projects; and (iii) potential investment leads:

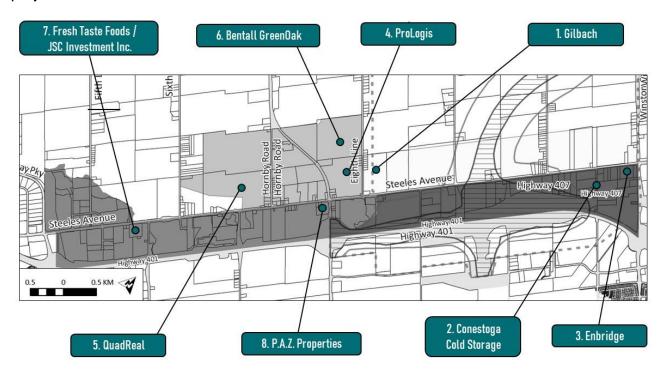
- Active projects include projects that have development applications submitted (e.g. Official Plan Amendment, Zoning By-law Amendment, Site Plan). There are currently 9 Business Concierge projects in this category. These include a mix of industrial, major office, hospitality, tourism and commercial developments.
- Upcoming projects are those that have property ownership secured, attended development pre-consultation, and are likely to materialize. Business Concierge currently has 7 projects in this category.
- Potential investment leads are projects that may materialize in the future, but are at a very preliminary stage (e.g. site selection stage, preliminary discussions).
 Staff respond to numerous investment-related inquiries and meet regularly with proponents to discuss potential projects in Halton Hills.

The 9 active projects being serviced by the Business Concierge Program represent the potential for over \$1.2 billion in investment dollars, over 3,000 direct jobs and nearly 6 million sq. ft. of new non-residential development (Figure 2).



Figure 2: Active Project Investments

Figure 3 illustrates the location of the active projects within the Premier Gateway Employment Area. Of the 9 active projects, 8 are located in the Premier Gateway. One project is located in the Futura Drive Business Park in Acton.



^{**9.} Panattoni development not shown on map – Located at Block 3, Futura Drive, Acton**

Figure 3: Active Project Locations in the Premier Gateway Employment Area

A description with key economic development statistics, including the estimated number of jobs and investment amount, as well as status updates, are provided for each of the 9 active projects in confidential Appendix A – Business Concierge Active Project Updates.

STRATEGIC PLAN ALIGNMENT:

This report aligns to the Town's Strategic plan recognizing the value to foster a prosperous economy, maintain and enhance the economic vitality of the town through the provision of a wide range of opportunities for economic development.

This report also identifies shaping growth as one of the Town's Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

However, investment attraction does recognize the strength and growth of Ontario's clean technology sector, and it is one of the Town's target sectors.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Internal consultation occurs regularly through the Strategic Economic Development Team. The Team meets bi-monthly to discuss project status, consider strategies to resolve project issues, and to review and prioritize projects.

Investment Attraction staff are also in regular communication with staff from various Town departments/divisions, including Planning and Development, Development Engineering, Building, Transportation, Recreation and Parks, and Finance.

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

Nonetheless, the Town's Business Concierge Program is designed to help attract and realize non-residential investments. The resulting assessment, development charges, application fees and spin-off economic benefits contribute to the Town's financial health and ability to deliver the services that residents and businesses rely on.

Reviewed and approved by,

Damian Szybalski, Commissioner of Business, Environment & Culture

Chris Mills. Chief Administrative Officer