

Report to Committee of the Whole

From: Carolyn Krahn, Manager of Economic Development, Tourism & Strategic

Initiatives

Date: May 27, 2025

Subject: Elgincentives Community Improvement Plan Review

Recommendation(s):

THAT Council direct staff to commence the preparation of a comprehensive update to the existing Elgincentives Community Improvement Plan.

Introduction:

This report provides County Council with information required to consider a comprehensive update to the existing Elgincentives Community Improvement Plan.

In the Fall of 2024, the County commenced a review of the County's Community Improvement Plan (CIP) known as "Elgincentives" as the program reached its 10th anniversary. The goal of this background review was four-part, namely, to assess and analyze:

- How well the County's existing CIP programming has been performing since the program's launch with respect to addressing the needs of its local municipal partners;
- The cumulative impact of existing CIP programming including its potential impact on job creation, tax assessment, and business investment (amongst others);
- The available resources and capacities of County's local municipal partners to deliver or assist in delivering community improvement programming, particularly from a budget, staffing, and real property asset perspective;
- The County's current economic and market context to ensure that CIP programming is responsive to the County's economic and demographic realities; and,
- How the County's CIP programming compares to neighbouring peer municipalities to ensure the County is both competitive and implementing best practice.

These analyses have been compiled into the Elgincentives Community Improvement Plan Review Report, attached to this staff report. With the background review

completed staff are now seeking direction from County Council with respect to updating the CIP.

Background and Discussion:

A CIP is a powerful planning and economic development tool authorized under the authority of Section 45 of the Planning Act and provides the only opportunity for municipal governments to provide direct financial incentives to individuals and businesses that are otherwise prohibited under the Municipal Act (known as 'bonusing'). While Elgin County itself is not permitted to adopt its own CIP, it is permitted to fund and administer CIP activities, and as such, Elgincentives was developed and designed as a template CIP to be adopted at the local level and administered at the County level. The Elgincentives CIP was the first of its kind in Ontario and has been used as inspiration for many other similar CIP in other two-tier jurisdictions.

Since its launch in 2015, Elgincentives CIP has been an important economic development tool for the County and local municipal partners, offering financial incentives to stimulate private-sector investment, main street revitalization, and local job creation across the County. As the program reaches its 10-year milestone, a comprehensive review was undertaken to assess its effectiveness and to ensure it continues to meet the County's evolving needs. This review, informed by policy analysis, data evaluation, stakeholder consultation, and comparison with peer municipalities, has generated several key findings to inform potential updates to the CIP.

The review confirms that Elgincentives has delivered significant value to the County and local municipal partners, having supported nearly 290 projects with over \$1.5 million in grants, leveraging over \$9.4 million in private sector investment across the County over the past decade. The most common types of projects involved building restoration, façade improvement, and signage enhancements, primarily within the County's settlement areas. While the program has seen widespread uptake there has been more recent declines in applications to the program, and the review identified a number of areas for enhancement to ensure continued relevance and impact.

Stakeholder and municipal feedback underscored the need for updated grant structures that better reflect the cost of improvement projects today. Many noted that the current funding caps are often too low to catalyze significant change. Comparative analysis with other municipalities revealed that Elgincentives could improve its competitiveness by expanding support for affordable housing, adaptive reuse, and rural economic diversification, areas not currently prioritized in the existing CIP.

Process improvements were also identified. While the Elgincentives Implementation Committee plays a vital role in administration, the process is perceived by some as cumbersome and lacking flexibility. Stakeholders expressed interest in streamlined application procedures, clearer eligibility guidelines, and more effective communication strategies. Enhanced digital tools and a dedicated application portal were also recommended to modernize service delivery.

Finally, the report also noted opportunities to clarify and strengthen governance structures, including clearer roles for County and local municipal staff, greater guidance on program evaluation criteria, and improved consistency in the promotion and administration of the CIP across Elgin's seven municipalities.

Financial Implications:

The review to-date was undertaken with budget monies set aside in the 2024 Budget. Undertaking an update to the Elgincentives CIP is anticipated to cost \$50,000 and funded through this years' approved CIP budget.

Advancement of the Strategic Plan:

Promoting Economic Development While Respecting Rural Heritage – Updating the CIP will ensure that the County continues to support rural and small-town revitalization in a targeted and impactful manner. Revised incentives tailored to tourism, agri-business, and adaptive reuse align directly with the County's goal of fostering sustainable community growth through investment attraction, main street renewal, and the protection of rural character.

Enhancing Collaborative Engagement and Communication – The review process itself demonstrated strong engagement with local municipal partners, and a revised CIP will strengthen that collaboration by offering a more flexible, coordinated implementation framework. Shared program delivery, joint promotion, and streamlined administration support the goal of improving communication and collaboration across departments and municipalities.

Supporting Housing Needs for Diverse Populations – An updated CIP would present an opportunity to introduce incentives for affordable and attainable housing, infill development, and secondary suites, responding directly to the County's commitment to meet housing needs for a range of populations, including seniors, low-income households, and young families.

Leveraging Technology to Enhance Service Delivery – Recommendations to introduce digital applications, centralized program tracking, and online public information tools in an updated CIP programme are aligned with the County's goal of using automation and virtual service platforms to improve accessibility and efficiency in service delivery.

Instilling a Customer-Service Ethos – A updated CIP programme would also provide an opportunity to address feedback heard from stakeholders in the review process, by clarifying eligibility requirements, simplifying the application process, and improving response times. These improvements reflect the County's broader objective of putting users first and continuously improving service quality through responsive, transparent, and timely support.

Local Municipal Partner Impact:

The preparation of an updated Elgincentives CIP would have direct impacts on all of Elgin's local municipal partners. As the County does not have the authority to adopt a CIP itself, each local municipality would be required to separately adopt the Elgincentives CIP (as previously done in 2015). Local municipal staff would also be required to assist in the administration of the CIP, working with county staff and applicants to identify and support improvement projects. While local municipal staff support is anticipated to be a requirement of operating the program, funding is anticipated to continue to come from the County.

Communication Requirements:

The Planning Act outlines statutory notification and public consultation requirements for CIPs, which are essentially conducted in the same manner as an official plan. Any CIP update would necessitate the need to develop a consultation and engagement strategy outlining further communication and consultation beyond the minimal statutory requirements to ensure a robust consultation program for the development of an updated CIP.

Conclusion:

Based on the above analysis it is respectfully recommended that Council direct staff to undertake a comprehensive update to the existing Elgincentives CIP.

All of which is Respectfully Submitted Approved for Submission

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