



Report

on

MAINTAINING THE COMPETITIVE EDGE

Prepared by
Clara Consulting
June 2011

Acknowledgements

I wish to acknowledge and thank the team of senior staff from the five SCOR Partners who brought their considerable expertise to this project. Members of the Competitive Edge Team are:

David Johnston and Eric Rowen, Brant County
Alan Smith and Kate Burns, County of Elgin
Steve Evans and Durk Vanderwerff, County of Middlesex
Clark Hoskin and Linda D'Hondt-Crandon, Norfolk County
Lynn Buchner and Gord Hough, County of Oxford

Thank you to the County CAOs who appointed senior staff to the Project Team.

There is a broad range of factors affecting the competitiveness of municipalities. Members of the Project Team recognized early on that they would need to consult with colleagues at both the county and local municipal levels as the work progressed. Senior management teams at the County level were kept informed and consulted and in the two-tier Counties, local municipal staff offered advice and information.

The SCOR Working Group on Infrastructure, who prepared the recommendations on regional infrastructure needs that are found in the SCOR Strategic Management Plan - *The Path Forward*, met again and assisted the Competitive Edge Team to update recommendations on infrastructure. Our thanks to:

Lee Robinson, Brant County
Clayton Watters, County of Elgin
Chris Traini, County of Middlesex
Jeff Lavigne, Norfolk County
Rob Walton, County of Oxford

To analyze development costs, the Project Team undertook the costing of three site selector scenarios. This work was accomplished with the assistance of staff from several local municipalities including Cephias Panschow, Town of Tillsonburg, Len Magyar, Town of Woodstock, Ted Hunt, Township of Norwich and Heather Adams, Town of Aylmer.

Executive Summary
on
Maintaining the Competitive Edge
June 2011



Traditionally, SCOR Partners have employed, on an individual basis, varying approaches to enhance their competitive position.

While there are earlier examples of cooperation, development of *The Path Forward* and creation of the SCOR Economic Development Corporation are the most comprehensive regional undertakings by the SCOR Partners and has readied the Partners to jointly analyze and improve their competitive position.

The SCOR Partners established a Project Team composed of five senior staff members, one from each County, and the General Manager of SCOR EDC acting as Project Manager. The Project Team worked closely with a Project Facilitator to identify opportunities, available on a region-wide basis, to enhance the competitiveness of SCOR. Recommendations are being made to SCOR EDC and its SCOR Partners seeking coordinated region-wide action.

The Competitive Edge Project Team identified six areas for regional action being:

1. Development Costs
2. Growth & Development
3. Regional Infrastructure
4. Business Support Services
5. Access to Business Capital
6. Quality of Life
7. Governance

Recommendations are being made regarding the first three topics in this report. Recommendations on items 4 and 5 are found in the report on Supporting Entrepreneurship and the remaining two topics require future consideration.

The Project Team perceives their deliberations as the start of a process to enhance regional competitiveness. SCOR EDC and the SCOR Partners are urged to maintain the momentum created here by accepting the recommendations that follow and continuing with the cooperative decision-making process that has begun.

Recommendations:

That SCOR EDC, working closely with SCOR Partners and respective local municipalities undertake the following:

A. Development Costs

- 1. Implement a region-wide approach for responding to investment queries.** The response must demonstrate: good customer service; timeliness and ready availability of information; and, knowledge of the development opportunities, both locally and regionally (i.e., don't just turn the investor away if there are no local options). To support this regional approach, ongoing cooperation and information sharing among municipal staff is needed and municipalities: need to make these duties part of the ongoing responsibilities of municipal staff; build staff expertise in this function; allocate sufficient resources for the work; and, ensure protocols are in place to support coordinated responses in the 2-tier municipalities.
- 2. Reduce up-front costs including fees and charges and, where land costs are higher, establish competitive tax rates to achieve comparable Year 1 Taxes.**
- 3. Reduce or exempt developments from development charges in targeted sectors (i.e., agriculture, manufacturing, tourism, renewable energy).**
- 4. Increase the supply of 'shovel-ready' land across the region. By doing so, many application fees will be removed from the up-front costs being incurred by investors.**
- 5. Develop a model Community Improvement Plan (CIP) that can be adopted by SCOR Members.** The CIP would be County-wide in application, could be used in 2-tier Counties, supporting adoption by local municipalities and, would reduce up-front costs through incentive programs. The CIP would target the following:
 - i. Economic sectors identified in The Path Forward;
 - ii. Innovative and sustainable developments;
 - iii. Appropriately serviced land;
 - iv. Vacant and underutilized land; and,
 - v. Intensification projects.

B. Growth and Development

- 1. Continue advocacy for provincial policy that recognizes the unique needs of rural economies and supports rural economic development.**
- 2. Encourage and support local servicing initiatives that:**
 - i. Apply innovative approaches and technologies to waste management including energy from waste and reduce/reuse/recycle programs.
 - ii. Maximize investment in utilities by aggressively seeking efficiencies in the generation, delivery and use of water, sewer and hydro-electric power. Municipalities, utility companies and consumers should be supported in their efforts to apply innovative approaches and technologies.
- 3. Coordinate regional infrastructure projects and lead efforts to secure funding support from federal and provincial governments.**

- 4. Support efforts to designate, develop and service an appropriate range of employment lands across the region.** This approach should include:
 - i. Assessing land requirements based on regional economic goals and making adjustments in land holdings to reflect land and servicing demands of investors in targeted economic sectors.
 - ii. Bring sufficient land supply (i.e., 10 years) to a ‘shovel-ready’ state with land use designations, flexible zoning policies and servicing available.
 - iii. Advocate for provincial policies that support ‘appropriate servicing levels’.

C. Regional Infrastructure – Water and Transportation

- 1. A region-wide review of existing data on water supply and demand projections (largely drawn from Environmental Assessments).**
- 2. Assimilative capacity studies for the three larger watersheds – Thames, Long Point and Grand.**
- 3. Work should continue to maximize existing water services and promote water conservation.**
- 4. Develop efficient north-south routes for the movement of goods and people.** Key projects are:
 - i. Highbury Avenue (from Highway 401 south to St. Thomas) be upgraded as a regional route (if this route upgrade could not be achieved, the alternative is Wellington Street (from Highway 401 south to St. Thomas).
 - ii. Highways 401/403 interchange associated with Oxford County Road 4 be upgraded.
 - iii. A North/South Regional Route through Oxford and Norfolk Counties be established that minimizes impacts on settlement areas and takes advantage of existing corridors where possible.
 - iv. Oxford County Road 6 has been upgraded and provides a northbound route from Highway 401.
 - v. A southbound route from Highway 401 to Highway 3 is required (see note) linking to the continuing route through Norfolk. Note: The route identified in 2009 followed Oxford County Road 6 southward. Also considered was a rerouting of Highway 19 eastward with a ring road passing around Tillsonburg. Further consideration of this routing is required.
 - vi. Highway 59 (Norfolk) (southbound from Highway 3 to Lake Erie) could potentially provide the final portion of this route.
 - vii. SCOR should advocate for the rerouting of Hwy 24, between Hwy 401 and Hwy 403, by the Province. If this project does not proceed, then SCOR should seek the Province’s support for an alternate north-south route.
- 5. Government of Ontario must be secured as a major participant in development of the above infrastructure.**

D. Implementation

The Competitive Edge Project Team commends SCOR EDC and the SCOR Partners for their efforts on behalf of the region. The Project Team recognizes that cooperation at the regional level is vital to enhancing the competitiveness of our Counties.

The Project Team recognizes that more work is needed and urges SCOR EDC and SCOR Partners to continue their work and ensure the competitiveness of the region.

It is recommended that SCOR EDC, upon review and adoption of the recommendations, begin consultation with SCOR Partners to secure their ongoing commitment to the cooperative process of enhancing our regional competitiveness.

Recommendations made in this report regarding Development Costs, Growth and Development and the Regional Infrastructure Strategy and in the Supporting Entrepreneurship report on Business Support Services and Access to Business Capital should be addressed as soon as practicable.

It is recommended that SCOR EDC prepare a work plan that prioritizes work, establishes a timetable and determines resource implications, both staffing and funding.

Some work has been done in this regard and we suggest:

1. Implement a consistent region-wide approach for responding to investment queries.
2. Develop a model Community Improvement Plan (CIP) including investment incentives.
3. Conduct a region-wide review of existing data on water supply and demand projections to confirm and refine infrastructure plans.
4. Undertake assimilative capacity studies for the three larger watersheds – Thames, Long Point and Grand.

The team approach has proven effective. The work described above should continue with this approach and employing senior staff from each of the five Counties with relevant project expertise. The communications and consultation protocols developed by this project team should be maintained and enhanced as needed.

The team approach can be strengthened by regular communications between the General Manager of SCOR EDC and the CAOs of the five Counties.

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1.0 Background

Traditionally, SCOR Partners have employed, on an individual basis, varying approaches to enhance their competitive position.

While there are earlier examples of cooperation, development of *The Path Forward* and creation of the SCOR Economic Development Corporation are the most comprehensive regional undertakings by the SCOR Partners and has readied the Partners to jointly analyze and improve their competitive position.

The Path Forward identified **Maintaining the Competitive Edge** as an immediate priority for action. This priority is described in the strategy as follows:

Priority #1 – Maintaining the Competitive Edge

The five Counties maintain a supportive business environment in the region. With the commitment of the SCOR partners to a regional approach to economic development and diversification, it is important for the partnership to ensure that the region, as a whole, remains competitive. Both our rural and urban communities must be supported in their efforts to improve their quality of life. The SCOR Partners will:

- 1. Review the region's regulatory environment including policies, programs, taxes, fees and charges to ensure that the new directions set out in the SCOR Vision & Goals are being supported to the greatest extent possible across the region. It is recognized that there are both single-tier and two-tier Counties in the region and this must be taken into account in the review process.*
- 2. Advocacy with senior levels of government and their agencies for regulatory change that minimizes barriers and supports achievement of our Vision and Goals.*

The SCOR Partners established a Project Team composed of five senior staff members, one from each County and the General Manager of SCOR EDC acting as Project Manager. The Project Team worked closely with a Project Facilitator to identify opportunities, available on a regional basis, to enhance the competitiveness of SCOR. Recommendations are being made to SCOR EDC and its SCOR Partners seeking coordinated region-wide action. SCOR EDC will now be in a better position to market the region to investors, emphasizing the competitiveness of the region and the actions being taken to further enhance competitiveness.

Project deliverables are:

- 1. Expand the Regional Approach to Investment Attraction**
- 2. Develop a Scope for Regional Action** – The Team will determine the range of variables that can be addressed on a regional basis by the SCOR Partners. It is recognized that the two-tier Counties have differing opportunities to act from their single-tier partners.
- 3. Assess and Make Recommendations** – Recommendations, to SCOR EDC and subsequently to the Partners, will address: the ongoing need for a regional approach to

investment attraction and marketing; ongoing efforts to address the full scope of regional action; and, specific improvements for variables assessed by the Project Team.

4. **Market the Region** – The work described above gives SCOR EDC valuable information with which to market the region.

2.0 Study Approach

The Competitive Edge Project Team, composed of senior staff from the five Counties, adopted a decision-making framework that: 1) established a recommended scope for regional action; 2) short listed items for immediate review; and, 3) generated recommendations for action or for future decision-making. The framework is found in Attachment 1 of this report.

The Project Team also adopted protocols for communication and consultation with SCOR EDC and SCOR Partners. These are found in Attachment 2 to this report.

Three phases of work were completed:

Phase 1 – Setting the Framework

Phase 2 – Comparative Analysis & Recommendations for Regional Implementation

The scope for regional action was determined to be:

Development Costs – short-listed and recommendations made

Growth & Development – short-listed and recommendations made

Business Support Services – Priority #2 Project Team addressing this item

Access to Business Capital – Priority #2 Project Team addressing this item

Quality of Life

Governance

Phase 3 – Implementation Strategy

There are recommendations for specific and immediate actions by SCOR EDC in cooperation with SCOR Partners and for ongoing regional work and decision-making.

3.0 Findings and Recommendations

3.1 Development Costs

The Competitive Edge Project Team considered collection of data on a range of variables such as tax rates and determined that these individual measures do not provide true comparisons of the competitiveness of a municipality. Alternately, the Team chose to run three scenarios to compare costs for identical projects. This approach provided the Team with insight into: the

ability of SCOR municipalities to respond to locator requests; availability of developable lands; up-front costs such as land, fees and charges; and, ongoing costs such as property taxes and utilities.

This approach did not allow us to compare ourselves to municipalities outside SCOR although information on tax policies and incentives from other jurisdictions was considered. Comments from other jurisdictions were collected on the impact of up-front costs versus ongoing costs on investor decision-making.

Among our findings are:

- ♦ The ability to quickly and effectively respond to locator requests varies across the region.
- ♦ The availability of ‘shovel-ready’ land varies across the region. Generally, additional land is needed.
- ♦ All development costs affect the competitiveness of the region but up-front costs have a greater impact on investment decisions.
- ♦ Up-front costs are generally comparable across the region although there are exceptions that should be addressed. For example, many but not all municipalities in the region exempt certain classes of land – industrial, agricultural - from development charges.
- ♦ Ongoing costs are generally comparable across the region. Again there are exceptions especially in taxes.

See Attachment 3 for description of development cost scenarios and results from the five Counties.

It is recommended that SCOR EDC, working closely with SCOR Partners and respective local municipalities:

- ii. Implement a region-wide approach for responding in investment queries. The response must demonstrate: good customer service; timeliness and ready availability of information; and, knowledge of the development opportunities, both locally and regionally (i.e., don’t just turn the investor away if there are no local options). To support this regional approach, ongoing cooperation and information sharing among municipal staff is needed and municipalities: need to make these duties part of the ongoing responsibilities of municipal staff; build staff expertise in this function; allocate sufficient resources for the work; and, ensure protocols are in place to support coordinated responses in the 2-tier municipalities.***
- 1. Reduce up-front costs including fees and charges and, where land costs are higher, establish competitive tax rates to achieve comparable Year 1 Taxes.**
- 2. Reduce or exempt developments from development charges in targeted sectors (i.e., agriculture, manufacturing, tourism, renewable energy).**

- 3. Increase the supply of ‘shovel-ready’ land across the region. By doing so, many application fees will be removed from the up-front costs being incurred by investors.**
- 4. Develop a model Community Improvement Plan (CIP) that can be adopted by SCOR Partners. The CIP would be County-wide in application, could be used in 2-tier Counties, supporting adoption by local municipalities and, would reduce up-front costs through incentive programs. The CIP would target the following:**
 - ♦ **Economic sectors identified in The Path Forward;**
 - ♦ **Innovative and sustainable developments;**
 - ♦ **Appropriately serviced land;**
 - ♦ **Vacant and underutilized land; and,**
 - ♦ **Intensification projects.**

3.2 Growth & Development

One recommendation of the Team has already been acted upon with the submission of a letter to Minister Bartolucci (MMAH) and other Ministers and organizations on the impact of the Provincial Policy Statement and Growth Plan policies on the ability of SCOR to achieve its economic development goals.

It is recommended that SCOR EDC, working closely with SCOR Partners:

- 1. Continue its advocacy for provincial policy that recognizes the unique needs of rural economies and supports rural economic development.**
- 2. Encourage and support local servicing initiatives that:**
 - ♦ **Apply innovative approaches and technologies to waste management including energy from waste and reduce/reuse/recycle programs.**
 - ♦ **Maximize investment in utilities by aggressively seeking efficiencies in the generation, delivery and use of water, sewer and hydro-electric power. Municipalities, utility companies and consumers should be supported in their efforts to apply innovative approaches and technologies.**
- 3. Coordinate regional infrastructure projects and lead efforts to secure funding support from federal and provincial governments.**
- 4. Support efforts to designate, develop and service an appropriate range of employment lands across the region. This approach should include:**
 - ♦ **Assessing land requirements based on regional economic goals and making adjustments in land holdings to reflect land and servicing demands of investors in targeted economic sectors.**
 - ♦ **Bring sufficient land supply (i.e., 10 years) to a ‘shovel-ready’ state with land use designations, flexible zoning policies and servicing available.**
 - ♦ **Advocate for provincial policies that support ‘appropriate servicing levels’.**

3.3 Regional Infrastructure

The Competitive Edge Project Team has identified infrastructure as a key element in maintaining our competitive edge.

The Project Team met with the Infrastructure Working Group to review and update the plan prepared by them in 2009. Some of the regionally significant projects identified in 2009 have proceeded and have been removed from the plan. See Attachment 4 for the regional plan.

The plan continues to give highest priority to regional water projects and to regional roads and highways.

3.3.1 Water

A secure and sufficient supply of water is recognized as a major attractor by many investors. Integrated piped water facilities drawing and treating lake water is the preferred regional solution. These piped services would greatly reduce the need for new ground water service to meet future needs.

The western portion of SCOR is already well served and no water projects are recommended.

The central and eastern portions of SCOR have supply needs that should be addressed within the next 5 to 10 years. It is anticipated that increasing water demand in Oxford will not need to be addressed until 2030 or beyond.

It is recommended that SCOR EDC and its Partners undertake some studies to inform and direct development of its regional water supply. They are:

- 1. A region-wide review of existing data on water supply and demand projections (largely drawn from Environmental Assessments).**
- 2. Assimilative capacity studies for the three larger watersheds – Thames, Long Point and Grand.**
- 3. Work should continue to maximize existing water services and promote water conservation.**
- 4. Provincial participation in the funding of these projects is essential.**

3.3.2 Roads and Highways

It is recommended that SCOR focus its planning and advocacy on development of efficient north-south routes for the movement of goods and people. Key projects are:

- 1. Highbury Avenue (from Highway 401 south to St. Thomas) be upgraded as a regional route (if this route upgrade could not be achieved, the alternative is Wellington Street (from Highway 401 south to St. Thomas)).**

2. **Highways 401/403 interchange associated with Oxford County Road 4 be upgraded.**
3. **A North/South Regional Route through Oxford and Norfolk Counties be established that minimizes impacts on settlement areas and takes advantage of existing corridors where possible.**
 - ♦ **Oxford County Road 6 has been upgraded and provides a northbound route from Highway 401.**
 - ♦ **A southbound route from Highway 401 to Highway 3 is required (see note) linking to the continuing route through Norfolk. Note: The route identified in 2009 followed Oxford County Road 6 southward. Also considered was a rerouting of Highway 19 eastward with a ring road passing around Tillsonburg. Further consideration of this routing is required.**
 - ♦ **Highway 59 (Norfolk) (southbound from Highway 3 to Lake Erie) could potentially provide the final portion of this route.**
 - ♦ **Government of Ontario must be secured as a major participant in development of this route.**
4. **SCOR should advocate for the rerouting of Hwy 24, between Hwy 401 and Hwy 403, by the Province. If this project does not proceed, then SCOR should seek the Province's support for an alternate north-south route.**

4.0 Business Support Services & 5.0 Access to Business Capital

The SCOR Business Portal has been launched and recommendations for further improvement of regional business support services and access to business capital have been made by the project team addressing SCOR Priority #2 – Supporting Entrepreneurship. A separate report was made to the SCOR Board of Directors in May.

6.0 Implementation

The Competitive Edge Project Team commends SCOR EDC and the SCOR Partners for their efforts on behalf of the region. The Project Team recognizes that cooperation at the regional level is vital to enhancing the competitiveness of our Counties.

The Project Team recognizes that more work is needed and urges SCOR EDC to continue its work with SCOR Partners to ensure the competitiveness of the region.

6.1 Consultation and Commitment

It is recommended that SCOR EDC, upon review and adoption of the recommendations, begin consultation with SCOR Partners to secure their ongoing commitment to the cooperative process of enhancing our regional competitiveness.

6.2 Maintain the Momentum

Recommendations made in this report regarding Development Costs, Growth and Development and the Regional Infrastructure Strategy and in the Supporting Entrepreneurship report on Business Support Services and Access to Business Capital should be addressed as soon as practicable.

It is recommended that SCOR EDC prepare a work plan that prioritizes work, establishes a timetable and determines resource implications.

Some work has been done in this regard and we suggest:

- ♦ Implement a consistent region-wide approach for responding to investment queries. (Project Team of Economic Development Staff; Consultant; \$60,000; 12 months)
- ♦ Develop a model Community Improvement Plan (CIP) including investment incentives. (Project Team of Planning and Economic Development Staff; Consultant; \$50,000; six months)
- ♦ Conduct a region-wide review of existing data on water supply and demand projections to confirm and refine infrastructure plans. (Project Team of Engineering/Public Works Staff; Consultant; \$150,000; 12 months)
- ♦ Undertake assimilative capacity studies for the three larger watersheds – Thames, Long Point and Grand (Project team of Engineering and Conservation Staff; Consultant; \$1.5M for all three studies; 16 months per study).

Resource requirements and timing must be confirmed as part of the work plan.

6.3 Coordinated Team Approach

The team approach has proven effective. The work described above should continue with this approach and employing senior staff from each of the five Counties with relevant project expertise. The communications and consultation protocols developed by this project team should be maintained and enhanced as needed.

The team approach can be strengthened by regular communications between the General Manager of SCOR EDC and the CAOs of the five Counties.

ATTACHMENT 1 – DECISION-MAKING FRAMEWORK

The identification of the recommended scope of regional action was guided by the following considerations:

Regional Impact (action will improve competitiveness across the region)

Ability to Act (local authority, resource capacity)

Attracts Investment (from private sources and senior levels of government)

Promotes Broad-Based Growth and Prosperity (both rural and urban)

Promotes Sustainable Development (environmental and social)

Promotes Innovation (adaptation and creativity in all sectors)

Promotes Economic Diversification and Targets Sector Expansion (in Agribusiness (pharmaceutical industry, construction products, energy from bio-mass and other bio-products); Food Industry (wider range of high value food products, food processing, food industry services and products); Tourism; Manufacturing (food processing; fabricated metal processing; automotive assembly and parts manufacturing; manufacturing relating to renewable energy and green products); Creative Economy; Renewable Energy; Green Business)

Recognizing that the Project Team could not address on variables in the project period, a short list filter was developed to narrow the items for immediate review. Factors considered were: Regional Impact; Ability to Act; Data Available; and, Time Required to Assess. Please see the note following chart for further description.

Scope of Action Competitive Variables	Short List Filter	Short List	Recommended Actions & Timing
1.0 Development Costs			
1.1 Taxation Policies	Factors considered:	Yes	Competitive Edge Team ran three 'site locator' scenarios to compare County costs for identical projects. Findings and recommendations made in May 2011.
1.2 Assessment Policies (provincial)		No	
1.3 Tax Rates		Yes	
1.4 Fees		Yes	
1.5 Development Charges		Yes	
1.6 Utility Costs		Yes	

1.7 Incentives, Exemptions & Rebates		Yes	
2.0 Growth & Development			
2.1 Provincial Planning Policy		Yes	SCOR EDC submitted letter to Province on impact of PPS and Growth Plan policies on rural economic development to the attention of Minister Bartolucci (MMAH) and several other Ministers.
2.2 Official Plans, Zoning By-Laws, etc.		Yes	Recommendations made in May 2011.
2.3 Local Servicing (i.e., water, wastewater and waste management)		Yes	
2.4 Natural Resources		No	
3.0 Infrastructure	SCOR Priority #4		
3.1 Transportation 3.1.1 Roads/Bridges 3.1.2 Rail 3.1.3 Airports 3.1.4 Harbours/Ferries		Yes	Recommendations made in April 2011.
3.2 Regional Water System 3.2.1 Regional Needs Assessment 3.2.1 Assimilative Capacity Studies		Yes	
3.3 Dams/Drainage		No	
3.4 Broadband		No	Counties are employing funding from Rural Connections program to upgrade service throughout region.
3.5 Energy 3.5.1 Hydro-Electric 3.5.2 Natural Gas		No	

3.6 Public Transportation		No	Norfolk project for rural/inter-city service getting underway and has potential for region-wide expansion.
4.0 Business Support Services	SCOR Priority #2		
4.1 Services and Programs 4.1.1 Visitation, Mentor, Ambassador 4.1.2 Account mgmt 4.1.3 R&D& Commercialization	Priority #2 – Supporting Entrepreneurship addressing this topic. SCOR Business Portal launched in May 2011. Findings and recommendations made in May 2011.		
4.2 Grants & Loans			
4.3 Interagency Cooperation & Coordination			
4.4 Networking			
4.5 Labour Market 4.5.1 Needs Assessment 4.5.2 Skills Development			
4.6 Marketing			
5.0 Access to Business Capital	SCOR Priority #3		
5.1 Banking Services		No	
5.2 Programs & Funds 5.2.1 CFDF 5.2.2 Farm Credit 5.2.3 Other Government 5.2.3 SCOR Innovation Fund	See 4.0 – Business Support Services Findings and recommendations made in May 2011.		
5.3 Government Loan Guarantees			

5.4 Angel Investors			
6.0 Quality of Life			
6.1 Community Assets (i.e., facilities, services)		No	
6.2 Housing Market (i.e., affordable, range of choices)		No	
6.3 Public/Private Partnerships		No	
6.4 Community Foundations & Funds		No	
6.5 Interagency Cooperation & Leadership		No	
7.0 Governance			
7.1 Agencies, Boards & Commissions		No	
7.2 Regional Asymmetry (i.e., one tier/two tier)		No	

For Analysis of Short List Filter:

Regional Impact

- **High** – Action on this variable will have significant impact on competitiveness throughout the region.
- **Medium** - Action on this variable will have a positive but moderate impact on competitiveness throughout the region or the impact, although significant, will be more localized.
 - Low** - Action on this variable will have a limited impact on competitiveness throughout the region. The impact is local only.

SCOR Ability to Act

- **High** – SCOR EDC and its County Partners are currently competitive and need to monitor to ensure competitiveness is maintained and/or enhanced over time.
- **Medium** - SCOR EDC and its County Partners have the authority to make improvements. There is a high level of confidence that change can be achieved across the region.
- **Low** – Achieving change across the region is difficult or time consuming. Improvements require the cooperation or action of senior levels of government or agencies or businesses. SCOR EDC and its County Partners would need to undertake advocacy on this matter.

Data Available

- **High** – SCOR EDC and its County Partners have the data and can bring it forward in a timely fashion. No data from other sources is required. A common/standard definition/measurement of competitiveness exists.
- **Medium** - SCOR EDC and its County Partners require the cooperation of others to bring forward the data (for example, data from local municipalities in two-tier Counties, data from comparator Counties or Regions or, data from senior governments, agencies or businesses). SCOR Partners can bring the information forward in a timely fashion but data from others may take longer to obtain. A common/standard definition/measurement of competitiveness exists.
- **Low** – Data must be obtained from others or original research is required. Timing to collect the data is unknown. A common/standard definition/measurement is not available.

Time Required to Assess

- **Short Term** – up to 3 months
- **Medium Term** – 3-12 months
- **Long-Term** – more than 12 months

ATTACHMENT 2 – COMMUNICATIONS & CONSULTATION PLAN

Protocols -for communication, consultation and approvals with SCOR EDC Board and SCOR Partners (County Councils and municipal staff)

SCOR EDC Board

The General Manager will keep the Board apprised of progress by the Team in her monthly reports. At its monthly Board meetings, Directors will have the opportunity to ask questions and provide comments to the General Manager and Team.

The Project Facilitator will prepare and present project reports (a minimum of two) to the Board at critical decision-making points in the project to make recommendations and seek direction and/or approval. Team members will brief their respective Board members on these reports prior to Board meetings.

SCOR Partners

SCOR EDC will keep County Councils informed in a number of ways:

- a. The Chair's quarterly reports.
- b. Board members reporting to their respective Councils on an ongoing basis.
- c. Presentations to Councils from time to time.
- d. Board resolutions with recommendations for regional action.

The Priority #1 Project Team will communicate, consult and report in a number of ways:

Team members will maintain ongoing communications with their colleagues throughout the project.

Team members will employ existing interdepartmental committees and/or resource groups, established for this project, to support their participation in the project. In the two-tier Counties, both County and local municipal staff will be represented on the resource groups. These committees will be consulted throughout the project.

Team members will seek comment from their respective senior management groups at critical decision-making points in the project and prepare status reports for their Councils.

Once the SCOR EDC Board has considered a project report and adopted recommendations, the Team members will report to their respective Councils on recommendations.

ATTACHMENT 3 – DEVELOPMENT COST SCENARIOS

Comparing Development Costs - 3 Scenarios

March 2011 final

Team members will be making arrangements with relevant staff to receive these 'Site Selector Requests' and to analyze the scenarios during the week of **March 7th** using the attached scenario descriptions and Excel spreadsheet.

We will have a conference call to review the status of our work on **March 14th** and review results on **March 23rd**.



Development Cost Criteria

For each scenario, each County is going to determine the costs for the following criteria:

Taxation Policies – what policies apply (i.e., graduated tax rates; caps; ratios)?

Tax Rates – by class; \$ per \$1,000 of assessment

Fees (Planning & Building) – determine requirements and calculate costs

Development Charges

Utility Costs – water and sewer rates

Incentives, Exemptions & Rebates – DC exemptions, CIP incentives, etc.

If you are a two-tier municipality, you need to select a local municipality to work with you to run the scenarios.

Scenario 1 (5 working day turn around)

Manufacturing Company is purchasing 10 acres/4 hectares of fully serviced, vacant land in the Town's employment/industrial park. The new manufacturing facility will be 50,000 sq ft/4,645 sq m plus associated parking areas, etc.

The assessed value of the development once finished is:

- ♦ land @ \$285,000.00 (if you have fully serviced land, please put in your value)
- ♦ improvements @ \$2,500,000.00

Questions:

Is land available? Is it fully serviced? If not, what servicing is available? Can full servicing be achieved? Is the site serviced with hard wired high speed internet service?

What are the utility rates for water, sewer and hydro for this site?

Scenario 2 (5 working days turn around)

Orchard Company has apple orchards, a greenhouse, cold storage and a small apple cider processing facility. The Company proposes to expand the existing building that contains its cold storage facility and start producing apple wine from its produce.

The expansion will add 1,600 sq ft/148.6 sq m of processing space and 400 sq ft/37.2 sq m of tasting room/retail space to its existing cold storage building of 660 sq ft/61 sq m.

The existing parking will be expanded to accommodate 2 additional staff persons and visitors.

Expansions to the existing septic system and private water service are required.

The original assessed value is \$100,000.00. The assessed value of the improvements is \$190,000.

Hydro use for the total operation is projected at \$4,500/annum. Propane is used and projected at \$3,000/annum.

Questions:

What planning approvals are required for this to happen?

Scenario 3 (5 working days turn around)

Development Company has purchased a 4.2 acre site, zoned industrial. Property is in an urban area and is fully serviced. Environmental studies have been completed and a Record of Site Condition has been received. The current assessed value of the property is \$850,000.

Development Company is proposing to build:

- i. A 3 level structure will become a residential use – each level will contain 20 units of approximately 1,200 square feet, each unit will have its own laundry facilities. The remaining floor space will be common areas, elevators, activity room.
- ii. A 2 level structure will become office/commercial uses – the developer has not secured tenants, so the unit sizes and uses will vary.
- iii. A 1 level structure will be commercial uses that support the residential/office uses above i.e. variety store, coffee shop, restaurant, pharmacy etc.

Structure sizes: 1 – 3 level structure with 35,000 square feet per level
 1 – 2 level structure with 55,000 square feet per level
 1 – 1 level structure with 15,000 square feet

The estimated value of the 3 storey residential structure is \$3M and the two commercial buildings is \$8M combined.

Official Plan, Zoning By-Law and Site Plan applications are required.

Parking requirements cannot be accommodated on site – the proposed development will be short 30 spaces.

Each structure will be serviced with a 4" water line and a 2" water meter.

Questions:

What brownfield policies/incentives do you have?

	Brant		Elgin		Middlesex		Norfolk		Oxford	
Scenario #1	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$
Land \$/acre	60,000	600,000.00	32,500	325,000	42,000	420,000	26,500	265,000	30,000	300,000
Planning Fees:										
OP Amendment		n/a		1,300		n/a		n/a		n/a
Zoning Amendment		n/a		1,000		n/a		n/a		n/a
Site Plan		1,300	see note	200		1,500	950	exempt		350
Other		150								
Building Fees:										
Construction		\$35,000	0.72/sq ft	36,000		18,000	capped	25,000		25,045
Demolition		n/a	n/a						100	100
Septic		\$630.00	n/a				plumbing	65+13/foot	n/a	
Other			n/a				water/sewer	1,348	n/a	
Taxes:										
Land Assessment		600,000		285,000				285,000		300,000
Improvements		2,500,000		2,500,000				2,500,000		2,500,000
Total Assessment		3,100,000		2,785,000				2,785,000	see notes	2,425,000
Year 1 Taxes		116,300		133,528		117,762		116,227	see notes	113,492
Relevant Tax Policies			tax rate	2	see notes			industrial		
Development Charges:		198,390		0		0		0		0
Relevant Incentives/Rebates:										
Development Charges		see note		exempt		exempt		exempt		exempt
Fees		see note	n/a			n/a		see above		n/a
Other		see note	n/a			n/a		n/a		n/a
Utility Rates:										
Water		134.67&.71/cu.m.	12.18/mth+1.1948/cu m		36+1.73/cu m		1.793/cu m			55,899
Sewer		622.85&.98/cu.m.	.5454/cu m		7+0.778/cu m		89.6% water		included	in water
Hydro		first 750kw 6.4¢ then 7.4¢	see notes		see notes		see notes			100,000

Scenario #1 Notes:

Middlesex - Land is available and full municipal servicing can be achieved. High speed internet service can be extended to the site. No development charges apply to industrial uses in the selected municipality. No planning approvals are required as the site is zoned and designated for industrial use.

Norfolk - Land is available and fully serviced including hard-wired high speed internet. When determining utility charges, the size of service/consumption will determine annual costs. Norfolk has two rates for water and the higher rate has been used. However, after 50 cu m/month, the rate drops to 1.255/cu m. Most industrial uses go over 50 cu m/month. Hydro rates have similar pricing structures.

Oxford - Land is available and fully serviced including high speed internet. New construction costs reduced by 15% in setting assessed value of site. New construction tax rate is 18% lower to offset initial cost of development.

Brant - Serviced land is available and high speed internet service can be installed. DC charges vary from area to area (for example, SW Paris DC charges are \$78,869.00 plus \$3.34 cent per sq. m. of built space. Water rates are based on a 3" supply fitting. Hydro rates may vary. There is a \$150. charge for document registration for site plan and additional charge of \$150 for registration of postponement document if required; sewer and water inspection fees of \$70. per connection. Brant is lowering its industrial tax rate from 2.63 to 2.597 in 2011.

Elgin - Letter of credit required equal to site development costs (negotiable). Water cost is based on a 1" connection. Utilities provided by others - Erie Thames Powerlines, NRG Gas and telecommunications by Eastlink.

	Brant		Elgin		Middlesex		Norfolk		Oxford	
Scenario #2	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$
Land \$/acre	n/a				n/a		n/a		n/a	
Planning Fees:										
OP Amendment	n/a					1,500	n/a		n/a	
Zoning Amendment		625				1,500		2,630	n/a	
Site Plan	n/a					1,500		950	n/a	
Other	n/a				n/a		n/a		n/a	
Building Fees:										
Construction		2,660				950		2,506		300
Demolition	n/a				n/a		n/a		n/a	
Septic		300			n/a			500		124
Other		70			n/a		plumbing	65+13/fixture		248
Taxes:										
Land Assessment		100,000				100,000		100,000		100,000
Improvements		190,000				190,000		190,000		190,000
Total Assessment		290,000				290,000		290,000		290,000
Year 1 Taxes		4,315				5,240	if industrial	12,190		938
Relevant Tax Policies		please	describe		see note					
Development Charges:		exempt				exempt		exempt		exempt
Relevant Incentives/Rebates:										
Development Charges		exempt				exempt		exempt		exempt
Fees	n/a				n/a		n/a		n/a	
Other	n/a				n/a		n/a		n/a	
Utility Rates:										
Water	private				private		private		private	
Sewer	private				private		private		private	
Hydro		4,500/yr				4,500/yr		4,500/yr		
	propane	3,000/yr					propane	3,000/yr		

Scenario #2 Notes:

Middlesex - The proposed fruit winery is to be established on agricultural land as an expansion to an existing agricultural operation. Planning approvals required include: Official Plan Amendment to the local municipal Official Plan and a Zoning by-Law Amendment to implement the Official Plan policies. The OPA will need to justify the need in proximity to a farming operation. The winery will need to be small scale hiring no more than 3 employees not residing on the farm. The proposal will need to be serviced by an existing on-site sewage disposal facility and water well. The zoning by-law amendment will set out parking requirements and set limits on building area storage etc.

Brant - Treated as an expansion to an existing use that has not been previously zoned for special use so no site plan required. DC exempt for two years.

	Brant		Elgin		Middlesex		Norfolk		Oxford	
Scenario #3	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$	Per Unit	Total \$
Land \$/acre	no sample	available	no sample	available	no sample	available	n/a		200,000	840,000
Planning Fees:										
OP Amendment								4,835		3,920
Zoning Amendment							n/a			620
Site Plan								950		350
Other								795	severance	2,275
Building Fees:										
Construction								143,036	see note	132,800
Demolition							n/a			50
Septic							n/a		n/a	
Other							water/sewer	910	n/a	
Taxes:										
Land Assessment							parking	24,480		840,000
Improvements								11,000,000		11,000,000
Total Assessment								11,000,000		11,840,000
Year 1 Taxes								322,890		484,352
Relevant Tax Policies		please	describe							
Development Charges:								exempt		507,440
Relevant Incentives/Rebates:										
Development Charges								exempt		n/a
Fees										n/a
Other							see note	131,301		n/a
Utility Rates:										
Water							1.793/cu m		see rates	
Sewer							89.6%/water		see rates	
Hydro									see rates	

Scenario #3 Notes:

Norfolk - Brownfield CIP Tax Rebate @ 80%.

Oxford - Building fees @ \$0.76/sq ft (commercial) & \$0.36/sq ft (residential).

ATTACHMENT 4 - Regional Infrastructure Plan (updated 04-11)

Description of Action	Cost Estimate (in 2009 \$)
<p>1. Water</p> <p>A linked regional system of piped water is proposed.</p> <p>Eastern SCOR (5-10 year horizon):</p> <ul style="list-style-type: none"> ▪ A regional piped service from the Nanticoke intake running northward generally along Highway 24 through Haldimand, Norfolk and Brant and potentially serving Brantford and First Nation communities. <p>Central SCOR (5-10 year horizon):</p> <ul style="list-style-type: none"> ▪ An east-west piped service including pumping stations and reservoir, in corridor along Highway 3, running east from St Thomas ultimately linking to the 'Nanticoke/Highway 24' service. ▪ Extend the pipe serving Port Burwell and Vienna northward to serve Straffordville and on to link with the proposed east-west service. <p>Central SCOR (20 to 25 year horizon):</p> <ul style="list-style-type: none"> ▪ A northward pipe to Highway 401 running through Oxford from a link to the proposed east-west service. 	<p>TBD</p> <p>\$65M</p> <p>\$8M</p> <p>\$15M</p>
Description of Action	Cost Estimate (in 2009 \$)
<p>2. Provincial Highways & County Roads</p> <p>Western SCOR:</p> <ul style="list-style-type: none"> ▪ Highbury Avenue (from Highway 401 south to St. Thomas) upgraded as a regional route (if this route upgrade could not be achieved, the alternative is Wellington Street (from Highway 401 south to St. Thomas) ▪ If an inter-modal transportation node is developed, upgrading of County Road 14 (Glendon Drive) from London to Highway 402 <p>Central SCOR:</p> <ul style="list-style-type: none"> ▪ Highway 401/403 Interchange associated with Oxford County Road 4 upgrading <p>6. A North/South Regional Route through Oxford and Norfolk Counties be established that minimizes impacts on settlement areas and takes advantage of existing corridors where possible. Oxford County Road 6 has been upgraded and provides a northbound route from Highway 401. A southbound route from Highway 401 to Highway 3 is required (see note) linking to the continuing</p>	<p>\$20M</p> <p>provincial \$\$</p> <p>included in Oxford 5 year capital plan</p>

<p>route through Norfolk. Note: The route identified in 2009 followed Oxford County Road 6 southward. Also considered was a rerouting of Highway 19 eastward with a ring road passing around Tillsonburg. Further consideration of this routing is required.</p> <p>Highway 59 (Norfolk) (southbound from Highway 3 to Lake Erie) could potentially provide the final portion of this route.</p> <p>Government of Ontario must be secured as a major participant in development of this route.</p> <p>Eastern SCOR: MTO began an EA process for the rerouting of Highway 24 (between Highways 403 and 401). There are questions concerning the future of this process and project. SCOR should advocate for this project and the rerouting of Hwy 24 or should seek Provincial support for an alternate north-south route.</p>	<p>Done</p> <p>TBD</p> <p>\$15M</p>
Description of Action	Cost Estimate (Million\$)
<p>3. Sewer The local solution is the best solution in most circumstances. No regional projects are proposed.</p> <p>4. Harbours There are 8 harbours in the region with 4 in each of Elgin County and Norfolk County. Changes would be driven by development needs or larger-scale planning such as cross-lake passenger ferry service or shipment of goods at a lake port.</p> <p>5. Broadband Communications All Counties have or soon will achieve county-wide coverage.</p> <p>6. Public Utilities SWEA recommends the development of utility infrastructure corridors (water, natural gas storage/distribution, electricity transmission) in conjunction with transportation corridors to attract new business to SW Ontario.</p> <p>7. Public Transportation Norfolk is leading implementation of an inter-city service. The transportation model being developed has regional application supporting coordinated expansion of the service across the region.</p>	