



REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Erin Kaiser, Senior Economic Development Officer

DATE: August 14, 2020

REPORT NO.: ADMIN-0020-0019

RE: Community Improvement Plan (CIP) – Status Update and CIP Update Terms of Reference

RECOMMENDATION:

THAT Report ADMIN-0019-2020, dated August 14, 2020, regarding the Community Improvement Plan (CIP) Status Update and CIP Update Terms of Reference, be received;

AND FURTHER THAT Council approve the Terms of Reference for the CIP Update, appended to this report;

AND FURTHER THAT, as part of the CIP Update, Town staff be directed to expedite the potential development of an 'Economic Assistance Program' with the objective of providing additional assistance to businesses in response to COVID-19 and any future similar major economic challenges.

BACKGROUND:

In 2010, the Town's CIP was approved by Council. At the time, the Town's CIP was one of the most comprehensive in Ontario and included a variety of financial incentives and municipal leadership programs, tailored to address key community improvement issues in both the urban and rural areas of Halton Hills. Among other things, the CIP programs were designed to encourage brownfield remediation and redevelopment, revitalize downtown Acton and Georgetown, encourage additional landscaping in industrial areas, and support the agricultural sector. Amendments to the CIP have been made over the years to provide additional flexibility.

Since its approval in 2010 and subsequent funding allocation starting in 2014, the CIP has been successful at encouraging private sector investment, especially through building, façade and landscape improvement grants; as well as grants for environmental site assessments (ESAs). Since 2014, the Town has processed about 30 applications and allocated about \$349,000 in grants/loans. Since 2017 alone, the CIP has resulted in over \$1,000,000 in public and private sector investment for CIP-related improvements.

COMMENTS:

1. Areas of Consideration

Town staff is seeking Council approval of a Terms of Reference to conduct a comprehensive review and update of the existing CIP. This update will build on the existing program's strengths and successes, while exploring potential additional tools and incentives, to encourage even broader community improvement and to continue to maximize the CIP's benefits.

Taking into account the Town's economic development goals and strategic priorities, main areas for consideration as part of the CIP Update will include:

- affordable housing;
- brownfield redevelopment;
- storefront/main street revitalization;
- agriculture/agri-business;
- heritage;
- arts and culture;
- climate change;
- accessibility; and
- an Economic Assistance Program.

The updated CIP will be aligned with key Town plans, strategies, programs and initiatives, including the emerging new Economic Development and Tourism Strategy. The review and update will result in a CIP that continues to be effective; is modern; and more universal, flexible and streamlined in its implementation. Where feasible, it will also allow for the potential inclusion of new and 'non-traditional' CIP (and/or related) programs, including those related to affordable housing, arts and culture, and climate change. Consideration of the development of an Economic Assistance Program will also be included.

The Economic Assistance Program will entail the review of best practices, opportunities, and the feasibility of introducing supports and tools to assist businesses during periods of significant economic hardship, including potential additional COVID-19 related supports. The Economic Assistance Program will be included if deemed to be feasible through the CIP Update process.

While necessary to respond to the public health emergency, regulations and restrictions put in place to slow the spread of COVID-19 have had significant negative impacts on local businesses, with small businesses being most affected. Results of an initial business survey conducted by the Town in March/April indicated that 70% of businesses experienced either major or catastrophic impacts, including closure. Most businesses expressed concern over event cancellations, reduced purchase orders, reduced demand and a decline in customer confidence. Reduced cash-flow and the inability to make payments were other major concerns. Concerns were also expressed over the difficulty in accessing funding; an inability to pivot business models; lack of business continuity plans; and impacts from disrupted supply chains.

In July, the Town conducted a follow-up survey to assess how businesses have adapted to COVID-19, as well as their ongoing challenges. Results will be used to consider potential additional initiatives to assist local businesses. While many respondents reported lost revenue and expect this to continue over the next year, the majority (65%) indicated that their business is stabilizing or doing well. In general, larger businesses appear to be faring better than businesses with less than 10 employees, including those in the retail and hospitality sectors. Businesses have taken steps to reduce costs as revenues have fallen. This has included reducing staff since April 1 (39%). About 20% anticipate having to lay off more in the next 3-6 months. For 60% of the respondents, the biggest obstacle to recovery is the slow return of customers, followed by cash flow/debt problems (36%), and difficulty in understanding the physical distancing requirements (34%). The majority of respondents have been able to keep up with their regular expenses. There are three main areas where businesses are seeking more support: (1) funding; (2) planning post-COVID and (3) enhancing online presence and e-services. Where feasible and appropriate, the CIP Update will further evaluate and respond to the needs of local businesses.

The potential development of an Economic Assistance Program as part of the CIP Update will focus on strengthening business resiliency and adaptation to changing economic conditions; growing e-commerce capacity; assisting with COVID-19-related expenses; and responding to future unexpected economic hardships. Incorporating consideration of this Program into the CIP Update will build upon existing processes and leverage community awareness of the CIP.

While the Economic Assistance Program will be included in the overall CIP Update, its consideration will be expedited to ensure prompt assistance to affected businesses, as well as readiness for any future major economic disruptions.

2. Key Deliverables

Key deliverables of the CIP Update will include:

- **Background Discussion Report** summarizing the review of the existing CIP, assessment of critical needs and opportunities, review of available municipal tools, feasibility of implementing new programs, and a recommended strategy/approach for the update;
- **Public Engagement Strategy** to ensure that a broad range of stakeholders are meaningfully engaged throughout the project, using engaging, effective and innovative approaches. This will include preparation, presentation and hosting any statutory public meetings and public engagement events;
- **Planning and CIP Justification Report** to provide a policy framework and rationale related to the potential integration of an Economic Assistance Program and all other programs (including any 'non-mortar' or 'non-traditional' programs) into the CIP, along with an associated draft Official Plan Amendment, other policies and/or by-laws;
- **Recommended Strategy Report** detailing stakeholder input, proposed policy direction, implementation framework, Funding Strategy, incentive programs to be integrated in the updated CIP, and the CIP document structure to undertake the CIP update;
- **Draft Official Plan Amendment** and any other policies, and policy approvals and by-laws required to effectively implement the new CIP and all of the recommended programs;
- **Draft and Final Comprehensive CIP** incorporating all prior work and feedback in a comprehensive document;
- **Presentations to Council, Senior Management Team and Project Committee;** and,
- **Administration Documents** to support successful implementation of the updated CIP, including program guidelines, administration guides, program application templates and tracking/KPI tools.

3. Project Management

Economic Development will lead the CIP Update. The Senior Economic Development Officer will be the Project Manager, supported by a cross-departmental team, including representatives from Planning and Development, Strategic Initiatives, Recreation and Parks, Finance, and Transportation and Public Works. A Technical and/or Project Steering Committee(s) comprised of Town staff, a Council representative and external stakeholders will also be formed and be involved throughout the project to provide guidance and technical input. Council will be involved and informed throughout the project.

RELATIONSHIP TO STRATEGIC PLAN:

The CIP Update relates to and advances numerous Strategic Plan priorities, focus areas and values:

Applicable Strategic Plan priorities and focus areas are:

- Shaping Growth (Downtown Revitalization, Employment Lands, Affordable Housing)
- Climate Change and Environment (Action on Climate Change, Low Carbon Transition)
- Ensure a Vibrant Agricultural Community (Promote Agritourism)

Applicable Strategic Plan values are:

- Foster a Healthy Community
- Preserve, Protect and Enhance our Environment
- Protect and Enhance our Agriculture
- Foster a Prosperous Economy
- Preserve, Protect and Promote our Distinctive History

FINANCIAL IMPACT:

Funding for the Community Improvement Plan (CIP) Update is included in the approved Capital Budget in the amount of \$45,000. An additional \$30,000 has been received from an external grant. As part of the CIP Update, a Funding Strategy will be developed to ensure sustained implementation, including confirming if and when funding may be available for the Economic Assistance Program as well as all other recommended CIP programs. Development of the Funding Strategy will include a focus on ensuring alignment with the Town's Long Range Financial Plan and budget availability considerations.

Town staff will also continue to seek opportunities for external funding support towards this and other business improvement initiatives. For example, the Town is submitting an application to deliver the Digital Main Street initiative, a program to fund and assist main street businesses with the adoption of technology. The latter will support COVID-19 recovery.

CONSULTATION:

Town staff from various departments/divisions, including Planning and Development, Purchasing, Finance, Strategic Initiatives/Climate Change, Recreation and Parks, and Transportation and Public Works, were engaged in the development of the Terms of Reference for the CIP Update.

PUBLIC ENGAGEMENT:

A Public Engagement Strategy will be developed to ensure that a broad range of stakeholders is engaged throughout the project.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy: Imagine Halton Hills. Doing so will lead to a higher quality of life. The relationship between this report and the Strategy is summarized below:

Do the report's recommendations advance the Strategy's implementation? Yes

Which pillar(s) of sustainability does this report support?

- Economic Prosperity;
- Social Wellbeing;
- Cultural Vibrancy, and;
- Environmental Health

The CIP Update will have an expanded scope with new areas of consideration, including climate change, arts and culture, heritage, affordable housing, and an Economic Assistance Program. These areas of consideration relate to the four pillars of sustainability.

Overall, the alignment of this report with the Community Sustainability Strategy is: Excellent.

COMMUNICATIONS:

There is no communications impact associated with this report. Going forward, the community will be engaged throughout the project.

CONCLUSION:

In place for about 10 years, the CIP is in need of a review to maintain its currency and effectiveness.

This report has summarized the key objectives and Terms of Reference for updating the CIP. The Update will leverage the successes of the existing CIP program to ensure the program's continued success, while taking advantage of new opportunities and responding to current needs.

Reviewed and Approved by,

A handwritten signature in black ink that reads "Damian Szybalski". The signature is written in a cursive, slightly slanted style.

Damian Szybalski, Director of Economic Development, Innovation & Culture

A handwritten signature in black ink that reads "C. Mills". The signature is written in a cursive, slanted style with a prominent horizontal stroke across the top.

Chris Mills, Acting Chief Administrative Officer