

Attachment 1, DS-2022-21

Town of Tecumseh Industrial Community Improvement Plan

Interim Report Presentation

May 10th, 2022



Agenda



- Project Introduction
 - Project Team
 - Project Purpose
 - Project Timeline & Status
- Background Review
 - Key Insights
 - CIP Cross Jurisdictional Review
 - Constraints
- Opportunities & Gaps
- Preliminary Recommendations on Financial Incentive Strategies
- Conclusions & Next Steps
- Question & Answer Period

Introductions

Dillon Consulting Limited

- Amy Greenberg
- Zoe Sotirakos
- Theresa O'Neill
- Karl Tanner, RPP
- Rory Baksh, RPP



Town of Tecumseh

- Brian Hillman, RPP
- Chad Jeffery, RPP

What is a Community Improvement Plan (CIP)?

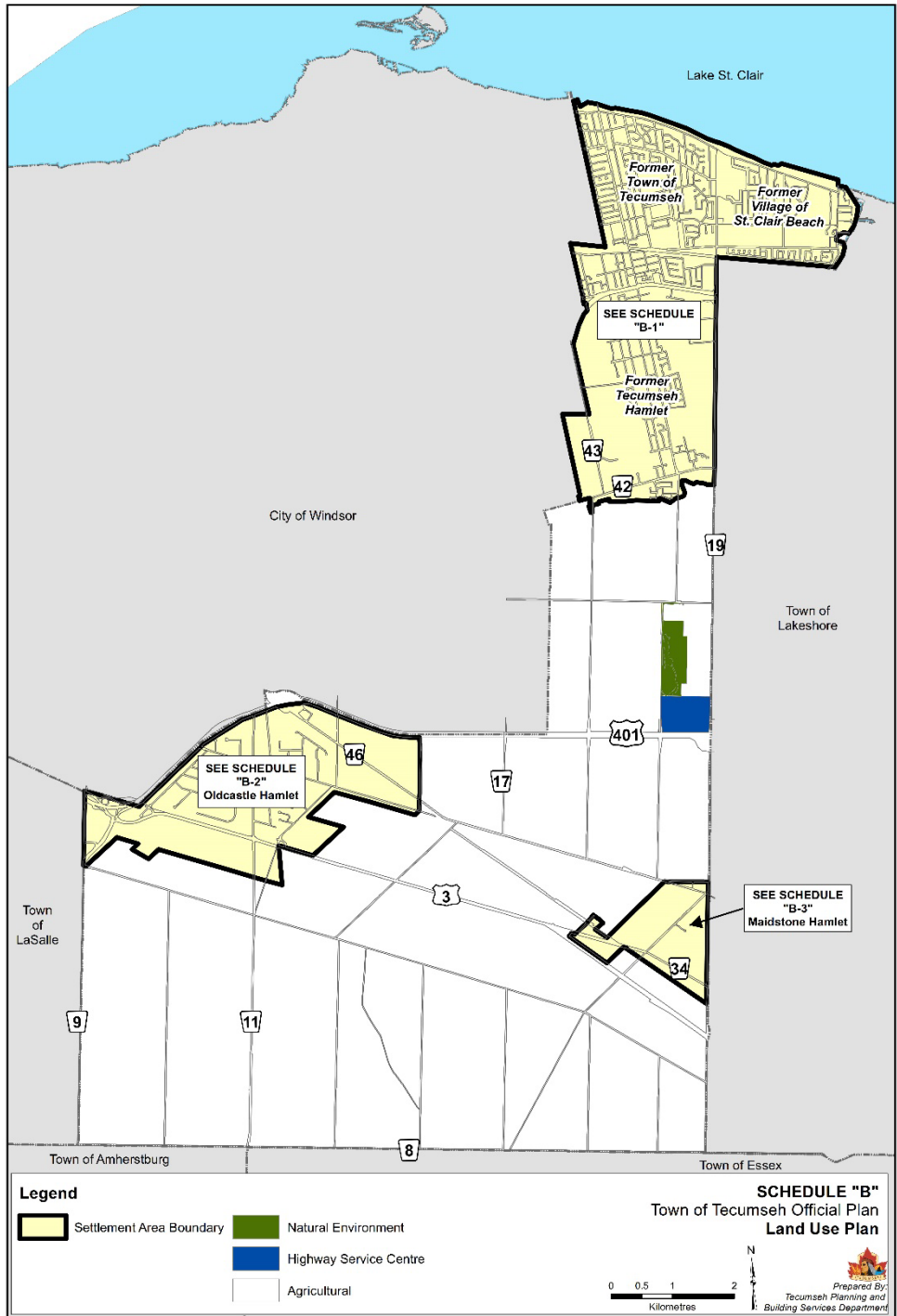
- Section 28 of the *Planning Act* outlines the parameters of creating and using a CIP
- The Town's Official Plan contains policies that support the establishment of a CIP (S. 10.8)
 - Allows Council to designate areas within Settlement Areas as a community improvement project area via by-law
- A tool that allows the Town to direct municipal resources to specific areas or initiatives that have a need for increased funding and/or attention
- This CIP will focus on attracting major new industrial investment and development in the Town



Photo from Town of Tecumseh

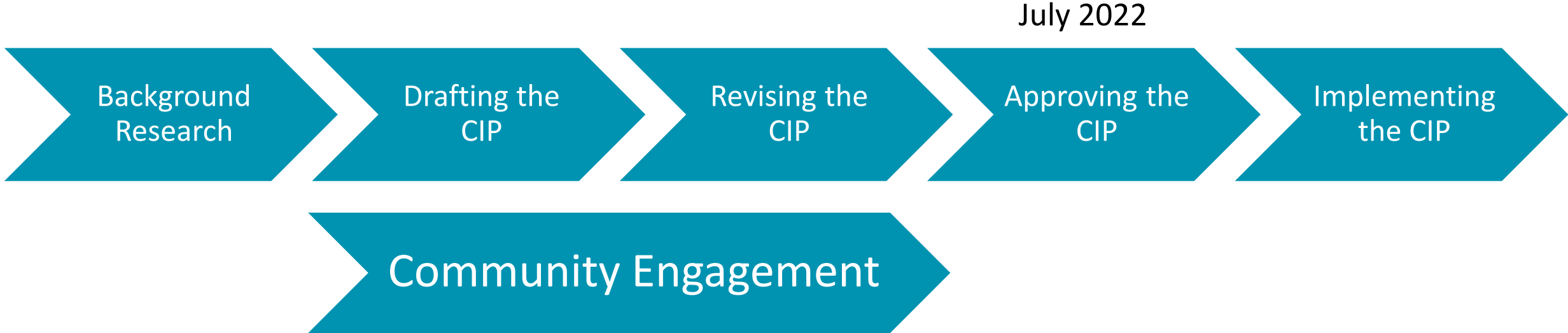
What a CIP Can Do

- A CIP will allow the Town to provide rebates to:
 - Registered owners,
 - Assessed owners, and
 - Tenants of lands and buildings
- Financial incentive programs outlined in the CIP can cover the whole or any part of eligible costs for a project within the community improvement project area



Proposed Boundary for the Industrial CIP:
Approved Settlement Areas

The Project Timeline



The Project Status

Phase 1, Background Research/Analysis (March - April 2022)

- ✓ Review background data; [completed]
- ✓ Engage the community on the CIP's focus area ; and, [completed]
- Summarize work completed to date in an interim report presentation. [we are here]

Phase 2, Prepare the CIP (May 2022)

- Draft the CIP

Phase 3, Refine and Adopt the CIP (July 2022)

- Revise the CIP; and,
- Approve and implement the CIP.

Background Review – Engagement



- ✓ Public Open House held virtually on April 20 from 6:00 – 7:30PM
 - Recorded and posted on the Town website
- ✓ Stakeholder Interviews held virtually from April 19 to April 25
 - Key contacts from the industry and local agencies (ERCA, MMAH) provided by the Town and Invest Windsor Essex
- Written and verbal feedback welcomed from the public and stakeholders throughout the project
- On-going discussion with Invest WindsorEssex

Background Review – Stakeholder & Public Input

Relevant to this CIP, what we heard from stakeholders and the public on this CIP is summarized by theme:

- **Economic Growth**
 - Green industries & technologies, automotive and supportive industries
- **Local Factors and Considerations**
 - Site readiness, infrastructure and servicing
- **Key industries**
 - Tool and die, manufacturing, Tier 1 and 2 plants, automotive and related suppliers, as well as green energy and technology manufacturing.
- **Criteria**
 - Value of investment, scale of impact, number of employees, size of building(s)
- **Implementation**
 - Attraction to incentives for planning fees and development charges, tax relief and feasibility studies
 - Consideration for life-span of the proposed development, and its contribution to the industrial ecosystem and wider economy

Background Review – Cross-Jurisdictional Review

What was done?

- Five (5) municipalities with CIPs focused on economic development for industrial uses were reviewed
 - Municipalities had similar geographic context compared with Tecumseh
- Additional three (3) locations with CIPs related to Downtown areas with an emphasis on economic development

Most Common Programs:

- ✓ Environmental Site Assessment (ESA) Grant Program
- ✓ Tax Increment Equivalent Grant (TIEG) Program
- ✓ Building and/or Planning Permit Fees Grant and Development Charge (DC) Deferral Program

Background Review – Cross-Jurisdictional Review

Program	Windsor CIP	Chatham-Kent CIP	Belleville CIP	Welland CIP	Hearst CIP
Environmental Site Assessment (ESA) Grant Program	✓		✓	✓	
Tax Increment Equivalent Grant (TIEG) Program		✓	✓	✓	✓
Tax Assistance Program	✓			✓	
Building and/or Planning Permit Fees Grant and Development Charge (DC) Deferral Program		✓	✓	✓	✓
Development Charge Exemption Program	✓			✓	
Feasibility Study Grant Program	✓				✓
Brownfields Rehabilitation Grant Program	✓				
Business Development Grant	✓				
Business Retention and Expansion Grant	✓				
Small Business Investment Grant Program	✓				

Background Review – Current Constraints

Key Insights: Current Constraints

- Intention to become key location in Ontario for major new industrial development and investment
- Current constraints are due to:
 - Lack of shovel-ready lands available for large scale development
 - Nearby/other Ontario municipalities offering competitive benefits to attract development opportunities
- Establishing a CIP is the new common practice in economic development
- Council recognizes the value of enhancing the industrial sections of the Town
- The provision of financial assistance in a CIP is at the discretion of Council
 - Balance funding levels for the CIP in alignment with the municipal budget
 - Providing enticing financial incentives to encourage uptake of CIP funding

Opportunities for Industrial Land Development

Opportunities

- Official Plan policies support a CIP
- Economic stimulation and employment opportunities (new businesses and external investments)
- Attract investment and development for emerging technologies/industries
- Proximity to major transportation infrastructure and existing nearby automotive industries (Windsor, Detroit)
- Established local industrial hub to build upon
- Alignment with federal and provincial incentive programs
- Building on recent announcements (Stellantis/LG; Stellantis Windsor Assembly, Automotive Battery R&D)

Gaps for Industrial Land Development

Gaps

- Limitations by the Province on how funding can be used
- Complexities of the development approval process
- Incentives must be significant enough to be worth pursuing by development/investment proponents
- Risk of landowners choosing not to redevelop land and instead waiting for an appreciation in value

Optimizing Opportunities for Industrial Land Development



Photo by Town of Tecumseh

Town of Tecumseh Industrial Community Improvement Plan

With a CIP for Industrial Investment & Development...

- Financial incentives add competitive edge in attracting industrial development
- Incentivize the strategic development of industrial lands
- Remain supportive of the automotive industry
- Facilitate synergies within the automotive industry

Preliminary Recommendations on Financial Incentive Strategies

- **Tax Increment Equivalent Rebate (TIEG) Program**
 - For 10 years
- **Building and/or Planning Permit Fees Rebate Program**
 - 100% on fees for all Planning Act and Ontario Building Code Applications
- **Feasibility Study Rebate**
 - To a maximum amount, with 50% paid once the building is available for occupancy

Preliminary Recommendations on Financial Incentive Strategies

Example Eligibility Criteria for Financial Incentives

- Eligibility criteria could include benchmarks for:
 - Number of jobs created
 - Size of building
 - The type of industrial sector
 - Alignment with existing Provincial or Federal grant programs
- May cover additional criteria pertaining to major new industrial investment and development



Photo by Town of Tecumseh

Conclusion & Next Steps

- Review and revise the CIP's financial incentive programs and funding levels
- Refine criteria for the CIP's program eligibility
- Prepare the Draft CIP
- Present the Draft CIP at the June 7th 2022 public meeting
- Present Final CIP for adoption in July 2022 at Council Meeting



Question & Answer Period

THANK YOU!

Comments can be sent to:
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