



City of North Bay Report to Council

Report No: CSBU-2021-062

Date: December 2, 2021

Originator: Ian Kiglour, Director, Community Development & Growth

Business Unit:

Department:

Community Services

Community Development and Growth

Subject: Growth Update

Closed Session: yes ☐ no ☒

Recommendation

That Report to Council CSBU 2021-062 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.

The community's growth is dependent on the confidence and investment by business and industries. These same companies require an attractive business environment to be successful.

Council tasked staff across the organization with developing new growth initiatives that could be implemented by the City that would encourage and incent growth.

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 three 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 December 2019. The GCIP has the broadest mandate and the largest set of financial incentives of any previously implemented Community Improvement Plans. Many new innovative development incentives are included in the GCIP, including;

- Public Art Grant
- Sidewalk Patio Grant
- Parking and Landscaping Grant
- Parking and Transit Fee Grant
- Landfill Tipping Fee Grant

GCIP Highlights (the below highlights are as of October 31, 2021):

- 2021 saw a continued interest in the Growth CIP with 15 additional applications being approved by the City. This has brought the total amount of approved applications to 35.
- To date, the Downtown Target Area has seen a total of 23 applications, with a total investment of over 11 million dollars with nearly \$800,000 from the City prior to the Tax Increment Grant.
- Through the Downtown Target Area applications, approximately 142 full and part time jobs will be introduced to the Downtown and 109 new or extensively renovated residential units will come on the market.
- The Housing Target Area has seen 6 approved applications, with a total investment of nearly 13 million dollars with nearly \$155,000 from the City before the Tax Increment Grant.
- The Housing Target Area will see the creation of 79 new residential units.
- The Industrial Target Area has seen 5 approved applications, with a total investment of nearly 40 million dollars with almost \$135,000 from the City before the Tax Increment Grant.
- The Industrial Target Area will see the creation of approximately 71 new jobs within the City.
- The Waterfront Target Area has seen 1 approved application, with a total investment of approximately 33 million with almost \$134,000 from the City before the Tax Increment Grant.
- The Waterfront Target Area will see the creation of 63 new residential units.

- In total, there have been 35 approved applications throughout the four Target Areas. The total private sector investment is approximately 97 million dollars compared to approximately 1.2 million dollars coming from the City. There will be approximately 213 jobs and 251 residential units becoming available.

Staff is continuing to look for ways to improve the program and is always looking for feedback from the public. Staff will continue to monitor the success of the program and look for new and creative ways to promote the program to encourage more applications in the future.

- Number of Applications
- Target Area
- Private Sector Investment
- Public Sector Investment
- New Jobs Created (#)
- Housing Units Created (#)

Building Permits:

- Total construction value of building permit applications has been increasing, with the City experiencing its biggest building year on record with year-to-date construction values exceeding \$105 million.
- Total residential construction value is now sitting at about \$72.6 million, more than double the highest total of the past decade, set in 2011 at \$35.7 million. With 236 new building permits issued for residential dwelling units the City has experienced a record of new residential dwelling unit construction in 2021.
- Beginning in the summer 2020, it became evident the residential real estate market was experiencing growth impacts similar to other small to medium sized Cities outside the GTA. Recent reports from economists tracking this trend, advise recent employer flexibility for remote working is allowing employees to search out more affordable living opportunities outside and away from their employers office location.
- The City continues its "MOVE UP" marketing campaign aimed strategically at the GTA to leverage this opportunity.

Downtown Waterfront Master Plan Implementation (DWMP):

- Council supported and adopted the Downtown Waterfront Master Plan in 2019. The Plan has been widely and strongly supported by the community. The vision and goals of the Plan are being used as a guide for development and redevelopment within the core of the City.
- The Plan indicated the need to connect the Waterfront and Downtown

visually with new landscape design elements. Main Street re-design will occur in 2021, with construction scheduled in 2022 and 2023.

- 2021 saw the construction of the multi-use courts, which are set to open in 2022. The multi-use courts were fully funded through the ICIP – COVID Resilience Infrastructure Stream.
- 2022 will see the start of construction of a new All Wheel Park (Skate Park and Pump Track).

Parks Master Plan

The Parks Master Plan was adopted by Council on November 16, 2021. The Parks Master Plan provides a visionary network of parks and open spaces for the existing and future growth of the City. The plan development process included the creation of a comprehensive inventory of existing parks and open spaces, as well as a consultation process that resulted in a hierarchical network of neighbourhood, community, and regional parks that meet present and evolving North Bay demographic. This will allow the activities associated with existing parks to be refurbished to current and future needs.

The network will support city living, sport and recreation tourism, and become a powerful economic development tool. Community economic development is based on the notion that a city can provide attractive amenities to companies and their employees. Companies seek accessible workforce and resource materials, quality transportation systems and opportunities for growth for the life of the corporation. Employees seek quality careers, good schools, and great parks, trails, and recreation opportunities as primary reasons for choosing a city to live and grow a family. Parks and facilities play an important role in attracting and sustaining the workforce supporting existing and future companies.

Business Retention & Expansion Program (BR&E)

Business Retention & Expansion is a standardized, internationally recognized program that is used as an economic development tool to help gain input and a better understanding of the challenges and opportunities currently facing local firms. The current project, supported by City Council and the Northern Ontario Heritage Fund, was undertaken with the help of numerous volunteers and the willing participation of our business community.

The City of North Bay Business Retention & Expansion Program (BR&E) is a structured company visitation program (occurring virtually during COVID-19), modeled after the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) and the Business Retention & Expansion International (BREI) models and includes 4 Phases: Preparation, Data Collection, Development of Goals & Action, and Implementation & Monitoring.

Survey data has been compiled and analyzed forming the basis of a project

report outlining findings and recommendations addressing challenges and opportunities identified by the business community. Now moving into the implementation phase, a detailed project report is being finalized and highlights include:

- 250 local firms, varying by size and industry, participated in a confidential survey process undertaken by numerous community volunteers and staff.
- Immediate concerns brought forward through the survey process were 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.
- Longer term challenges and opportunities helped form the basis of project recommendations that will be implemented over the next 1 – 2 years.
- With respect to growth, 46% of participating firms indicated they plan to expand while 37% plan to remain the same, and 8% plan to downsize, sell or close their business. Current expansion challenges include workforce, financing and availability of adequate space.
- Based on 242 responses, 83% describe their industry as growing or stable and of 226 responses, 76% plan to introduce new products or services within the next 5 years.
- While 68% of respondents rated North Bay as a good to excellent place to do business, community safety, workforce, access to capital and communication were among the areas most cited as requiring improvement.

Staff will continue the BR&E process, in a modified format, beyond this project period in efforts to increase communication with the business community and proactively help identify barriers and opportunities for growth. The full project report will be available in the new year.

Business Start-Ups and Investment

- The Business Centre Nipissing Parry Sound Inc., our regional Small Business Enterprise Centre co-located with the Economic Development Department, maintained virtual programming in 2021 and between January and October assisted with 83 new start-ups and 16 expansions year to date.
- For the second year in a row, The Business Centre has been running the Digital Main Street Program and engaged more than 35 businesses in the ShopHere Program.
- To assist entrepreneurs in accessing mentorship and 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 continued the Triple A program in partnership with area Community Futures Development Corporations (CFDCs).
- New investment attraction lead generation remained on par with

previous years' volumes; however, the nature of investment support provided to local firms continued to be focused on retention amid the pandemic.

- 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.
- Continued focus on business diversification and export through North Bay's participation in the Northern Ontario Defence Readiness and Export Programs.

Summary

The community's growth is dependent on the confidence and investment by business and industries. These same companies require an attractive business environment to be successful.

Council tasked staff across the organization with developing new growth initiatives that could be implemented by the City that would encourage and incent growth. 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 2021-062 be received for information purposes and be referred to Committee.

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 and Growth

I concur with this report and recommendation

Name Beverley Hillier, MCIP, RPP

Title: Manager, Planning & Building Services

Name Erin Richmond, Ec.D., CEcD

Title: Manager, Economic Development

Name David Euler, P.Eng., PMP

Title: Chief Administrative Officer

Personnel designated for continuance:

Ian Kilgour, MCIP, RPP

Director, Community Development and Growth