



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Economic Development Committee
From: Ken DeHart, County Treasurer
Date: Tuesday, November 21, 2023
Subject: **Preliminary 2024-2033 Ten-Year Plan: Economic Development**

Background:

This forecast provides a high-level view of major budget issues and planned capital investments and serves as a guide for departments in preparing their detailed current year operating and capital budgets. The preliminary corporate ten-year plan will be considered by the Administration, Finance and Human Resources Committee on November 21, 2023, and the forecast will be updated at the time the budget is approved early in the new year.

Major Operating Budget Impacts

Staff are in the process of compiling the detailed 2024 operating budgets for each department. Major items expected to be reflected in the 2024 Economic Development Operating Budget include the following:

Economic Development

- Grants and subsidies include one-time funding of \$25,000 through the County's successful Rural Economic Development (RED) grant application in 2023. A portion of the total funding of \$58,000 will be received in 2023 in relation to activities completed this year. The remainder has been allocated in 2024 based expectations for the remainder of this year. The majority of expenses in relation to the grant can be accommodated through the existing Economic Development budget.

Smart Cities

The Smart Cities programme funding and related project expenditures will come to an end in 2023. As reported to committee in October, the Economic Development department's three-year plan proposes to continue elements of the Smart Cities Office. The two Smart Cities positions – Smart Cities Programme Manager and the Sustainability Programme Coordinator will continue and have been made permanent full-time positions. The Sustainability Programme Coordinator has moved fully under Smart Cities as this position was previously shared with the Climate Change Division under the Planning Department. Overall, the Smart Cities budget will be increasing by \$169,700 in 2024.

Ride Well

As approved by Committee in June, there has been an increase in the service level for Ride Well that was implemented on July 1, 2023. In addition to this change, service levels and hourly rates for drivers are expected to increase in January 2024. The proposed 2024 budget results in an increase to the County levy of \$243,800. The provincial funding is set to end in March 2025 for the programme and the ten-year forecast currently reflects the programme ending at that time.

Activities proposed throughout the 2024-2033 Ten-Year Plan

- **Talent Attraction** (\$20,000) – in its endeavour to tackle shrinking labour force challenges, the Talent Attraction programme aims to attract and support newcomers by organizing an array of events, workshops and promotional activities working with a budget of \$20,000 per year. Some of the prominent activities include an annual multicultural festival with a goal of creating inclusiveness and belonging. Employer engagement events such as job fairs and networking events. Speed mentoring, diversity, equity, and inclusion as well as employability skills training sessions to better equip our employers and amplify the County's top employer job vacancies. In addition, working with member municipalities town attraction initiatives along with Tourism and community partners with the goal of newcomer settlement in rural communities.
- Funding for the countywide **Community Improvement Programme** (\$160,000) for participation in local municipalities' CIPs is maintained throughout the forecast under the transfer payments line. This budget line has been well underspent for a number of years. The 2024 budget maintains an offsetting transfer from the Contingency and Stabilization reserve of \$80,000 to fund a portion of the programme should funding of projects exceed \$80,000 each year. This is intended to keep the total budget available for the programme, while recognizing the historical surpluses.
- **Invest Ready – Tax Increment Equivalent Grant (TIEG):** As part of the Community Improvement Programme, the County began participation in member municipalities' Tax Increment Equivalent Grant Programmes starting in 2019 and provided the final funding amount of approximately \$15,000 in 2023, this amount comes off the budget in 2024. However, additional commitments were made toward Elora South Inc. with projected payments beginning with \$14K in 2026 and reaching a maximum of \$178K in 2029. Total payments over the ten-year forecast are expected to be \$663,000 and total \$953,000 on final payment in 2040.
- **Business Retention and Expansion Local Implementation Fund** (\$175,000) – will provide the County's local municipalities the opportunity to access funding for the direct execution of BR+E recommendations for activities that enhance the local economies.
- **Business Support Agency Funding** (\$97,500) – the County funds agencies upon receiving an agreed upon annual review of services and events to support our local economy. Agencies include the Business Centre Guelph Wellington, Innovation Guelph, local Community Futures Development Organizations, LaunchIt Minto and the Western Ontario Warden's Caucus project.
- **Doctor Recruitment** – as reported to the AF&HR committee in October, there is a \$50,000 contribution towards the Ontario Health Team (of Wellington and Guelph) for doctor recruitment included in the 2024 budget, contingent upon equal support from the City of Guelph and Guelph Chamber of Commerce.

Recommendation:

That the preliminary 2024-2033 Economic Development capital budget forecast and major operating budget impacts as set out in this report be endorsed and forwarded to the Administration, Finance and Human Resources Committee for inclusion in the County of Wellington's Preliminary Ten-Year Plan.

Respectfully submitted,



Ken DeHart, CPA, CGA
County Treasurer