TOWN OF HALTON HILLS

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Erin Kaiser, Senior Economic Development Officer

DATE: July 20, 2020

REPORT NO.: ADMIN-2020-0015

RE: Economic Development Manufacturing Expansion Fund – Hayward Gordon Group

RECOMMENDATION:

THAT Report No. ADMIN-2020-0015 dated July 20, 2020 regarding the Economic Development Manufacturing Expansion Fund for Hayward Gordon be received,

AND FURTHER THAT the Economic Development Manufacturing Expansion Fund cover the fees related to the Hayward Gordon expansion application up to a total of $10,877.00.

BACKGROUND:

In August 2007, the Economic Development Committee accepted report EDO-2007-0032 and recommended to Council that the Town establish an Economic Development Manufacturing Expansion Fund (Fund). The purpose of the Fund was to assist in the retention of local established manufacturing businesses by covering the cost of certain Town fees when they expanded their facilities. An amendment was made to the Fund based on Report No. EDO-2008-0040 following a request from a local manufacturer to include ancillary structures and Conditional Building Permits.

The specific fees under the policy as amended that are covered include:

- Site Plan;
- Site Alteration;
- Minor Variance (if required);
- Cash-in-Lieu of Parkland; and,
- Added fees related to obtaining Conditional Building Permits to enable an earlier construction start.

The criteria to qualify for payment from the Fund for such fees is as follows:

- the manufacturing business must have been on the site for at least 5 years;
- existing zoning permits continued manufacturing or industrial use and allows for the expansion;
- the site in total for expansion must be one acre or more and must be within the existing urban areas and the rural industrial area (Mansewood) of the Town of Halton Hills;
- there must be an existing building on site and the current manufacturing/industrial employment of at least 50 employees;
- the expansion must be for manufacturing use;
- the expansion must be over 5,000 sq. ft. or the estimated property taxes from the addition payable to the Town of Halton Hills, must be estimated to be a dollar value in total within 10 years to be at least an amount equal to the fees that would have been paid from the fund; and,
- the expansion consists of ancillary structures such as production or storage silos or other such structures which are primarily used to increase production in the existing plant.

Report No ADMIN-2015-0022 contained the following recommendation which was approved to change the administration and approval method for the Fund.

> *AND FURTHER THAT future applications for use of the Fund shall be presented to the Economic Development Committee for approval and subsequent recommendation to Council.*

Due to cancelled Community and Corporate Affairs Committee meetings from the implications of COVID-19, this report is being presented directly to Members of Council for approval.

The Manufacturing Expansion Fund has been promoted with on-site visits, on the Invest Halton Hills website and through direct email contacts. The Fund provides an incentive for local businesses to increase assessment and grow the employment base. The Fund is a key tool in the Town's economic development toolbox. The latter also includes the Community Improvement Plan's incentive programs, for example.

COMMENTS:

The Hayward Gordon Group is located at 5 Brigden Gate in the Premiere Gateway Employment Area. As a world-class manufacturer of mixers and pumps, the company assists in an assortment of industries, including food and beverage, chemical, and general industrial, in achieving efficiencies and reducing costs. To accommodate business growth fueled by increased demand for their pumps and mixers, Hayward Gordon is expanding their manufacturing plant. The addition of a 12,000 square foot

expansion will enable a more efficient production flow through the facility and increase shipment processing.

The total fees to be covered are:

Fee	Amount
Site Plan Application	$5,127.00
Minor Variance Application	$5,750.00
TOTAL	**$10,877.00**

The fees have been collected from the Applicant at the time of the Site Plan application and refunds will be paid when the project is completed in accordance with the terms of the Site Plan Application and Building Permits.

RELATIONSHIP TO STRATEGIC PLAN:

Use of the Manufacturing Expansion Fund supports the following Strategic Objectives:

- Foster a Healthy Community: To maintain and enhance a healthy community that provides a clean environment and a range of economic and social opportunities to ensure a superior quality of life in our community.

- Foster a Prosperous Economy: To maintain and enhance the economic vitality of the Town through the provision of a wide range of opportunities for economic development.

FINANCIAL IMPACT:

Funding for the Economic Development Manufacturing Expansion Fund comes from an existing capital budget. Total funding for this application is $10,877.00.

CONSULTATION:

Planning & Development and Building staff were consulted in the preparation of this report.

PUBLIC ENGAGEMENT:

There is no public engagement related to this report.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing the Community Sustainability Strategy, Imagine Halton Hills and doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation.

This report supports the Economic Prosperity pillar of Sustainability and in summary the alignment of this report with the Community Sustainability Strategy is excellent.

COMMUNICATIONS:

There is no impact on communications contained in this report.

CONCLUSION:

The Economic Development Manufacturing Expansion Fund has assisted local companies since 2007 to undertake expansions in the community resulting in increased assessment and job growth. A considerable percentage of new jobs is created by existing businesses This highlights the importance of existing businesses through programs like the Manufacturing Expansion Fund to help ensure a prosperous economy.

Reviewed and Approved by,

Damian Szybalski, Director of Economic Development, Innovation & Culture

Brent Marshall, Chief Administrative Officer