



City of North Bay Report to Council

Report No: CSBU 2021 - 20

Date: March 23, 2021

Originator: Ian Kilgour, Director, Community Development and Growth

Business Unit:

Department:

Community Services

Community Development and Growth

Subject: Growth Initiatives Update

Closed Session: yes no

Recommendation

That Report to Council CSBU 2021-20 be received for information purposes and be referred to Committee.

Background

At the beginning of this term, Council set the goal to grow North Bay. The 2016 Census showed that North Bay has been experiencing a loss of population. The Census also showed that this was a trend across northern and rural Ontario.

Council tasked staff with developing new growth initiatives that could be implemented by the City that would encourage and incent growth. Staff from across the organization came together to find ways to grow the City.

In addition to growth incentives aimed at the residential, industrial and commercial development sectors, Council also brought forward new event funding programs, new arts & culture funding and new active transportation initiatives. These initiatives are strategically aimed at enhancing quality of life and livability amenities.

Over the past two years, Council has supported a number of growth initiatives through budget allocations as Council's dedication and participation to support growth. The purpose of this

report is to provide an update to Council on these initiatives and the resulting growth indicators.

Growth Community Improvement Plan (GCIP):

Council adopted the new Growth Community Improvement Plan (GCIP) in January 2020. The GCIP has the broadest mandate and the largest financial development incentives of any program of its type previously implemented. Many new innovative development incentives are included in the GCIP.

- There was significant interest and participation in the program in 2020 with the City approving 20 applications.
- Downtown property owners have expressed their confidence in downtown real estate, with 15 property owners taking advantage of the GCIP.
- Another 3 applications within the Housing Target Area and 2 within the Industrial Target Area have been approved.
- Before taking into consideration the tax increment grant, the average public sector investment is approx. 39,000 per application. The average private sector investment per application is 2.1 million.
- The projects approved through the GCIP program are anticipated to create 71 fulltime or part time positions and a total of 121 new housing units.
- The GCIP program as already proven to be a significant tool in supporting the expansion of existing firms and attraction of new businesses.

A fulsome update on the GCIP program is available through Report to Council CSBU 2021-19.

Development Charge Moratorium

In the fall of 2019 Council passed a new Development Charges By-law (2019-72). Through the adoption of this new By-law, Council implemented a development charge moratorium on all new residential construction until November 2022.

Building Permits:

- Total construction value of building permit applications has been increasing, with 2019 (\$93M) being the highest total annual construction value since 2006. Note that, 2006 included the new \$30M municipal water treatment plant.
- Housing starts in 2020 saw the highest number of new single detached dwellings constructed since 2012.

- Sharrows Project #1 Front, Ferguson St., Marshall Ave E. 20/21
- Connecting Links (Bike lanes) Trout Lake Road – Mountain View Rd –Lees Rd. 2022
- ICIP Transit Funding 30 Bike Racks in City/Bike racks on 22 Buses
- Sharrows Project #2 Jane St, Laurier Ave, Gertrude, Ski Club Rd

Community Events Hosting Program

During the first budget deliberations of the new Council in 2019, staff was tasked with developing a funding program to assist in grassroots, community driven events for Council’s consideration. This resulted in the development of the Community Events Hosting Program in 2019.

There is broad and wide support for the program with total requested amounts typically doubling the amount budgeted. Bay Days and Armed Forces Day collaborated together creating one of the larger events.

- 2019 - 20 Applications approved for funding
- 2020 – 9 Applications approved for funding (Most Events Canceled/Covid-19)
- 2021 – 20 Applications received and currently being reviewed for 2021

Creative Industries (CI)

Local creative sector groups came together to seek funding support from Council in 2019 to grow and enrich the City’s creative sector. Council made a commitment of \$50,000 a year over 4 years.

- In 2019 CI developed a 5 year Action Plan to advance and support the Arts and Culture of North Bay.
- Council’s funding was leveraged in 2019 to secure a 2 year NOHFC Internship position to assist with marketing and research for the sector.
- CI facilitated 2 new murals in the Downtown Area in partnership with Downtown North Bay
- CI assisted Remedy Developments to facilitate 2 local murals by local artists

Funding secured recently by Creative Industries:

- \$20,000 Digital Main Street “Future Proof” funding to develop an Audio Tour of Downtown -

North Bay entitled “ It Happened in North Bay” To be launched in March 2021.

- Ontario Arts Council - \$12,000 to purchase new office computers
- Ontario Arts Council - \$24,000 for Research and toolkit development – new pathway to sustainable funding in the creative sector.
- Creative Industries in partnership with the City (via the Public Art Advisory Committee), Downtown North Bay, and Tourism North Bay has been able to accumulate \$32,500 in committed funding to leverage support in submitting a Healthy Communities Initiative grant application for \$66,132.00 to advance 6 new art projects in the Downtown/Waterfront area in 2021.

Public Art Advisory Committee (PAAC) - Established in 2019

- PAAC is currently in the final stages of establishing a Public Art Policy for Council’s review.
- PAAC worked in cooperation with Creative Industries and Downtown North Bay to create and deliver the Traffic Box Art Program on Main Street in 2020.
- PAAC partnered with Creative Industries, Downtown North Bay, Tourism North Bay and the City in submitting the Downtown Waterfront Art Funding Application under the Healthy Communities Initiative Program to deliver 6 new art projects in 2021. Leveraging the PAAC’s Committee’s 2021 Budget allotment of \$15,000 along with funding commitments from the above listed partners to submitted an application for funding in the amount of \$66,132.00.

Age Friendly Action Plan (AFAP)

- In 2020 the Age Friendly Action Plan with funding provided by the City purchased 7 benches to be installed in key areas throughout the City.
- In 2021 the AFAP Committee received funding in the amount of \$17,500 under the Inclusive Community Grants Program through the Ministry for Seniors and Accessibility to acquire additional benches and to cover the costs to install the benches.

Community Partnership Agreements Finalized in 2019-2021

- Dionne Quints Heritage Board
- Farmers Market
- North Bay & District Humane Society
- North Bay Golden Age Club

Economic Development Summary

Although the impacts of COVID-19 have been devastating, for some businesses, the pandemic has been an opportunity for innovation, diversification and business growth. While these firms do not represent the majority, many local businesses have found creative new ways of offering their products and services which will serve them well given these new uncertain times.

In efforts to help support the retention of existing businesses and encourage new start-ups and investment, several COVID-19 pandemic response initiatives have been put in place in addition to existing traditional programming.

Business Retention & Expansion Program (BR&E)

In 2019, Council budgeted for an expanded BR&E Program recognizing that the majority of new jobs are realized by the growth of existing businesses. The City of North Bay Business Retention & Expansion Program (BR&E) is a structured company visitation program (occurring virtually during COVID-19), aimed at gaining input and a better understanding of the challenges and opportunities currently facing local firms.

- Two hundred and fifty local companies, varying by size and industry, are being targeted for this current round of confidential surveys. Staff has been promoting the program in order to increase awareness and attract participation. Once complete, survey data will be analyzed and results will form the basis of a project report providing recommendations addressing challenges and opportunities outlined by the business community.
- Immediate concerns brought forward through the survey process are being addressed, where possible, by staff and the BR&E Red Flag team which is comprised of members of Council, a representative of the North Bay & District Chamber of Commerce and senior City staff. This program has been undertaken in the past and has proven an effective tool for increasing communication with the business community, identifying concerns and helping to support business growth. The current program timeframe has been extended due to the pandemic with a final report expected in the fall, made possible with support from the Northern Ontario Heritage Fund.

Growth and investment Attraction

- Growth and investment attraction efforts continue with additional focus on marketing. Staff continues to work with pan northern, Provincial and Federal networks to position the community as an attractive place to do business.
- In 2020 North Bay was recognized by Site Selection Canada **Magazine as one of the Top 20 Best Investment Locations** and featured in the inaugural issue of the Province's new Invest Ontario Blog.

- Top rankings in housing affordability and cellular network coverage supporting remote working, along with quality of life messaging, has been the focus of the “Move Up” digital marketing campaign targeting residents of the GTA.
- New investment attraction lead generation remained on par with previous years’ volumes; however, the nature of investment support provided to local firms shifted somewhat from growth to retention amid the pandemic. As such, staff supported a number of local firms in accessing government relief programs such as the Northern Ontario Recovery Fund Program.

North Bay Real Estate Investment

- During the course of the pandemic, North Bay has experienced a strong real estate market and according to the North Bay Real Estate Board (NBREB) data, have realized a new record for the number of units sold during the month of February. NBREB reports 126 units sold through the MLS System in February 2021, up 23.5% over 2020 with 101 active residential listings at the end of February, down 62.9% over the same month in prior year.
- According to the NBREB, inventory has not been this low in more than 3 decades and preliminary discussions with the development community suggest they will be responding to market demand in 2021 with new housing construction starts. In 2020 North Bay experienced the highest number of single family dwelling starts since 2012 which may help account for U-Haul recognizing North Bay as the number 1 U-Haul growth city in Canada in their January 2021 release of “Top 25 Canadian Growth Cities of 2020”.

Small Business and Start-Ups

- Pandemic related location and employment pressures may have been contributing factors to the increased number of small business start-ups in 2020 reported by The Business Centre Nipissing Parry Sound Inc. The Small Business Enterprise Centre, co-located with the Economic Development Department, went virtual with all programming assisting with 80 new start-ups and 15 expansions in 2020 that helped to create 113 new jobs. To assist entrepreneurs in accessing capital, The Business Centre issued \$75,000 in micro business grants through Starter Company Plus Program and \$33,000 in student grants through the Summer Company Program, and partnered with local Community Futures Development Corporations in delivering the Recovery Support Fund resulting in \$46,000 in small business relief grants.

Digital Main Street

- In 2020 The Digital Main Street/Digital Service Squad Program (DSS) reached 114 businesses, assisting 84, with 16 receiving the Digital Transformation Grant and 32 approved for ShopHere.

Business Support

- At the onset of the pandemic, a Business Hotline was established to help provide information to the business community about relief programming.
- The Economic Development Department supported clients in preparing 17 growth related funding applications representing approximately \$11,631,778 in project value (excluding Film & TV projects).
- The Northern Ontario Heritage Fund recently released program results with 145 businesses in the Nipissing District approved for funding under this program totaling more than \$2.9M.
- The local entrepreneurship and innovation ecosystem has been actively engaged in providing and promoting COVID-19 relief programming for business.

Summary

Council tasked staff with developing new growth initiatives that could be implemented by the City that would encourage and incent growth. Staff from across the organization came together to find ways to grow the City.

There have been real tangible results of these efforts. Staff will go into further detail at the presentation in front of Committee.

Financial/Legal Implications

None

Corporate Strategic Plan

- | | |
|---|---|
| <input checked="" type="checkbox"/> Natural North and Near | <input checked="" type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input checked="" type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Promote and support public and private sector investment
- Explore and implement opportunities to streamline processes, policies and practices that make it easier and more effective to do business in North Bay
- Define the development of the waterfront and the revitalization of downtown
- Facilitate the development of housing options to service the entire community, with consideration to socio-economic characteristics of the community
- Diversify the property tax base

Options Analysis

Option 1:

That Report to Council CSBU 2021-20 be received for information purposes and be referred to Committee.

This is the recommended option.

Option 2:

Not receive the report and request additional information from staff.

Recommended Option

Option 1 is the recommended option

Respectfully submitted,

Name: Ian Kilgour, MCIP, RPP

Title: Director, Community Development & Growth

I concur with this report and recommendation.

Name: David Euler, P.Eng

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Ian Kilgour

Title: Director, Community Development & Growth