The City of Windsor

Economic Revitalization Community Improvement Plan

February 14, 2011

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1.0 INTRODUCTION

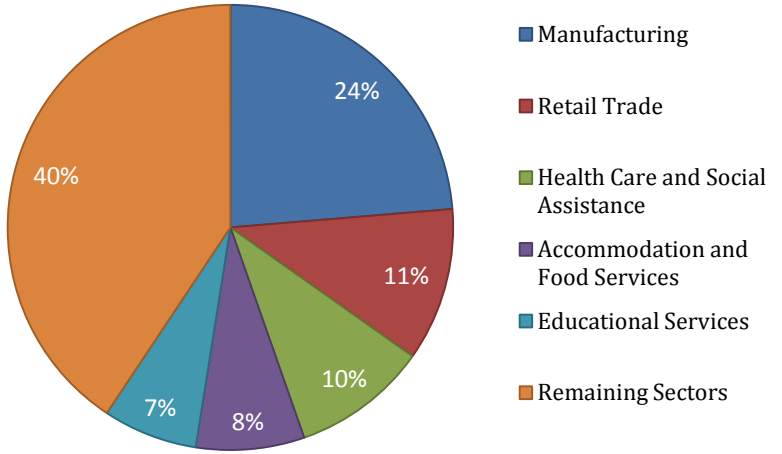
Windsor is strategically located at the crossroads of two nations and is one of the busiest and most important gateways between Canada and the United States. Windsor is also Canada's southernmost city located on the international border it shares with Detroit, Michigan.

The City's current boundaries reflect a negotiated transfer of 2,058 hectares, including the Windsor International Airport (YQG), from the Town of Tecumseh on January 1, 2003. The City has a population of just over 216,473 (2006 census) and comprises an area of 147 square kilometres.

Windsor's Economy

The most recent global recession has resulted in the traditional Canadian manufacturing centres shedding manufacturing jobs at alarming rates. However, the trend of manufacturing job losses dates back to 2002 when manufacturing employment peaked in Canada. Similarly, the United States lost more than three million manufacturing jobs between 1995 and 2005, with the significant majority of them occurring within the last five years and in the seven Great Lakes states[1].

Figure 1: Windsor Employment by Economic Sector, 2006



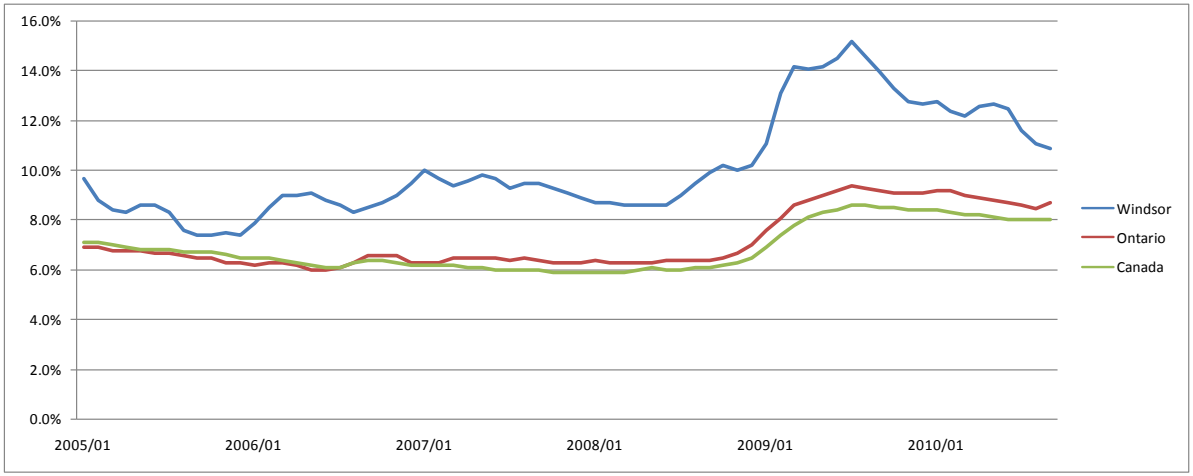
Source: Statistics Canada - 2006 Census. Catalogue Number 97-559-XCB2006009.

Windsor's economy is heavily reliant on the manufacturing sector. In 2006, 24% of Windsor's labour force was employed in manufacturing in contrast to 14% of Ontario's labour force and 12% of Canada's labour force[2]. Because of this reliance on the

[1] Wial, H., & Friedhoff, A. (2006). *Bearing the Brunt: Manufacturing Job Loss in the Great Lakes Region, 1995-2005*. Washington, DC: The Brookings Institute.
[2] Canada. Statistics Canada. (2006) Canadian Census. Ottawa.

manufacturing sector Windsor's economy has been disproportionately affected by the global recession, which has specifically been challenging for the North American auto manufacturing industry. This impact was most evident in 2009 when Windsor's unemployment rate rose to the highest among metropolitan areas in Canada peaking at 13.8%. Figure 2 shows Windsor's unemployment rate over the past five years and compares it to the Provincial and Federal levels.

Figure 2: Windsor's Five-Year Unemployment Rate



Source: Statistics Canada. Table 282-0090

Diversification of Windsor's overall economy as well as diversification within the manufacturing sector will play a key role in strengthening the local economy and mitigating the negative effects of future economic downturns. Diversification of Windsor's overall economy will result in additional jobs created in industries such as Creative Industries/Digital Media, Health & Life Sciences, Professional Services/ Back-Office Operations, Tourism, Education, and Logistics/Warehousing. Diversification of Windsor's well established manufacturing sector would also see new jobs created in advanced types of manufacturing—particularly within new market sectors such as renewable energy, aerospace, and health care.

2.0 REGIONAL ECONOMIC DEVELOPMENT

2.1 Windsor Essex Economic Development Corporation

The Windsor Essex Economic Development Corporation (WEEDC) is the organization responsible for delivering economic development services to the Windsor-Essex County Region. Although it is funded by, and represents the constituent municipalities, it is managed by an independent board of directors that supports a mandate to provide leadership, strong business connections to the community and overall coordination for economic development activities in the Windsor-Essex Region.

WEEDC's vision statement asserts that it...

> *...will be the business-driven, business-led organization focused on creating prosperity and recognized for generating economic value and a high quality of life throughout the Windsor-Essex Region.*

To support this vision statement, WEEDC delivers a variety of services intended to:

- Attract new business, capital investment and other assessment and employment-creating enterprises;
- Aid in the strengthening, diversification and growth of existing business;
- Maintain an attractive business and economic environment through constant contact with the appropriate government agencies and community groups; and,
- Promote the region as a desirable location for investment and to live.

To deliver on these objectives, WEEDC must focus on delivering higher order regional economic development services (e.g. regional strategy development, regional branding, and undertaking broad based research and data collection, etc) for all of its constituent municipalities, leaving the local municipalities to focus on local matters including community strategy development, economic development readiness, business retention and expansion, locally stimulated investment opportunities and quality of life investments and amenities.

2.1.1 The Regional Economic Roadmap

The Windsor Essex Economic Development Corporation is currently finalizing its new *Regional Economic Roadmap*, which it is promoting as a "broader economic development roadmap for the Windsor-Essex Region."

The Regional Economic Roadmap identifies ten building blocks, listed as goals that will guide WEEDC's efforts to create prosperity and grow the regional economy. They include:

- **Supporting entrepreneurship**

  ... to be a region where entrepreneurs thrive and grow and those with export-oriented business models are supported.

- **Enhancing collaboration**

  ... to build a team approach to economic development where key stakeholders are sharing information and collaborating on projects with mutually beneficial outcomes.

- **Leveraging cross border relationships**

  ... to build this unique relationship into further economic development opportunities.

- **Targeting key industries**

... to develop specific and targeted efforts to help support the development and growth of key industries in the region. This growth comes from new entrepreneurs, local company expansions and the attraction of firms into the region.

- **Cultivating an excellent quality of life**

  ... to be a region that is known across Canada for its high quality of life.

- **Fostering an innovative economy**

  ... to foster a culture of innovation and commercialization among the region's industries.

- **Leading the development of world-class infrastructure**

  ... to foster understanding and nurturing the direct link between high quality economic development-related infrastructure and economic growth.

- **Building the talent pipeline**

  ... to be proactive in helping to build an environment that is turning out qualified workers from the education system and attracting talent from outside the region.

- **Fostering best practices in economic development**

  ... to build the WEEDC into a national leader by providing innovative and targeted economic development services and activities.

The Regional Economic Roadmap highlights the importance of "community partners" in achieving the above identified goals. Through the creation of this CIP, the City of Windsor is demonstrating its willingness to play a key leadership role in growing the region's economy.

This CIP directly supports a number of the WEEDC Building Blocks outlined above. Additionally, every effort is being made to align the City's efforts with those of the Windsor Essex Economic Development Corporation.

2.2 Potential Growth Sectors in Windsor

A prerequisite to focusing economic development efforts is the identification of the economic sectors that represent a regional competitive advantage for Windsor and Essex County based on labour force characteristics, unique regional attributes, availability and quality of public and private infrastructure, and proximity to markets.

The Windsor Essex Economic Development Corporation through its ongoing research and strategic planning efforts has identified economic sectors that are currently represented in the local economy and have the opportunity to grow or diversify into new markets, or represent potential for significant new business investment and high value job creation.

Consequently, this CIP will focus on the following high-potential sectors that have been identified by the Windsor Essex Economic Development Corporation:

- Manufacturing;
- Automotive Manufacturing;
- Aerospace Manufacturing;
- Health & Life Sciences;
- Professional Services/Back-Office Operations;
- Renewable Energy and Related Technologies;
- Education;
- Creative Industries/Digital Media;
- Logistics/Warehousing; and,
- Tourism.

The remainder of this section will provide an overview of each sector and how Windsor is positioned to benefit from growth and investment in it.

2.2.1 Manufacturing

The manufacturing sector comprises establishments primarily engaged in the physical or chemical transformation of materials or substances into new products. These products may be finished, in the sense that they are ready to be used or consumed, or semi-finished, in the sense of becoming a raw material for an establishment to use in further manufacturing.

As a sector, manufacturing firms are especially valuable to the economy because it has direct links to—and effects on—other sectors of the economy. These relationships can be both backward (i.e. mining of raw materials or construction of manufacturing facilities), or forward (i.e. warehousing, transportation, and the wholesale and retail trade of manufactured goods). The export of goods by the manufacturing sector is also valuable as it brings wealth to the communities in which firms are located from sales around the world.

Automotive Manufacturing

This industry group is a sub-sector of the manufacturing sector that comprises establishments primarily engaged in manufacturing cars, trucks, vehicle components and parts.

The Canadian automotive industry primarily produces light duty vehicles (i.e. cars, vans, pickup trucks), heavy duty vehicles (i.e. trucks, transit buses, school buses, military vehicles), and a wide range of parts, components, and systems used in manufacturing these products. The automotive industry is Canada's largest manufacturing sector and accounts for 16.7 percent of North American vehicle production, or 2.6 million units. Canada is the world's third-largest exporter of automotive products, after Japan and the United States, with more than 84 percent of the vehicles built in Canada exported to foreign markets.[3]

In Windsor-Essex approximately 93 per cent of manufacturing employment is directly tied to the automotive industry. This includes the Machine Tool, Die and Mould cluster for which Windsor-Essex has the highest concentration in Canada. Structural changes currently taking place in the industry will lead to new opportunities in high value, high performance areas of the new globalized auto sector. The automotive industry should remain a vital part of the local economy as new opportunities in high value, high performance areas of the new globalized auto sector become available.

Aerospace Manufacturing

This industry group is a sub-sector of the manufacturing sector that comprises establishments primarily engaged in manufacturing aircraft, missiles, space vehicles and their engines, propulsion units, auxiliary equipment, and parts thereof. Canada is home to 400 aerospace firms, which employ 82,000 highly skilled workers. With industry clusters centred in Montreal, Toronto, and Winnipeg, 80% of Canada's domestic production is exported with 60% of it going to the Unites States. Canada's global share of aerospace activity has tripled in the last 20 years, making it the world's 5th largest aerospace producer.[4]

With a handful of local firms already servicing the aerospace industry, a highly skilled manufacturing labour force, and a significant geographic advantage, Windsor is well positioned to take advantage of an expanding aerospace industry.

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[3] Industry Canada. Department of Foreign Affairs and International Trade. Invest In Canada Website. December 15, 2010. <http://investincanada.gc.ca/eng/publications/automotive.aspx#ft1b>

[4] Industry Canada. Invest In Canada Website. November 1, 2010. <http://investincanada.gc.ca/eng/industry-sectors/aerospace.aspx>

2.2.2 Health & Life Sciences

The Health and Life Sciences sector includes the manufacturing of medical equipment and supplies; pharmaceuticals; and scientific research and development related to the creation of products, processes and services designed to improve health.

This is one of Ontario's fastest growing industries in which there is potential to develop more life sciences-related research and development, attract specialized services and establish synergies between manufacturing and health/life science sectors. Windsor-Essex currently has a small cluster of companies in this sector, related to the production of gel caps and vitamins. Windsor's existing Machine Tool, Die and Mould companies are well positioned to play a part in the expansion of a local medical device industry.

The new Schulich School of Medicine at the University of Windsor and Centre for Applied Health Sciences at St. Clair College may also contribute to the expansion of this local industry.

2.2.3 Professional Services/Back-Office Operations

This sector bundles a broad range of services including law, accounting, advertising, marketing, architectural and engineering design, public administration, corporate management, finance, insurance, real estate, scientific research, and administrative support. The distinguishing feature of this sector is the fact that most of the industries grouped in it have production processes that are almost wholly dependent on worker skills. Thus, the establishments classified in this sector sell expertise. These establishments supply a variety of other industries with specialized knowledge.

Windsor has a much lower concentration of activity in this area than most other urban centres in Canada. Expansion of this industry sector is important to the diversification and stability of Windsor's economy.

2.2.4 Renewable Energy and Related Technologies

The Renewable Energy (and Related Technologies) sector includes companies that develop or market resource-efficient technologies that reduce material inputs, energy consumption, emissions and waste, when compared to traditional technologies. Ontario's *Green Energy and Economy Act* is considered among the most aggressive in North America with its focus on building the "green" energy sector in the province. Windsor is well positioned to take advantage of this opportunity both as a location for renewable energy projects and the manufacturing of renewable energy systems and components.

2.2.5 Education

This sector comprises establishments primarily engaged in providing instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities and training centres. These establishments may be privately owned and operated, either for profit or not, or they may be publicly owned and operated.

Windsor's two main post-secondary education institutions—the University of Windsor and St. Clair College—along with the private training and education sector have been growing in recent years. Given the structural shifts toward a knowledge-based economy in North America, there will continue to be a need for increased post-secondary education. Locally, Windsor has a below average percentage of university-educated residents (as compared to other urban regions), which—along with the continued attraction of international students—represents a significant opportunity to expand the educational sector and provide future workers for emerging economic industry sectors.

While it is not one of the sectors targeted for financial incentives, the Education sector plays a significant role in the local economy and will be assisted by the "Other Community Improvement

Activities and Actions" described by Section 5.0, when and where the proposed activity or action meets the objectives of this CIP.

2.2.6 Creative Industries/Digital Media

Creative industries are based on individual creativity, skill and talent and have potential for wealth and job creation through the generation and exploitation of intellectual property, including arts and crafts; broadcasting; design; film, video and photography; music and the visual and performing arts; publishing; software, computer games and electronic publishing; and film studios. These industry segments represent high growth opportunities in Ontario and across Canada. The Windsor-Essex region has a low concentration of persons employed in creative occupations and computer and information technology occupations. Growth of these sectors would provide high value jobs and bolster local culture which in turn helps to attract outside talent and professionals to live and work in Windsor.

2.2.7 Logistics/Warehousing

This sector comprises establishments primarily engaged in operating general merchandise, refrigerated and other warehousing and storage facilities. These establishments provide facilities to store goods for customers. They do not take title to the goods they handle, but do take responsibility for storing the goods and keeping them secure. They also tend to provide a range of logistics services related to the distribution of a customer's goods. These logistics services often include labelling, breaking bulk, inventory control and management, light assembly, order entry and fulfillment, packaging, pick and pack, price marking and ticketing and transportation arrangement. However, establishments in this sector always provide storage services in addition to any logistics services.

This industry is particularly important in Windsor as the Windsor-Detroit border crossing is the busiest in Canada. Windsor has more than double the percentage of persons employed as customs, shop and other brokers compared to other urban centres in Canada. There is potential to generate further opportunities in the logistics/warehousing sector with a new planned international border crossing and the planned development of land on and around the Windsor International Airport (YQG).

2.2.8 Tourism

Tourism is travel for recreational, leisure or business purposes. The World Tourism Organization defines tourists as people who "travel to and stay in places outside their usual environment for more than twenty-four (24) hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited."[5]

The tourism sector is made up of establishments that provide short-term lodging and complementary services to travellers, vacationers and others. Additionally, and more importantly from an economic development perspective, is the destinations, attractions and amenities that a community offers.

Windsor has a number of attributes that make it attractive to the tourism market including its proximity to Detroit, mild Canadian climate, casino, and opportunities for eco-tourism within the Region. The tourism industry provides employment for creative and performing artists; technical occupations in art, culture, recreation and sport; occupations in food and beverage service; and occupations in travel and accommodations establishments.

The *Windsor Essex Economic Development Corporation* also recognizes tourism as a way to stimulate and grow the local economy. Tourism creates both direct and indirect jobs and boosts the viability of local businesses though additional visitor spending.

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[5] "UNWTO technical manual: Collection of Tourism Expenditure Statistics" (PDF). World Tourism Organization. 1995. p. 14. http://pub.unwto.org/WebRoot/Store/Shops/Infoshop/Products/1034/1034-1.pdf. Retrieved 2009-03-26.

Tourism Windsor Essex Pelee Island is the regional organization that is responsible for marketing and promoting the regional tourism attractions and facilities to business and leisure travelers through a range of activities and services. This CIP supports the vision of *Tourism Windsor Essex Pelee Island* by providing incentives for the development of tourist attractions and destinations.

2.3 Other Economic Opportunities

There are other economic opportunities that transcend more than one sector, are a sub-category of one or more sectors, or represent a high value opportunity to contribute to job creation and economic diversification.

This section highlights the importance of Research and Development (R&D), influence peddling, entrepreneurship and cluster development to the local economy.

2.3.1 Research and Development

Ontario's economic prosperity is becoming more dependent on its ability to innovate and compete in the global marketplace. Accordingly, Ontario is investing close to $3 billion over eight years in an aggressive innovation agenda built on its creative environment, diverse culture, highly skilled workforce, world-class education system and internationally recognized research community. Much of this spending will be directed to Research and Development (R&D) activities that will:

- Facilitate economic growth;
- Open new market opportunities and commercialization of leading edge discovery;
- Build strong industry and academic relationships; and,
- Stimulate the transfer of knowledge.

Windsor-Essex County has strong culture of innovation supported by numerous world-class community-industry-education partnerships, as well as innovative local companies that contribute to the Region's success. However, it is imperative to the Region's future success that local companies and institutions continue to create new or improved technology that will translate into a competitive advantage for local businesses.

2.3.2 Advanced Manufacturing

Advanced manufacturing involves new technologies and techniques, which combine machines with the application of information technology, micro-electronics and new organizational practices within the manufacturing process. Examples include computer numeric control (CNC), commuter-integrated manufacturing (CIM), robotics, automation and visioning systems, and advanced methodologies such as lean manufacturing. Advanced manufacturing is considered a high value added manufacturing subsector, which has strong financial performance and the ability to generate significant value externally. This industry is concentrated in Ontario and has developed in close association with the automotive, electronics and plastics industries.

The Machine, Tool, Die and Mould industry in Windsor-Essex accounts for 10,000 - 14,000 highly paid skilled jobs that have a substantial impact on the local economy. This is the most important market segment in the Windsor-Essex region representing $2.1 Billion annually in revenues and payments in terms of Gross Domestic Product. Conservative economic models put the economic impact of this subsector in excess of $10.5 Billion annually.[6]

The Windsor-Essex Region contains a number of innovative companies, which are driving the Region's economy with superior technology, exceptional performance, and high quality products.

[6] Munro & Associates, Inc., (2008). *MTDM Diversification Study: Changing the Paradigm for the Machine, Tool, Die and Mould Industry in Windsor Essex*. Windsor, ON: WindsorEssex Development Commission.

These products include dimensional vision gauging systems, robotics intensive automation machines, laparoscopic surgical instruments, pharmaceutical goods, super light aluminum engines, and controlled environmental technology.

Considered pioneers and leading edge, Windsor's manufacturing companies have gained international recognition throughout the automotive sector, and in agriculture, aerospace and the pharmaceutical and healthcare industries. However, as the global economy continues to become more integrated and competitive, there will be continued pressure on industries producing commodities to reduce input costs or see the work migrate to low labour cost regions of the world.

2.3.3 Small Business Development

The size of a business can be defined many ways, by number of employees, by value of sales, by revenue, or by the value of its assets. Industry Canada has used a definition based on the number of employees, which varies according to the sector. Goods-producing firms (i.e. manufacturing) are considered small if they have fewer than 100 employees, whereas for service-producing firms the cut-off point is 50 employees.

This CIP makes the distinction between small and large business by providing a definition of small business that is specific to this CIP. For the purposes of this CIP, "small business" is defined as:

> *A business being carried on for gain or profit in one or more of the targeted sectors, with less than 50 employees for manufacturing businesses and less than 20 employees for non-manufacturing businesses.*

Small businesses are an important part of the Canadian Economy as in 2008 they comprised 30 percent of the Nation's gross domestic product, employed just over 5.1 million employees (i.e. 48 percent of the total private sector labour force), and account for 21 percent of all industry exports. Small businesses also drive innovation in the Canadian economy, often providing innovative goods or services to larger firms. Small firms also support larger goods producing businesses by providing retail outlets.

Locally, the Windsor Essex Economic Development Corporation views small business as having less than 20 employees. Regionally these smaller firms have been playing a bigger part in the economy over the past decade with nearly a four percent increase in the number of such firms between 2003 and 2009. This increase in smaller entrepreneurial firms coincides with a 17 percent decrease in the number of firms with at least 200 employees over the same period.

Support for smaller firms is needed as they tend to face higher barriers to capital and have more challenges building export markets. Of particular importance are export-oriented start-ups, innovative new businesses, and the creation of a supportive local business incubation environment.

2.3.4 Canadian Head and Corporate Offices

The definition of a head office is where a large company, with multiple branches, locates the company's executives and senior level management that are engaged primarily in providing general management and/or administering, overseeing, and managing other establishments of the company. The location of a head office is beneficial to the community because it provides more direct access to the key decision makers within the company with the goal to influence additional investment in the community. Additionally, the economic impact generated by head offices can be seen in other sectors of the economy, including the professional and financial services needed to support the head office operations.

The presence of head offices in a city symbolically contributes to the image as a city that is worth investing in and as a leader in that particular sector.

3.0 COMMUNITY IMPROVEMENT PLAN POLICIES

3.1 Purpose

Council has directed the preparation of a Community Improvement Plan (CIP) that has two main purposes: 1) to diversify the local economy by attracting new businesses that represent new and desirable sectors of the local economy; and 2) to encourage job creation through the attraction of new businesses and/or expansion of existing businesses into identified sectors of the economy.

3.2 Legislative and Policy Framework

This section of the Community Improvement Plan will provide the policy rationale for using the Community Improvement provisions of the *Planning Act* to address the economic challenges that Windsor is facing. Additionally, it will demonstrate how the CIP is consistent with the Provincial Policy Statement and conforms to the City's Official Plan.

3.2.1 Provincial Policy Direction and Legislative Authority

Provincial Policy Statement

The Provincial Policy Statement (PPS) requires that Planning Authorities (i.e. the City of Windsor) promote economic development and competitiveness in a number of ways including providing for an appropriate mix and range of employment uses to meet long-term needs of the community (1.3.1.1). Additionally, the PPS requires the City to provide opportunities to diversify the local economy (1.3.1.2).

This CIP is promoting economic development and the competitiveness of Windsor by supporting and encouraging the diversification of the City's economy.

Planning Act

Section 28(2) of the *Planning Act*, R.S.O. 1990, as amended, provides that where there is an official plan in effect in a local municipality that contains provisions relating to community improvement in the municipality, the council of the municipality may, by by-law, designate all or any part of an area covered by such an official plan as a community improvement project area.

According to Section 28(1) of the *Planning Act*, a "community improvement project area" is defined as "a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason".

The City of Windsor's Council is of the opinion that the application of the Community Improvement provisions is desirable to support the economic development and the competitiveness of Windsor.

For the purposes of carrying out a community improvement plan, a municipality may engage in the following within the community improvement project area:

a) Acquire, hold, clear, grade or otherwise prepare land for community improvement;

b) Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan;

c) Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan; and

d) Make grants or loans in conformity with the CIP to the registered owners, assessed owners or assignees to pay for eligible costs.

This CIP will outline how the City of Windsor will engage in one or more of these activities to meet the objectives of this Community Improvement Plan (see Section 3.4 for the objectives).

3.2.2 City of Windsor Policy Foundation

The City also has policies that provide direction regarding the local economy, as well as policies that enable the City to use the Community Improvement provisions of the *Planning Act*.

Community Strategic Plan

The Community Strategic Plan (2006) assists in identifying strategic issues facing Windsor and provides a common vision for the community that will serve as a guide for future planning and decisions. One of the four pillars of the Community Strategic Plan is a strong and competitive economy. This pillar is supported by the objective to "Grow Business" by "cultivating a positive and diverse economic environment for business growth."

Implementation of this CIP will contribute to a positive business environment that will lead to future economic growth.

Official Plan

The Official Plan provides guidance for the physical development of the municipality while taking into consideration important social, economic and environmental matters and goals. Additionally, the Official Plan provides a significant amount of policy direction on the matters addressed by this CIP.

Economic Development Related Policies

The Official Plan recognizes the importance of a strong economy to the overall health of the community. As such, it contains a number of objectives and policies that support the economic well-being of the city.

Windsor's Development Strategy (Chapter 3) summarizes the four interrelated themes that provide the foundation for the Official Plan; one being a "vibrant economy." In this regard, the Official Plan states:

> *Windsor is an international gateway and major manufacturing centre located at the heart of the Great Lakes. To support a vibrant economy, the Official Plan will ensure that Windsor maximizes its geographic and community advantages conducive to economic diversification and growth.*

The specific objectives that support a vibrant economy include:

- To provide for a wide range of employment opportunities at appropriate locations throughout Windsor (Section 4.2.6.1);
- To encourage a range of economic development opportunities to reach full employment (Section 4.2.6.2); and,
- The retention and expansion of Windsor's employment base (Section 6.1.4).

The preparation of this Community Improvement Plan to enable specific activities that contribute to the economic vitality of the city is consistent with the Official Plan.

Community Improvement Policies

In conformity with the *Planning Act*, the Official Plan also includes provisions relating to community improvement.

The Official Plan includes Community Improvement provisions that indentify areas and situations where the preparation of a CIP is desirable, as well as specific objectives to be achieved as a result of applying these provisions. According to the Official Plan:

> *Community improvement initiatives will be used to revitalize existing planning districts, neighbourhoods, corridors or any other identified area in decline or in transition from one land use to another.*

Council may designate by by-law a Community Improvement Project Area in accordance with the Planning Act to revitalize planning districts, neighbourhoods, corridors or any other identified area in decline or in transition from one land use to another.

The Community Improvement Objectives include:

- To revitalize areas in decline or in transition from one land use to another through the use of Community Improvement Plans;
- To provide standards for building and property maintenance and occupancy;
- To establish partnerships with business associations to strengthen employment, commercial and mixed use areas; and,
- To direct municipal actions to revitalize and strengthen neighbourhoods.

Furthermore, a Community Improvement Project Area may include any planning district, neighbourhood, corridor or any other identified area of the city and shall be encouraged for:

- residential areas where the housing stock is in need of maintenance, rehabilitation and/or repair;
- declining commercial or mixed use areas where there are a number of vacant or underutilized properties;
- declining or obsolete industrial areas;
- areas in which there are land use conflicts as a result of incompatible uses;
- areas that have deficient municipal services such as parks, sewers and roads; and,
- areas that have the potential to be new employment areas.

3.3 Community Improvement Project Area

According to the *Planning Act* "community improvement project area" means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.

Given that the economic development solutions being contemplated as part of this Community Improvement Plan for the current challenges facing the community are not focused on geographically specific areas of the city, it is recommended that the entire geographic area of city of Windsor be designated as the Community Improvement Project Area.

Therefore, the Community Improvement Plan policies included in this CIP are applicable to the entire geographic area of city of Windsor (see Appendix 2).

3.4 Community Improvement Plan Objectives

The objectives stated below are an expression of the intended outcomes resulting from the implementation of this Community Improvement Plan. Objectives are a way to guide decisions and will be used as guideposts to demonstrate how individual development proposals result in a public benefit (i.e. meeting one or more objectives). Additionally, the clearly stated objectives have been used to provide direction for the development and implementation of the specific policies, incentives and municipal actions contained in this CIP.

The Economic Revitalization Community Improvement Plan will:

- Encourage investment that results in the productive use of lands and/or buildings for the purposes of establishing or maintaining a business enterprise, or the expansion of existing businesses to realize more effective use of the land's potential;

- Encourage capital investments that create new and/or maintain existing permanent jobs, as well as short-term construction jobs that contribute to the reduction of the unemployment rate;
- Support investments in specified high potential economic sectors that contribute to the diversification of the local economy;
- Provide financial incentive programs that are attractive to potential investors and corporate decision-makers, but are balanced with expectations of City taxpayers and the City's ability to fund the financial incentive programs;
- Facilitate the development of the City's vacant employment lands and other areas that have the potential to be new employment areas;
- Encourage the redevelopment of the City's historic industrial sites resulting in the continued or renewed productivity of these sites;
- Attract investment based on the community's strengths and competitive advantages;
- Support the establishment and on-going development of sector clusters and encourage businesses to take advantage of cluster-related synergies; and,
- Support investment and development that results in an increase in property assessment and grows the non-residential municipal tax base over the long-term.

This CIP will include specific policies, incentives and municipal actions that are intended to contribute towards the achievement of these objectives.

4.0 FINANCIAL INCENTIVE PROGRAMS

The following section outlines the financial incentive programs that have been developed to deliver on the objectives of this CIP. Included in this section are definitions for terms that are used in this CIP, target sector and use descriptions, and general and program-specific program requirements.

A clear relationship between the financial incentive programs and the CIP's objectives demonstrates the public benefit that can result from offering publicly funded financial incentives to stimulate private sector investment. The financial incentive programs are targeted at sectors of the local economy that will prove to be a sustainable source of employment and will contribute to the diversification of the local economy, while providing a financial return on investment in the form of ongoing property taxes to the City over the long term.

To this end, applications must demonstrate to the satisfaction of the City of Windsor that the development clearly serves the public interest and that there is a proven need for financial incentives in order for the project to move forward. City Council will act as the final approval authority for the financial incentive programs and be the ultimate judge of a project's contribution to meeting the objectives of this CIP and its "need" for financial incentives.

In addition to outlining the eligibility criteria and requirements for the financial incentive programs, the program descriptions include the necessary safeguards to ensure that the City's interests are protected, including realizing the requisite public benefit derived from the incentives.

4.1 General Definitions

This section provides the definitions for terms that are used in this CIP and are intended to explain the meaning of a term for the purposes of this CIP.

Accessory Uses: a use that is incidental, subordinate and exclusively devoted to the primary *eligible use* and is carried on with the *eligible use* on the same property.

Adaptive Reuse: is the process of adapting old buildings by *development*, *redevelopment, rehabilitation* and/or *construction* for the purposes of using them for new *eligible uses.*

Applicant: may include registered owners, assessed owners and tenants of land and buildings within the community improvement project area, and to any other person to whom such an owner or tenant has assigned the right to receive a grant.

Assignee: is a person to whom an owner or tenant has legally assigned the right to receive a grant and/or loan pursuant to this CIP.

Base Rate: is the total amount of *municipal taxes* payable in the calendar year that City Council approves the financial incentives for the *eligible works*. The *Base Rate* may be reduced to reflect a *vacancy tax rebate* where such a rebate was issued for the previous tax year and the subject property, or a portion thereof, is vacant at the time of an application.

Catalyst Project: is a *development*, *redevelopment* or *adaptive reuse* of a building or property for a new use that is not one of the *eligible uses* in one of the *targeted sectors*, but results in the creation and/or retention of a significant number of *indirect jobs* in one or more of the *targeted sectors*. *Catalyst Projects* must demonstrate by way of a business plan:

- a minimum investment (i.e. *eligible costs*) that totals at least $250,000;
- the creation of 15 new permanent *jobs* as part of the *development*, *redevelopment* or *adaptive reuse* of a building or property, not including construction jobs; and,

- the creation and/or retention of a 50 *indirect jobs* in one or more of the *targeted sectors*.

Construction: is the erection or physical improvements of the whole or any part of a building or structure for the purpose of *development*, *redevelopment, rehabilitation* and/or *adaptive reuse.*

Development: is investment that results in the productive use of lands and/or buildings within the Community Improvement Project Area for the purpose of *eligible uses*, and includes but is not limited to new building *construction* or improvements made for the purposes of establishing or maintaining a business enterprise, or the expansion of existing buildings to realize more effective use of the land's potential.

Eligible Costs: are the costs related to *development*, *redevelopment, rehabilitation* and/or *adaptive reuse* of a building or property in conformity with this CIP and the *Planning Act, R.S.O. 1990, c. P.13.*

Eligible Use: is a use that meets the eligibility criteria of one or more of the financial incentive programs described by this CIP.

Eligible Works: includes all *development*, *redevelopment, rehabilitation* and/or *adaptive reuse* of a use that meets the eligibility criteria of one or more of the financial incentive programs described by this CIP.

Existing Business: is a business that is in operation and has a physical location within the boundaries of the City of Windsor on or before the date this CIP came into effect.

Indirect Jobs: are *jobs* that are created in related industries within the *targeted sectors* as a result of the *development*, *redevelopment* or *adaptive reuse* of the building or property.

Job: is a permanent full-time (minimum 35 hours per week) position created or retained directly or indirectly as a result of the *development*, *redevelopment*, *adaptive reuse* or *rehabilitation* of the building or property. It is a measure used in this CIP to evaluate the impact and benefits to be derived by the *development*, *redevelopment, rehabilitation* and/or *adaptive reuse* of a building or property (e.g. the number of *jobs* created and/or retained).

MPAC: is the Municipal Property Assessment Corporation established by the *Ontario Property Assessment Corporation Act*, 1997.

Municipal Taxes: is the City of Windsor (i.e. the municipal) portion of property taxes payable and does not include Educational portion payable to the Province.

Small Business: A business being carried on for gain or profit in one or more of the *targeted sectors*, with less than 50 employees for manufacturing businesses and less than 20 employees for non-manufacturing businesses.

Reassessment: is a change in assessed value or a change in the tax class, as determined *MPAC*, that results in an increase in property taxes.

Redevelopment: is *development* on properties that have been previously developed, or for the expansion, *rehabilitation* or *adaptive reuse* of an existing building, facility or operation. This can include the acquisition and wholesale changeover in the use of a large site or several smaller neighbouring sites, and may involve some land assembly or demolition activity.

Rehabilitation: is the returning of an existing building and/or land to a useful state by *adaptive reuse*, *development*, *redevelopment* and/or *construction*.

Retail Use: is the use of a building, property or part thereof for the retail sale of goods or merchandise, including the lease or rental of goods or merchandise.

Retrofit Works: are improvements and upgrades to a building's infrastructure to improve energy efficiency and performance (i.e. to reduce utility and/or maintenance costs).

Targeted Sectors: are sectors of the local economy that have been identified in this CIP in Section 4.2 as eligible for financial incentives and other community improvement activities described by Section 5.0.

Tax Increment: is the difference between the *base rate* at the time of City Council's approval of financial incentives for the project and the *municipal taxes* after the completion of the approved *eligible works*, occupancy and *reassessment* by *MPAC*. The tax increment will be calculated on an annual basis and will include increases and decreases resulting from tax rate changes and reassessments.

Vacancy Tax Rebate: is a tax rebate issued under section 364 of the Municipal Act.

4.2 Targeted Sectors and Uses

Section 2.2 of this Community Improvement Plan highlights the high value and/or growth sectors of the local economy that have been identified by the Windsor Essex Economic Development Corporation as instrumental in growing and diversifying the local economy.

Following this sector identification, the targeted employment uses (i.e. industries and firms) have been identified and defined in this CIP to provide direction to the financial incentive programs.

The financial incentive programs are designed to provide assistance in the form of annual grants to support the *development*, *redevelopment, rehabilitation* and/or *adaptive reuse* of properties and buildings for employment uses in *targeted sectors*. The *targeted sectors* and eligible employment uses are described below and summarized in Appendix 4.

Creative Industries

The Creative Industries sector includes those companies engaged in the production and distribution of products and services that have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.

Uses

Computer Software Developer: companies that design, write, modify and test computer software for the mass market.

Digital and Media Studios: companies that supply professional broadcast, production, multi-media and telecommunications solutions.

Museums: companies that preserve and exhibit objects of historical, cultural, and/or educational value.

Performing Arts Facility: a building, room, or outdoor structure for the presentation of plays, music, films, or other dramatic performances before a live audience. Also includes companies primarily engaged in organizing, promoting, and/or managing live performing arts productions and similar events held in facilities that they own, manage and/or operate. This does not include bars, taverns, nightclubs, or drinking places primarily engaged in preparing and serving alcoholic beverages for immediate consumption.

Health & Life Sciences

The Health & Life Sciences sector includes those companies that produce goods and services related to the health sector. It also includes companies that are engaged in the production and distribution of pharmaceutical, bio-technology product, or medical devices and/or scientific research and development related to the creation of products, processes and services designed to improve human health. Does not include activities related to patient health care such as doctor's offices, clinics, diagnostic labs or hospitals—except for businesses actively involved in physician recruitment.

Uses

Manufacturing: companies that manufacture goods related to the health sector.

Research and Development: companies, institutions and/or a part of a company that that exclusively provides research and development services for companies engaged in the manufacturing of goods related to the health sector.

Physician Recruitment: companies which demonstrate active physician recruitment within the City of Windsor and have a relationship (or relationships) with a post-graduate medical school.

Management of Companies and Enterprises

This sector comprises establishments primarily engaged in managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions.

Uses

Corporate Office: is a facility or building that is the permanent working location of senior level management employees primarily engaged in administering, overseeing, and managing other establishments of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decision making role of the company or enterprise.

Canadian Head Office: is a facility or building that is the permanent working location of the company's executives and senior level management that are primarily engaged in providing general management and/or administering, overseeing, and managing other establishments of the company or enterprise. A head office is only recognized as a production unit if it is located in a separate physical location than the rest of the company or enterprise.

Manufacturing

The Manufacturing sector includes companies engaged in the physical or chemical transformation of materials or substances into new products. Related activities, such as the assembly of the component parts of manufactured goods; the blending of materials; and the finishing of manufactured products are also treated as manufacturing activities.

Uses

Manufacturing: companies engaged in the fabricating, processing, assembling, packaging, producing or making goods or commodities, including ancillary repair, storage, wholesaling or office uses.

Aerospace Manufacturing: companies primarily engaged in manufacturing aircraft, missiles, space vehicles and their engines, propulsion units, auxiliary equipment, and parts thereof, including the major and minor maintenance, modifications, refurbishment and repairs of such.

Automobile Manufacturing: companies engaged in manufacturing cars, trucks, vehicle components and parts.

Professional Services

The Professional Services sector includes companies engaged in activities that supply industries in the *targeted sectors* with specialized knowledge, and the skills and expertise of their employees.

Uses

Business Incubator: is a facility or building that provides a flexible, affordable working space in combination with an array of business support resources and services intended to accelerate the successful launch and early development of start-up companies. A Business Incubator must

demonstrate to the satisfaction of the Municipality that its business model and services provided focus on one or more of the following:

- Creating jobs and wealth;
- Fostering Windsor's entrepreneurial climate;
- Technology transfer and commercialization;
- Building or accelerating growth of local industry clusters;
- Business creation and retention;
- Encouraging women or minority entrepreneurship;
- Identifying potential spin-in or spin-out business opportunities; and
- Contribute to community revitalization and economic diversification.

Computer Programming Services: companies that design, write, modify, test and support computer software to meet the needs of a particular customer.

Computer Systems Design Services: companies that plan and design computer systems that integrates computer hardware, software, and communication technologies. These establishments often install the system and train and support users of the system.

Industrial Design Services: companies that create and develop designs and specifications that optimize the function, value and appearance of products. These services can include the determination of the materials, construction, mechanisms, shape, colour, and surface finishes of the product, taking into consideration human needs, safety, market appeal and efficiency in production, distribution, use and maintenance.

Research and Development: companies and/or institutions that are primary focused on conducting original investigation, undertaken on a systematic basis to gain new knowledge (research) and the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes (development), including use of laboratory facilities used exclusively for these purposes.

Testing Laboratories: companies that perform physical, chemical, and other analytical testing services, such as acoustics or vibration testing, assaying, biological testing (except medical and veterinary), calibration testing, electrical and electronic testing, geotechnical testing, mechanical testing, non-destructive testing, or thermal testing. The testing may occur in a laboratory or on-site.

Renewable Energy and Related Technologies

The Renewable Energy and Related Technologies sector includes those companies that produce goods or services related to measuring, preventing, limiting or correcting environmental damage to water, air, soil, as well as problems related to waste, noise and eco-systems. The sector also includes companies developing or marketing resource-efficient technologies that reduce material inputs, energy consumption, emissions and waste, when compared to traditional technologies.

Uses

Cogeneration Facilities: companies that produce electricity and useful thermal energy (i.e. heat) simultaneously from a common fuel source.

Renewable Energy Power Generation: companies that operate electric power generation facilities that convert renewable forms of energy, such as solar, wind, or tidal power, into electrical energy. The electric energy produced in these establishments is provided to electric power

transmission systems or to electric power distribution systems. This does not include hydroelectric, fossil fuel, or nuclear facilities.

Manufacturing: companies that manufacture goods related to the Renewable Energy sector.

Research and Development: companies, institutions and/or a part of a company that exclusively provides research and development services for companies engaged in the manufacturing of goods related to the Renewable Energy sector.

Tourism

The Tourism sector includes those companies engaged selling products and services directly to travellers.

Uses

Tourist Attraction: a facility or complex aimed at providing entertainment and/or education to those who visit it, and that must demonstrate by way of a business plan:

- its long term financial viability without the need for ongoing municipal or Provincial subsidy for its operations; and
- its potential to draw a significant number of visitors to Windsor annually from both Windsor-Essex County and from outside of the region; or
- its ability to support attracting major events, conventions or meetings to Windsor.

Warehousing/Logistics

The Warehousing/Logistics sector includes companies that are primarily engaged in operating general merchandise, refrigerated and other warehousing and storage facilities. Often includes ancillary logistics services that can include labelling, breaking bulk, inventory control and management, light assembly, order entry and fulfillment, packaging, pick and pack, price marking and ticketing and transportation arrangement.

Uses

Warehouse: companies that provide buildings or facilities for storing large amounts of products (i.e. wares) on an interim basis prior to being shipped to retailers, wholesalers or manufacturers.

4.3 General Incentive Program Requirements

The general and program specific requirements are not necessarily exhaustive and the City reserves the right to include other requirements and conditions as deemed necessary on an *applicant* specific basis. All of the financial incentive programs contained in this CIP are subject to the following general requirements as well as the individual requirements specified under each program.

1. Application for any of the incentive programs contained in the CIP can be made only for properties within the Community Improvement Project Area.
2. "*Applicant*", unless otherwise specified, means a registered owner, assessed owner or tenant of lands and buildings within the Community Improvement Project Area, and any person to whom a registered owner, assessed owner or tenant of lands and buildings within the Community Improvement Project Area has assigned the right to receive a grant under this CIP.
3. If the *applicant* is not the owner of the property, the *applicant* must provide written consent from the owner of the property on the application.
4. *Applicants* must demonstrate to the satisfaction of the City, that financial incentives are necessary in order for the *development* or *redevelopment* to be economically viable, or to attract the company to Windsor, and that it is meeting one or more of the objectives of this CIP.

5. *Applicants* approved for the programs contained in the CIP will be required to complete the *eligible works* and have the property reassessed by *MPAC* within specified timeframes.
6. The *applicant* must address all outstanding work orders and/or other charges from the City (including tax arrears) against the subject property to the satisfaction of the municipality prior to the grant being paid, or be addressed as part of the proposed work.
7. Any *applicant* that is purchasing City owned property as part of the proposal must enter into a written agreement with the City stating that they will keep and maintain the land, building and the use in conformity with the Community Improvement Plan. The agreement will also include the specific details (amount, duration, performance expectations, legal remedies, etc) of the incentive programs that will be made available to development. The agreement entered into will be registered against the land to which it applies and the City will enforce the provisions of the agreement against any party to the agreement and all subsequent owners or tenants.

4.4 General Incentive Program Provisions

All projects that are approved for financial incentives are subject to the following terms and conditions, in addition to the individual provisions specified under each program.

1. Windsor City Council is the sole approval authority for all applications submitted under the financial incentive programs included in this CIP.
2. All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all provincial laws, municipal by-laws, policies, procedures, standards and guidelines, including applicable Official Plan and zoning requirements and approvals.
3. Grants will be made upon successful completion of the approved work and documentation of the *eligible costs* associated with the work. The City may undertake an audit of work done and *eligible costs* if it is deemed necessary, at the expense of the *applicant*.
4. City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City.
5. The City is not responsible for any costs incurred by an *applicant* in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant.
6. The total of all grants provided in respect of the particular lands and buildings of an *applicant* under the programs contained in the CIP shall not exceed *eligible costs* with respect to these lands and buildings.
7. Grants will not apply to any portion of the personal property, inventory or land purchase value of the project.
8. Incentive programs approved by City Council will take effect as of the date of City Council adoption and will not be applied retroactively to any work that has taken place prior to the adoption of the CIP or acceptance of a complete application for a financial incentive program.
9. City Council at its discretion may at any time discontinue a program; however, any participants in the program prior to its discontinuance will continue to receive grants as approved for their property in accordance with the agreement signed with the City of Windsor.
10. If the *applicant* is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved grant, and any grant amount paid will be recovered by the City.

11. If a building that was erected or improved with a program grant, is demolished prior to the expiry of the grant period, the grant is terminated and will be recovered by the City.
12. City has the right to perform annual inspections to ensure compliance with the agreement and make adjustments to the incentive levels to reflect the current situation in relation to the agreement signed with the City.
13. The financial incentive programs described in this CIP are designed to be funded by the *tax increment* generated by the *development*, *redevelopment*, *adaptive reuse* or *rehabilitation* according to the payment schedule outlined for each program; however, City Council, at its sole discretion, may evaluate an incentive application and decide on a case-by-case basis to adjust the level of the incentives (not to exceed the *eligible costs*), provide for an alternative payment schedule, and/or identify and use alternative sources of funding to pay the grants. Council will prepare additional implementation criteria and/or policies to assist with determining when one or more of these options may be necessary and/or desirable. Council modified incentives must comply with the eligibility criteria of the individual incentive program.
14. Financial incentives are available for the *eligible costs* of the *development*, *redevelopment*, *adaptive reuse* or *rehabilitation* of a building and/or property, and are not based on occupancy or changes in occupancy.
15. *Retail uses* will not be eligible for the financial incentive programs included in this CIP, unless they are clearly an *accessory use* to the primary *eligible use* and are carried on with the *eligible use* on the same property.

4.5 The Business Development Grant Program

Business Attraction is an economic development approach that aims to attract new business investment to the community by assisting in the relocation of new or existing businesses to the area.

The Windsor Essex Economic Development Corporation is responsible for Business Attraction on a regional level. This CIP is supportive of the Windsor Essex Economic Development Corporation's regional business attraction efforts and is to be used to make Windsor an attractive place to invest.

Purpose

The Business Development Grant Program is intended to provide financial incentive to stimulate new investment in targeted economic sectors for the purposes of expanding and diversifying Windsor's economy. The Business Development Grant Program will also apply to projects that demonstrate a major investment resulting in a significant positive impact on the local economy and workforce.

The Business Development Grant Program is aimed at attracting new businesses to the city through the *development* or *redevelopment* of buildings and properties in the Community Improvement Project area.

Description

The Business Development Grant Program will consist of a grant program, whereby new businesses will be eligible to receive a grant for a percentage of the *tax increment* generated from the investments made in the *development* or *redevelopment* of the building or property in conformity with this CIP.

Program Details

1. The *development* or *redevelopment* must result in a minimum of 50 new *jobs* for the manufacturing sector, or more than 20 *jobs* in the other *targeted sectors*.
2. The *applicant* will be required to submit a complete application to the City describing in detail the *development* or *redevelopment* that is planned. This may include reports, conceptual site plans, business plans, estimates, contracts and other details as may be required to satisfy the City with respect to and conformity of the project with the CIP. The application must be submitted to the City prior to City Council's approval of financial incentives for the project.
3. *Applicants* must demonstrate to the satisfaction of the City, that a Business Development Grant is necessary in order for the *development* or *redevelopment* to be economically viable, or to attract the company to Windsor, and that it is meeting one or more of the objectives of this CIP.
4. Business Development Grants are only available to uses that are readily identifiable with one of the following *targeted sectors*:

Sector	Permitted Uses
Creative Industries	• Computer Software Developer Digital and Media Studios • Museums • Performing Arts Facilities
Health & Life Sciences	• Manufacturing • Research and Development
Management of Companies and Enterprises	• Corporate Office • Head Office
Manufacturing	• All Manufacturing Uses
Professional Services	• Business Incubator • Computer Programming Services • Computer Systems Design Services • Industrial Design Services • Research and Development • Testing Laboratories
Renewable Energy and	• Cogeneration Facilities

Sector	Permitted Uses
Related Technology	• Renewable Energy Power Generation • Manufacturing • Research and Development
Tourism	• Tourist Attraction
Warehousing/Logistics	• Warehouse

5. *Accessory uses* that are exclusively devoted to the primary *eligible use* may be considered an *eligible use* for the purposes of the Business Development Grant Program.
6. In addition to the above noted permitted uses, a *catalyst project*, as defined by this CIP, may also be eligible for a Business Development Grant.
7. Business Development Grants are only available for the "*eligible costs*" specified below:
    - demolishing buildings;
    - *development* or *redevelopment* of a building or property, including improvements and expansion to an existing building;
    - *adaptive reuse*, building *rehabilitation* and *retrofit works*;
    - development application fees and building permit fees (includes application for Official Plan Amendment, Zoning By-law Amendment, Minor Variance or Permission, Consent, Site Plan Approval/Amendment/Modification/Termination, Plan of Subdivision/ Condominium, Condominium Conversion, Part Lot Control Exemption, Removal of the "H" Holding Symbol, Demolition Permit, and Building Permit);
    - upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities;
    - constructing/upgrading of any off-site improvement that is required to fulfill any condition of a development/planning approval (including Site Plan Control) for the *development*, *redevelopment, adaptive reuse* or *rehabilitation* of the building and/or property.
8. In addition to the costs listed above, the following costs associated with the promotion of energy efficient development will also be considered *eligible costs* for the purposes of the Business Development Grant Program:
    - base plan review by a certified LEED consultant;
    - preparing new working drawings to the LEED standard;
    - submitting and administering the constructed element testing and certification used to determine the LEED designation; and
    - increase in material/construction cost of LEED components over standard building code requirements.
9. Grants only remain in effect as long as the use(s) remain *eligible uses* as defined by this CIP.
10. Determination of compliance with the requirements of this program and the amount of the property's grant (within the permitted terms of this program) is at the discretion of and subject to City Council approval.
11. City Council, at its sole discretion, may evaluate an incentive application and decide on a case-by-case basis to adjust the level of the incentives or provide for an

alternative payment schedule to pay the Business Development Grant. Projects must still meet the eligibility requirements of the Business Development Grant Program and Council modified grants will not exceed the *eligible costs* of the *development* or *redevelopment, adaptive reuse* or *rehabilitation*.

12. The Business Development Grant Program may be passed on to subsequent owners for the amount and time left in the original grant payback period with City Council's approval. Subsequent owners will be required to enter into an agreement with the City that outlines the details of the remaining grant amount, eligibility and financial obligations.

Areas of Applicability

The Business Development Grant Program is applicable to the entire Community Improvement Project Area for projects that meet the program requirements for the program.

Grant Calculation

The amount of the grant will be determined based upon the incremental increase in the *municipal taxes* that result from the *eligible work* being completed. The *tax increment* will be established after the final inspection of the improvements in accordance with the Ontario Building Code and when *MPAC* has established a new assessment value. The total amount of the grant provided cannot exceed the value of the *eligible work* that resulted in the *reassessment*.

The payment schedule for the Business Development Grant will be as follows, or until the total of all grants that are provided in respect of the lands and buildings are equal to the approved *eligible costs:*

Year of Grant	Increment Percentage Rebated	Amount of Taxes Payable
1	100%	Base Rate
2	100%	Base Rate
3	100%	Base Rate
4	100%	Base Rate
5	100%	Base Rate
6	100%	Base Rate
7	100%	Base Rate
8	100%	Base Rate
9	100%	Base Rate
10	100%	Base Rate

The amount of the grant will be recalculated every year based on the *tax increment* for that particular year.

City Council, at its sole discretion, may approve any alternative payment schedule for the grant pursuant to Section 4.4 – item 13 of this CIP.

For *development* or *redevelopment* occurring in a mixed use building, the Business Development Grant will be calculated using *MPAC*'s method of apportioning the assessed value of mixed-use properties into different classes. Only assessed uses that are identified under the Program Details section will be eligible for a Business Development Grant.

Grant Payment

The *applicant* will be required to pay the full amount of property taxes owing for each year of the program's applicability and will receive a Business Development Grant for the amount of the *tax increment* after the final tax bills for each year have been collected, provided all other eligibility criteria and conditions continue to be met. Grants will not be applied as tax credits against property tax accounts. If the tax bill is not paid in full, the City will cancel all future grants and collect past grants made as part of this program.

In case of an assessment appeal, the City reserves the right to withhold any forthcoming Business Development Grant payments pending final disposition of the appeal. If necessary, the grant will be adjusted and paid once a decision regarding the appeal is rendered.

This program does not exempt property owners from an increase in *municipal taxes* due to a general tax rate increase or a change in assessment for any other reason after the *eligible work* has been completed.

Grant Adjustments

The City of Windsor reserves the right to adjust the amount of the Business Development Grant to reflect:

- A decrease in the level of investment and/or number of *jobs* that were used in the original business case to support the application for a Business Development Grant;
- How well the proposed *development* or *redevelopment* meets the objectives outlined in this CIP;
- The amount of all rebates of *municipal taxes* paid to the applicant following the commencement of the grant program, including property tax rebates to reflect vacancy, charitable status, heritage status, etc; and,
- The reduction of *municipal taxes* payable resulting from a successful assessment appeal.

Other Funding

Developments occurring on a Brownfield, as defined by the City of Windsor Brownfield Redevelopment Community Improvement Plan, are permitted to take advantage of Brownfield Financial Incentive Programs to recover the costs of studying and remediating the property to an acceptable standard for the proposed end use.

In accordance with the *Planning Act*, the total of the Business Development Grant and any other property tax assistance, grants and loans provided by the City in relation to this, or any other CIP, cannot exceed the approved *eligible costs* for all approved incentive programs.

4.6 The Business Retention and Expansion Grant Program

Business Retention and Expansion (BR&E) is an economic development strategy that focuses on the retention and/or expansion of existing businesses. In part, its intended outcome is to create an environment that allows existing businesses to continue to operate effectively and to grow in Windsor, where they are currently located.

Purpose

The Business Retention and Expansion Grant Program is intended to provide financial incentive to encourage existing businesses to make new capital investment in targeted economic sectors for the purposes of expanding and diversifying the local economy. The Business Retention and Expansion Grant Program will also apply to projects that demonstrate a significant investment resulting in the retention and/or expansion of high value industries and jobs.

Description

The Business Retention and Expansion Grant Program consists of a grant program, whereby existing businesses are eligible to receive a grant for a percentage of the *tax increment* generated from the investments made in the *development* or *redevelopment* of the building or property in conformity with this CIP.

Program Details

1. The *development* or *redevelopment* must result in a minimum of 50 new *jobs* and/or the retention of 50 existing *jobs* for the manufacturing sector, or more than 20 new and/or the retention of 35 existing *jobs* in the other *targeted sectors*.
2. The *applicant* will be required to submit a complete application to the City describing in detail the *development* or *redevelopment* that is planned. This may include reports, conceptual site plans, business plans, estimates, contracts and other details as may be required to satisfy the City with respect to and conformity of the project with the CIP. The application must be submitted to the City prior to City Council's approval of financial incentives for the project.
3. *Applicants* must demonstrate to the satisfaction of the City that a Business Retention and Expansion Grant is necessary in order for the *development* or *redevelopment* to be economically viable and meet one or more of the objectives of this CIP.
4. Business Retention and Expansion Grants are only available to uses that are readily identifiable with one of the following *targeted sectors*:

Sector	Permitted Uses
Creative Industries	• Computer Software Developer Digital and Media Studios • Museums • Performing Arts Facilities
Health & Life Sciences	• Manufacturing • Research and Development
Management of Companies and Enterprises	• Corporate Office • Head Office
Manufacturing	• All Manufacturing Uses
Professional Services	• Business Incubator • Computer Programming Services • Computer Systems Design Services • Industrial Design Services • Research and Development • Testing Laboratories
Renewable Energy and Related Technology	• Cogeneration Facilities • Renewable Energy Power Generation • Manufacturing

Sector	Permitted Uses
	• Research and Development
Tourism	• Tourist Attraction
Warehousing/Logistics	• Warehouse

5. In addition to the above noted permitted uses, a *catalyst project*, as defined by this CIP, may also be eligible for a Business Retention and Expansion Grant Program.
6. *Accessory uses* that are exclusively devoted to the primary *eligible use* may be considered an *eligible use* for the purposes of the Business Retention and Expansion Grant Program.
7. Business Retention and Expansion Grants are only available for the "*eligible costs*" specified below:
    - demolishing buildings;
    - *development* or *redevelopment* of a building or property;
    - expansion of an existing building or facility;
    - *adaptive reuse*, building *rehabilitation* and *retrofit works*;
    - development application fees and building permit fees (includes application for Official Plan Amendment, Zoning By-law Amendment, Minor Variance or Permission, Consent, Site Plan Approval/Amendment/Modification/Termination, Plan of Subdivision/ Condominium, Condominium Conversion, Part Lot Control Exemption, Removal of the "H" Holding Symbol, Demolition Permit, and Building Permit);
    - upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities;
    - constructing/upgrading of any off-site improvement that is required to fulfill any condition of a development/planning approval (including Site Plan Control) for the *development*, *redevelopment, adaptive reuse* or *rehabilitation* of the building and/or property.
8. In addition to the costs listed above, the following costs associated with the promotion of energy efficient development will also be considered *eligible costs* for the purposes of the Business Retention and Expansion Grant Program:
    - base plan review by a certified LEED consultant;
    - preparing new working drawings to the LEED standard;
    - submitting and administering the constructed element testing and certification used to determine the LEED designation; and
    - increase in material/construction cost of LEED components over standard building code requirements.
9. Grants only remain in effect as long as the use(s) remain *eligible uses* as defined by this CIP.
10. Determination of compliance with the requirements of this program and the amount of the property's grant (within the permitted terms of this program) is at the discretion of and subject to City Council approval.
11. City Council, at its sole discretion, may evaluate an incentive application and decide on a case-by-case basis to

adjust the level of the incentives or provide for an alternative payment schedule to pay the Business Retention and Expansion Grant. Projects must still meet the eligibility requirements of the Business Retention and Expansion Grant Program and Council modified grants will not exceed the *eligible costs* of the *development* or *redevelopment, adaptive reuse* or *rehabilitation*.

12. The Business Retention and Expansion Grant Program may be passed on to subsequent owners for the amount and time left in the original grant payback period with City Council's approval. Subsequent owners will be required to enter into an agreement with the City that outlines the details of the remaining grant amount, eligibility and financial obligations.

Areas of Applicability

The Business Retention and Expansion Grant Program is applicable to the entire Community Improvement Project Area for projects that meet the eligibility requirements for the program.

Grant Calculation

The amount of the grant will be determined based upon the incremental increase in the *municipal taxes* that result from the *eligible work* being completed. The *tax increment* will be established after the final inspection of the improvements in accordance with the Ontario Building Code and when *MPAC* has established a new assessment value. The total amount of the grant provided cannot exceed the value of the *eligible work* that resulted in the *reassessment*.

The payment schedule for the Business Retention and Expansion Grant will be as follows, or until the total of all grants that are provided in respect of the lands and buildings are equal to the approved *eligible costs:*

Year of Grant	Increment Percentage Rebated	Amount of Taxes Payable
1	100%	Base Rate
2	100%	Base Rate
3	100%	Base Rate
4	100%	Base Rate
5	100%	Base Rate
6	100%	Base Rate
7	100%	Base Rate
8	100%	Base Rate
9	100%	Base Rate
10	100%	Base Rate

The amount of the grant will be recalculated every year based on the *tax increment* for that particular year.

City Council, at its sole discretion, may approve any alternative payment schedule for the grant pursuant to Section 4.4 – item 13 of this CIP.

For *development* or *redevelopment* occurring in a mixed use building, the Business Retention and Expansion Grant will be calculated using *MPAC*'s method of apportioning the assessed value of mixed-use properties into different classes. Only assessed uses that are identified under the Program Details section will be eligible for a Business Retention and Expansion Grant.

Grant Payment

The *applicant* will be required to pay the full amount of property taxes owing for each year of the program's applicability and will receive a Business Retention and Expansion Grant for the amount of the *tax increment* after the final tax bills for each year have been collected, provided all other eligibility criteria and conditions continue to be met. Grants will not be applied as tax credits against property tax accounts. If the tax bill is not paid in full, the

City will cancel all future grants and collect past grants made as part of this program.

In case of an assessment appeal, the City reserves the right to withhold any forthcoming Business Retention and Expansion Grant payments pending final disposition of the appeal. If necessary, the grant will be adjusted and paid once a decision regarding the appeal is rendered.

This program does not exempt property owners from an increase in *municipal taxes* due to a general tax rate increase or a change in assessment for any other reason after the *eligible work* has been completed.

Grant Adjustments

The City of Windsor reserves the right to adjust the amount of the Business Retention and Expansion Grant to reflect:

- A decrease in the level of investment and/or number of *jobs* that were used in the original business case to support the application for a Business Retention and Expansion Grant;
- How well the proposed *development* or *redevelopment* meets the objectives outlined in this CIP;
- The amount of all rebates of *municipal taxes* paid to the applicant following the commencement of the grant program, including property tax rebates to reflect vacancy, charitable status, heritage status, etc; and,
- The reduction of *municipal taxes* payable resulting from a successful assessment appeal.

Other Funding

Developments occurring on a Brownfield, as defined by the City of Windsor Brownfield Redevelopment Community Improvement Plan, are permitted to take advantage of Brownfield Financial Incentive Programs to recover the costs of studying and remediating the property to an acceptable standard for the proposed end use.

In accordance with the *Planning Act*, the total of the Business Retention and Expansion Grant and any other property tax assistance, grants and loans provided by the City in relation to this, or any other CIP, cannot exceed the approved *eligible costs* for all approved incentive programs.

4.7 The Small Business Investment Grant Program

Small businesses represent an important part of the local economy. They create jobs and contribute to the Windsor's 'culture of innovation' by being flexible, adaptable and making significant contributions to the value chain of the larger firms that they interact with. Consequently, the Small Business Investment Program will focus on export-oriented start-ups, innovative new businesses, and the creation of a supportive local business incubation environment.

Purpose

The Small Business Investment Grant Program is intended to provide financial incentive to stimulate new investment in small businesses in the targeted economic sectors for the purposes of expanding and diversifying the local economy.

Description

The Small Business Investment Program will consist of a grant program, whereby new businesses or existing businesses that are expanding will be eligible to receive a grant for a percentage of the *tax increment* generated from the investments made in the *development* or *redevelopment* of the building or property in conformity with this CIP.

Program Details

1. Small Business Investment grants are only available to small businesses that have less than 50 employees for the manufacturing sector or less than 20 employees in the other *targeted sectors*.
2. The *eligible costs* are projected to result in a minimum $25,000 increase in assessed value after the *eligible work* has been completed and the property reassessed by *MPAC*.
3. The *applicant* will be required to submit a complete application to the City describing in detail the *development* or *redevelopment* that is planned. This may include reports, conceptual site plans, business plans, estimates, contracts and other details as may be required to satisfy the City with respect to and conformity of the project with the CIP. The application must be submitted to the City prior to City Council's approval of financial incentives for the project.
4. *Applicants* must demonstrate to the satisfaction of the City that a Small Business Investment Grant is necessary in order for the *development* or *redevelopment* to be economically viable, or to attract the company to Windsor, and that it is meeting one or more of the objectives of this CIP.
5. Small Business Investment Grants are only available to uses that are readily identifiable with one of the following *targeted sectors*:

Sector	Permitted Uses
Creative Industries	• Computer Software Developer Digital and Media Studios • Museums • Performing Arts Facilities
Health & Life Sciences	• Manufacturing • Research and Development
Management of Companies and Enterprises	• Corporate Office • Head Office
Manufacturing	• All Manufacturing Uses
Professional Services	• Business Incubator • Computer Programming Services • Computer Systems Design Services • Industrial Design Services • Research and Development • Testing Laboratories
Renewable Energy and Related Technology	• Cogeneration Facilities • Renewable Energy Power

Sector	Permitted Uses
	Generation • Manufacturing • Research and Development
Tourism	• Tourist Attraction
Warehousing/Logistics	• Warehouse

6. Small Business Investment Grants are only available for the "*eligible costs*" specified below:
    - demolishing buildings;
    - *development* or *redevelopment* of a building or property;
    - *adaptive reuse*, building *rehabilitation* and/or *retrofit works*, including contextually sensitive facade improvements that are approved by the City Planner;
    - development application fees and building permit fees (includes application for Official Plan Amendment, Zoning By-law Amendment, Minor Variance or Permission, Consent, Site Plan Approval/Amendment/Modification/Termination, Plan of Subdivision/ Condominium, Condominium Conversion, Part Lot Control Exemption, Removal of the "H" Holding Symbol, Demolition Permit, and Building Permit);
    - upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities;
    - constructing/upgrading of any off-site improvement that is required to fulfill any condition of a development/planning approval (including Site Plan Control) for the *development*, *redevelopment, adaptive reuse* or *rehabilitation* of the building and/or property.
7. In addition to the costs listed above, the following costs associated with the promotion of energy efficient development will also be considered *eligible costs* for the purposes of the Small Business Investment Program:
    - base plan review by a certified LEED consultant;
    - preparing new working drawings to the LEED standard;
    - submitting and administering the constructed element testing and certification used to determine the LEED designation; and
    - increase in material/construction cost of LEED components over standard building code requirements.
8. Grants only remain in effect as long as the use(s) remain *eligible uses* as defined by this CIP.
9. Determination of compliance with the requirements of this program and the amount of the property's grant (within the permitted terms of this program) is at the discretion of and subject to City Council approval.
10. City Council, at its sole discretion, may evaluate an incentive application and decide on a case-by-case basis to adjust the level of the incentives or provide for an alternative payment schedule to pay the Small Business Investment Grant. Projects must still meet the eligibility requirements of the Small Business Investment Grant Program and Council modified grants will not exceed the *eligible costs* of the *development* or *redevelopment, adaptive reuse* or *rehabilitation*.

11. The Small Business Investment Grant may be passed on to subsequent owners for the amount and time left in the original grant payback period with City Council's approval. Subsequent owners will be required to enter into an agreement with the City that outlines the details of the remaining grant amount, eligibility and financial obligations.

Areas of Applicability

The Small Business Investment Grant Program is applicable to the entire Community Improvement Project Area for projects that meet the eligibility requirements for the program.

Grant Calculation

The amount of the grant will be determined based upon the incremental increase in the *municipal taxes* that result from the *eligible work* being completed. The *tax increment* will be established after the final inspection of the improvements in accordance with the Ontario Building Code and when *MPAC* has established a new assessment value. The total amount of the grant provided cannot exceed the value of the *eligible work* that resulted in the *reassessment*.

The payment schedule for the Small Business Investment Grant will be as follows, or until the total of all grants that are provided in respect of the lands and buildings are equal to the approved *eligible costs:*

Year of Grant	Increment Percentage Rebated	Amount of Taxes Payable
1	100%	Base Rate
2	100%	Base Rate
3	100%	Base Rate
4	100%	Base Rate
5	100%	Base Rate
6	100%	Base Rate
7	100%	Base Rate
8	100%	Base Rate
9	100%	Base Rate
10	100%	Base Rate

The amount of the grant will be recalculated every year based on the municipal *tax increment* for that particular year.

City Council, at its sole discretion, may approve any alternative payment schedule for the grant pursuant to Section 4.4 – item 13 of this CIP.

For *development* or *redevelopment* occurring in a mixed use building, the Small Business Investment Grant will be calculated using *MPAC*'s method of apportioning the assessed value of mixed-use properties into different classes. Only assessed uses that are identified under the Program Details section will be eligible for a Small Business Investment Grant.

Grant Payment

The *applicant* will be required to pay the full amount of property taxes owing for each year of the program's applicability and will receive a Small Business Investment Grant for the amount of the *tax increment* after the final tax bills for each year have been collected, provided all other eligibility criteria and conditions continue to be met. Grants will not be applied as tax credits against property tax accounts. If the tax bill is not paid in full, the

City will cancel all future grants and collect past grants made as part of this program.

In case of an assessment appeal, the City reserves the right to withhold any forthcoming Small Business Investment Grant payments pending final disposition of the appeal. If necessary, the grant will be adjusted and paid once a decision regarding the appeal is rendered.

This program does not exempt property owners from an increase in *municipal taxes* due to a general tax rate increase or a change in assessment for any other reason after the *eligible work* has been completed.

Grant Adjustments

The City of Windsor reserves the right to adjust the amount of the Small Business Investment Grant to reflect**:**

- A decrease in the level of investment and/or number of *jobs* that were used in the original business case to support the application for a Business Development Grant;
- How well the proposed *development* or *redevelopment* meets the objectives outlined in this CIP;
- The amount of all rebates of *municipal taxes* paid to the applicant following the commencement of the grant program, including property tax rebates to reflect vacancy, charitable status, heritage status, etc; and,
- The reduction of *municipal taxes* payable resulting from a successful assessment appeal.

Other Funding

Developments occurring on a Brownfield, as defined by the City of Windsor Brownfield Redevelopment Community Improvement Plan, are permitted to take advantage of Brownfield Financial Incentive Programs to recover the costs of studying and remediating the property to an acceptable standard for the proposed end use.

In accordance with the *Planning Act*, the total of the Small Business Investment Grant and any other property tax assistance, grants and loans provided by the City in relation to this, or any other CIP, cannot exceed the approved *eligible costs* for all approved incentive programs.

4.8 Development Charges Grant Program

Development Charges are municipal levies against new development to finance the growth-related capital costs associated with meeting the service requirements of development. The underlying intent of development charges is that growth pays for growth and that the financing of capital costs of servicing new growth does not place a burden on existing taxpayers. Growth-related capital costs are costs incurred by the Municipality as a result of expanding the capacity of municipal services to meet the needs of new development.

Purpose

The Development Charges Grant Program is intended to provide financial incentive to stimulate investment in targeted economic sectors for the purposes of expanding and diversifying the local economy. The Development Charges Grant Program is aimed at attracting new businesses to the city and the expansion of existing businesses through the *development*, *redevelopment, rehabilitation* or *adaptive reuse* of buildings and properties in the Community Improvement Project area.

Description

The Development Charges Grant Program will consist of a grant program, whereby businesses will be eligible to receive a grant for a percentage of the Development Charges owing from the *development* or *redevelopment* of a building(s) or property in conformity with this CIP.

Program Requirements

1. The Development Charges Grant Program will consist of a grant program, whereby registered property owners and/or assignees will be eligible to receive a grant for 100% of the development charges paid.
2. The *applicant* will be required to submit a complete application for either the *Business Development Grant Program*, *Business Retention and Expansion Grant Program* or the *Small Business Investment Program* prior to City Council's approval of financial incentives for the project. The City will review the application to ensure that the improvements are eligible for a Development Charges Grant Program.
3. Projects are also required to be in compliance with all City by-laws and policies, including zoning and building regulations.
4. The subject property shall not be in a position of property tax arrears. If the tax bill is not paid in full, the City will cancel all future grants and collect past grants made as part of this program.
5. The City will collect the full amount of Development Charges owed for the proposed development at the time of Building Permit application and will issue the Development Charges Grant after the final inspection has been conducted by the Building Department.
6. The grant will be forfeited and repaid to the City if the property is demolished or altered in a manner that does not comply with this CIP before the grant period elapses.
7. A Development Charges Grant may be received by a property owner and/or assignee in combination with any other municipal program offered by this Community Improvement Plan. However, in accordance with the *Planning Act*, the total of the Development Charges Grant and any other property tax assistance, grants and loans provided by the City in relation to this, or any other CIP, cannot exceed the approved *eligible costs* for all approved incentive programs.

Areas of Applicability

The Development Charges Grant Program is applicable to the entire Community Improvement Project Area for projects that meet the eligibility criteria for the *Business Development Grant*

Program, Business Retention and Expansion Grant Program, or the *Small Business Investment Program* and that are required to pay Development Charges to the City.

Grant Calculation

The amount of the grant will be determined based upon the total amount of Development Charges owing after all exemptions, reductions and credits are applied in accordance with the Development Charges By-law 70-2010.

Grant Payment

The City will collect the full amount of Development Charges owing at the time of Building Permit issuance and issue to the *applicant* a grant worth 100% of the amount paid to City for Development Charges after final inspection of the building.

Other Funding

Developments occurring on a Brownfield, as defined by the City of Windsor Brownfield Redevelopment Community Improvement Plan, are permitted to take advantage of Brownfield Financial Incentive Programs to recover the costs of studying and remediating the property to an acceptable standard for the proposed end use.

Additionally, projects that meet the program requirements for the *Business Development Grant Program, Business Retention and Expansion Grant Program*, or the *Small Business Investment Program* and the Brownfields Development Charge Exemption Program (offered through the Brownfield Redevelopment Community Improvement Plan) are eligible for a grant for 100% of all Development Charges paid once all credits and reductions have been applied through both the City of Windsor Development Charges By-law and the City of Windsor Brownfields Development Charge Exemption Program.[7]

However, in accordance with the *Planning Act*, the total of the Development Charges Grant and any other property tax assistance, grants and loans provided by the City in relation to this, or any other CIP, cannot exceed the approved *eligible costs* for all approved incentive programs.

[7] The City of Windsor Brownfields Development Charge Exemption Program is a financial incentive program that is offered through the City of Windsor Brownfield Redevelopment Community Improvement Plan. It allows for a reduction of up to 60% of Development Charges owing for eligible brownfield properties.

5.0 OTHER COMMUNITY IMPROVEMENT ACTIVITIES AND ACTIONS

In addition to the financial incentive programs outlined in this CIP, the Planning Act also permits the municipality to undertake the following community improvement activities:

a) Acquire, hold, clear, grade or otherwise prepare land for community improvement;

b) Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan; and,

c) Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan.

5.1 Property Acquisition

The City of Windsor may facilitate the assembly of land within the city boundaries in conformity with the Community Improvement Plan. Additionally, the City of Windsor may acquire, hold, clear, grade or otherwise prepare the land for community improvement as defined by this CIP.

The principal reason for acquisition is to improve and secure the economic well-being of the local economy by asserting an elevated level of control over the acquisition and consolidation of sites suitable for employment uses or that furthers the objectives of this CIP.

Additionally, the City of Windsor may choose to construct, repair, rehabilitate or improve buildings on land acquired or held by it to further the objectives of this CIP.

5.2 Property Disposition

The City of Windsor may dispose of municipally owned land or buildings within the Community Improvement Project Area in conformity with the Community Improvement Plan. Additionally, the City of Windsor may sell, lease, or otherwise dispose of any land and buildings acquired or held by it provided the end use of the property and/or buildings remains in conformity with this CIP.

The City of Windsor may choose to dispose of municipally owned property or buildings at less than market value in order to facilitate the *development*, *redevelopment* or *adaptive reuse* of the property and/or buildings.

Municipally owned property that is disposed of for the purpose of meeting one or more of the objectives of this CIP, whether at market value or less, is subject to the following requirements:

1. All disposition of municipal land must be done so in compliance with the "Dealings With Real Property Policy" that was adopted by By-law 247-2007;
2. City Council, with recommendations from City Administration, will determine the percentage below market value, if any, that the City will sell the property for based on the benefit to the public generated by the project, as determined by City Council.
3. The actual percentage below market value will be determined by City Council with the difference between market value (as determined by an independent appraiser) and the amount paid (i.e. the amount less than market value) applied to the total amount of incentives a project may be eligible for. The total amount of the incentives provided by the municipality, either individually or collectively, cannot exceed the *eligible costs*.
4. As required by the *Planning Act* the purchaser of City owned property will be required to enter into a written agreement with the City stating that they will keep and maintain the land, building and the use in conformity with the Community Improvement Plan. The agreement entered into above will be registered against the land to which it applies and the City will enforce the provisions of

the agreement against any party to the agreement and, subject to the provisions of the *Registry Act and the Land Titles Act*, against any and all subsequent owners or tenants of the land.

5. Projects are also required to be in compliance with the City's other by-laws and policies, including zoning and building regulations.

5.3 Ensuring an Adequate Supply of Employment Land

The availability of a suitable range of serviced employment lands is a key site selection factor that companies consider in selecting a community for relocation or expansion. The Provincial Policy Statement (PPS) acknowledges the importance of having an adequate supply of land for employment uses and the infrastructure that supports it. The PPS requires municipalities to promote economic development and competitiveness by:

- providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;
- planning for, protecting and preserving employment areas for current and future uses; and
- ensuring the necessary infrastructure is provided to support current and projected needs.

The City of Windsor plays a critical role in ensuring that there is an adequate supply of "shovel ready" employment lands. This includes land that is designated and zoned to allow for a wide range of employment uses. Currently, the supply of "shovel-ready" employment land located within the city's borders is limited. However, through the expansion of the municipal boundaries in 2003, the City has ensured that its long term employment land needs will be met.

However, much work still needs to be done in order to move this land along to the "shovel-ready" stage, including preparing the Official Plan Amendments designating employment lands and coordinating servicing of the land. The development of "shovel-ready" employment land in the Sandwich South Planning Area will continue to be priority for the City.

The incentives, activities and actions outlined in this CIP will be used to support and facilitate the provision of a suitable range of serviced employment lands through the development of new employment areas and the redevelopment of existing ones.

5.4 Encouraging Brownfield Redevelopment

One important approach to providing an adequate supply of serviced employment land is to encourage the redevelopment of properties where previous use(s) have caused environmental contamination which will need to be properly addressed before redevelopment can occur, otherwise known as 'brownfields.'

By adopting the comprehensive Brownfield Redevelopment Strategy and Community Improvement Plan (CIP), the City has created brownfield supportive planning policies, financial incentive programs, and a municipal leadership strategy where the City will take a leadership role in order to realize the benefits of brownfield redevelopment.

Consequently, the City of Windsor is offering a number of attractive incentive programs designed to recover the costs of studying and remediating the property to an acceptable standard for the proposed end use. These incentives include grants and tax assistance to encourage activities such as feasibility studies, environmental studies, environmental remediation, building rehabilitation, infrastructure upgrading, and even the construction of energy efficient "green" buildings.

The City will encourage, where it is feasible to do so, the redevelopment of Brownfield sites as a location for the employment uses identified in this CIP. Accordingly, the City will make the financial incentives offered through the City of Windsor Brownfield Redevelopment Community Improvement Plan available in conjunction with the financial incentive programs outlined in this CIP, the total of all of the incentives provided by the municipality, either individually or collectively, not exceeding the *eligible costs*.

5.5 Development Streamlining

For major development applications, the City will actively explore procedural and other development incentives such as, scheduling extra or single-agenda-item City Council meetings, as well as assigning administrative staff dedicated to expedite the review and processing of major development applications that are in conformity with the Community Improvement Plan.

6.0 MONITORING PROGRAM

The performance and impact of the incentive programs will be monitored to ensure that the purpose and objectives of the Economic Revitalization CIP are successfully being met.

6.1 Purpose of the Monitoring Program

The collection and analysis of information is intended to monitor:

- Funds dispersed through the CIP incentive programs by program type so as to determine which programs are being most utilized;
- The economic impact associated with projects taking advantage of the CIP incentive programs in order to determine the leverage ratio of private sector investment being leveraged by public sector investment;
- The net gain (or loss) of jobs in Windsor's economy within the targeted sectors; and,
- Feedback from users of the incentive programs so that adjustments can be made to the incentive programs over time as necessary.

6.2 Data Collection

The following program-specific information should be collected on an ongoing basis:

Business Development Grant Program

- Number of applications
- Number of jobs created
- Increase in assessed value of participating properties
- Estimated and actual amount of grants provided
- Hectares/acres of land developed or redeveloped
- Industrial/commercial space (sq.ft.) constructed or rehabilitated
- Value of private sector investment leveraged
- Number of program defaults

Business Retention and Expansion Grant Program

- Number of applications
- Number of jobs created/retained
- Increase in assessed value of participating properties
- Estimated and actual amount of grants provided
- Hectares/acres of land developed or redeveloped
- Industrial/commercial space (sq.ft.) constructed or rehabilitated
- Value of private sector investment leveraged
- Number of program defaults

Small Business Investment Grant Program

- Number of applications
- Number of jobs created/retained
- Increase in assessed value of participating properties
- Estimated and actual amount of grants provided
- Hectares/acres of land developed or redeveloped
- Industrial/commercial space (sq.ft.) constructed or rehabilitated
- Value of private sector investment leveraged
- Number of program defaults

Development Charges Rebate Program

- Amount of Development Charges rebated

6.3 CIP Review and Program Adjustments

Progress on implementation and the monitoring results of the incentive programs described above will be reported to City Council on an annual basis.

A comprehensive analysis of information collected will be presented to Council at the five year anniversary of the CIP coming into effect. This analysis will be accompanied by recommendations relating to the following matters (at a minimum):

- Continuation or repeal of the entire Economic Revitalization CIP;
- Revisions to the targeted economic sectors;
- Discontinuation or addition of programs contained within the CIP; and
- Minor adjustments to the program details, terms or requirements of programs contained within the CIP.

6.4 Requirement for CIP Amendment

Minor revisions to the CIP, including the adjustment of terms and requirements of any of the programs, addition of eligible uses under any of the existing targeted sectors (provided the use reasonably fits within the sector) , or discontinuation of any of the programs contained in the CIP, may be undertaken without amendment to the CIP. Such minor changes or discontinuation of programs will be provided to the Minister of Municipal Affairs and Housing for information purposes only.

The addition of any new programs, addition of new targeted sectors, significant changes to eligibility criteria, or changes to the CIP that would substantially increase funding provided by existing financial incentives will require a formal amendment to the CIP in accordance with Section 28 of the Planning Act.

APPENDIX 1: Notice of Motion – August 9, 2010

Moved by Mayor Francis, seconded by Councillor Postma – **M232-2010**

WHEREAS the Provincial Policy Statement requires that Planning Authorities promote economic development and competitiveness by providing for an appropriate mix and range of employment uses to meet long-term needs of the community and to provide opportunities to diversify the local economic base; and

WHEREAS Windsor's Community Strategic Plan (2006) includes an objective to "Grow Business" by cultivating a positive and diverse economic environment for business growth; and

WHEREAS the City of Windsor is committed to promoting economic development and competitiveness by encouraging the diversification of the city's economic base and the creation of jobs; and

WHEREAS Section 28(2) of the Planning Act, R.S.O. 1990, as amended, provides that where there is an official plan in effect in a local municipality that contains provisions relating to community improvement in the municipality, the council of the municipality may, by by-law, designate all or any part of an area covered by such an official plan as a community improvement project area; and

WHEREAS the Corporation has an Official Plan in effect which contains provisions relating to community improvement; and

WHEREAS it is deemed desirable to designate the entire City of Windsor as a community improvement project area and prepare a Community Improvement Plan for the purposes of diversifying the local economy and generating job creation;

THEREFORE BE IT RESOLVED that the City Planner be directed to prepare the necessary by-law to designate the entire municipal boundary a Community Improvement Project Area; and

BE IT FURTHER RESOLVED that the City Planner be directed to prepare a Community Improvement Plan for the purposes of diversifying the local economy and encouraging job creation.

Carried.

APPENDIX 2: Community Improvement Project Area

B Y - L A W N U M B E R 129-2010

A BY-LAW TO DESIGNATE THE WHOLE GEOGRAPHIC AREA OF THE CITY OF WINDSOR AS THE LOCAL ECONOMIC DIVERSIFICATION COMMUNITY IMPROVEMENT PROJECT AREA

Passed the 23rd day of August 2010.

WHEREAS Section 28(2) of the Planning Act, R.S.O. 1990, as amended, provides that where there is an official plan in effect in a local municipality that contains provisions relating to community improvement in the municipality, the council of the municipality may, by by-law, designate all or any part of an area covered by such an official plan as a community improvement project area;

AND WHEREAS the Corporation has an official plan in effect which contains provisions relating to community improvement;

AND WHEREAS it is deemed desirable to designate the entire City of Windsor as a community improvement project area;

THEREFORE the Council of the Corporation of the City of Windsor enacts as follows:

1. The whole geographic area of the City of Windsor, as described in Schedule "A" attached hereto and forming part of this by-law, is designated the "Local Economic Diversification Community Improvement Project Area".

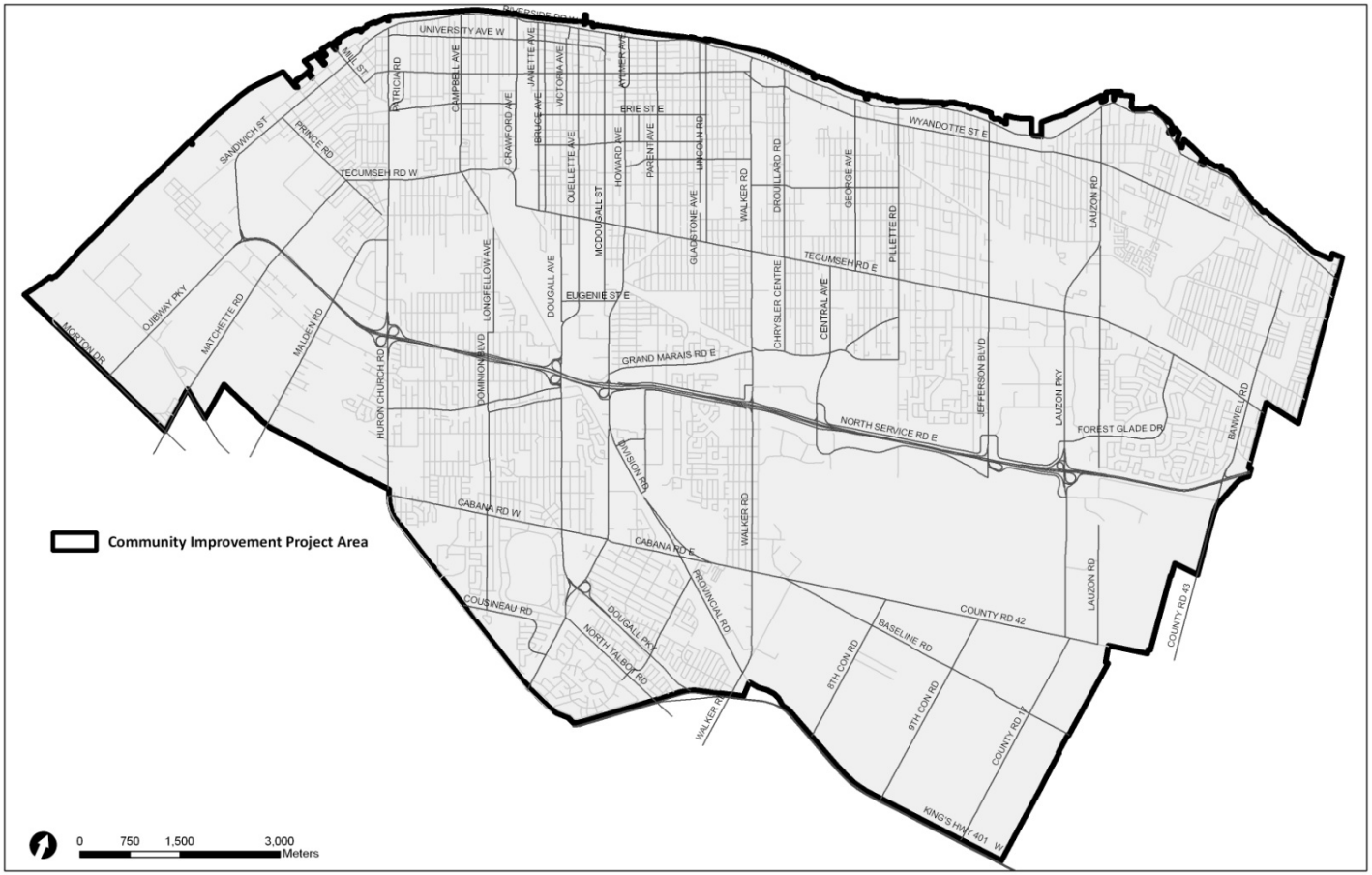
EDDIE FRANCIS, MAYOR

CLERK

First Reading	-	August 23, 2010
Second Reading	-	August 23, 2010
Third Reading	-	August 23, 2010

SCHEDULE 'A' to BY-LAW NO. 129-2010

Local Economic Diversification Community Improvement Project Area



APPENDIX 3: Adopting By-law

B Y - L A W N U M B E R 30-2011

A BY-LAW TO ADOPT THE ECONOMIC REVITALIZATION COMMUNITY IMPROVEMENT PLAN FOR THE LOCAL ECONOMIC DIVERSIFICATION COMMUNITY IMPROVEMENT PROJECT AREA

Passed the 14th day of February, 2011.

WHEREAS Sections 28 and 17 of The Planning Act, R.S.O. 1990, Chapter P.13, as amended, provide for the designation of a Community Improvement Project Area and for the adoption of a Community Improvement Plan therefore;

AND WHEREAS by By-law Number 129-2010 passed the 23rd day of August 2010, the Council of The Corporation of the City of Windsor designated entire City of Windsor as a Community Improvement Project Area;

AND WHEREAS a Community Improvement Plan attached hereto as Schedule "A" has been prepared for that Community Improvement Project Area;

AND WHEREAS the said Community Improvement Plan conforms to the Official Plan of the City of Windsor;

THEREFORE the Council of the Corporation of the City of Windsor enacts as follows:

1. That the Economic Revitalization Community Improvement Plan attached hereto as Schedule 'A' and forming part of this By-law, is hereby adopted for the Local Economic Diversification Community Improvement Project Area described in By-law Number 129-2010.

EDDIE FRANCIS, MAYOR

CLERK

First Reading	February 14, 2011
Second Reading	February 14, 2011
Third Reading	February 14, 2011

APPENDIX 4: Eligible Use Definitions

Targeted Sector	Eligible Use	Description
Creative Industries	• Computer Software Developer	Companies that design, write, modify and test computer software for the mass market.
	• Digital and Media Studios	Companies that supply professional broadcast, production, multi-media and telecommunications solutions.
	• Museums	Companies that preserve and exhibit objects of historical, cultural, and/or educational value.
	• Performing Arts Facilities	A building, room, or outdoor structure for the presentation of plays, music, films, or other dramatic performances before a live audience. Also includes companies primarily engaged in organizing, promoting, and/or managing live performing arts productions and similar events held in facilities that they own, manage and/or operate. This does not include bars, taverns, nightclubs, or drinking places primarily engaged in preparing and serving alcoholic beverages for immediate consumption
Health & Life Sciences	• Manufacturing	Companies that manufacture goods related to the health sector.
	• Research and Development	Companies, institutions and/or a part of a company that that exclusively provides research and development services for companies engaged in the manufacturing of goods related to the health sector.
	• Physician Recruitment	Companies which demonstrate active physician recruitment within the City of Windsor and have a relationship (or relationships) with a post-graduate medical school.
Management of Companies and Enterprises	• Corporate Office	A facility or building that is the permanent working location of senior level management employees primarily engaged in administering, overseeing, and managing other establishments of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decision making role of the company or enterprise.
	• Canadian Head Office	A facility or building that is the permanent working location of the company's executives and senior level management that are primarily engaged in providing general management and/or administering, overseeing, and managing other establishments of the company or enterprise. A head office is only recognized as a production unit if it is located in a separate physical location than the rest of the company or enterprise.
Manufacturing	• Manufacturing	Companies engaged in the fabricating, processing, assembling, packaging, producing or making goods or commodities, including ancillary repair, storage, wholesaling or office uses.
	• Aerospace Manufacturing	Companies primarily engaged in manufacturing aircraft, missiles, space vehicles and their engines, propulsion units, auxiliary equipment, and parts thereof.
	• Automobile Manufacturing	Companies engaged in manufacturing cars, trucks, vehicle components and parts.
Professional Services	• Business Incubator	Business Incubator: is a facility or building that provides a flexible, affordable working space in combination with an array of business support resources and services intended to accelerate the successful launch and early development of start-up companies. A Business Incubator must demonstrate to the satisfaction of the Municipality that its business model and services provided focus on one or more of the following: • Creating jobs and wealth; • Fostering Windsor's entrepreneurial climate; • Technology transfer and commercialization; • Building or accelerating growth of local industry clusters; • Business creation and retention; • Encouraging women or minority entrepreneurship; • Identifying potential spin-in or spin-out business opportunities; and • Contribute to community revitalization and economic diversification.

	• Computer Programming Services	Companies that design, write, modify, test and support computer software to meet the needs of a particular customer.
	• Computer Systems Design Services	Companies that plan and design computer systems that integrates computer hardware, software, and communication technologies. These establishments often install the system and train and support users of the system.
	• Industrial Design Services	Companies that create and develop designs and specifications that optimize the function, value and appearance of products. These services can include the determination of the materials, construction, mechanisms, shape, colour, and surface finishes of the product, taking into consideration human needs, safety, market appeal and efficiency in production, distribution, use and maintenance.
	• Research and Development	Companies and/or institutions that are primary focused on conducting original investigation, undertaken on a systematic basis to gain new knowledge (research) and the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes (development), including use of laboratory facilities used exclusively for these purposes.
	• Testing Laboratories	Companies that perform physical, chemical, and other analytical testing services, such as acoustics or vibration testing, assaying, biological testing (except medical and veterinary), calibration testing, electrical and electronic testing, geotechnical testing, mechanical testing, non-destructive testing, or thermal testing. The testing may occur in a laboratory or on-site.
Renewable and Alternative Energy	• Cogeneration Facilities	Companies that produce electricity and useful thermal energy (i.e. heat) simultaneously from a common fuel source.
	• Renewable Energy Power Generation	Companies that operate electric power generation facilities that convert renewable forms of energy, such as solar, wind, or tidal power, into electrical energy. The electric energy produced in these establishments is provided to electric power transmission systems or to electric power distribution systems. Does not include hydroelectric, fossil fuel, or nuclear facilities.
	• Manufacturing	Companies that manufacture goods related to the Renewable Energy sector.
	• Research and Development	Companies, institutions and/or a part of a company that that exclusively provides research and development services for companies engaged in the manufacturing of goods related to the Renewable and Alternative Energy sector.
Tourism	• Tourist Attraction	a facility or complex aimed at providing entertainment and/or education to those who visit it, and that must demonstrate by way of a business plan: • its long term financial viability without the need for ongoing municipal or Provincial subsidy for its operations; and • its potential to draw a significant number of visitors annually from both Windsor-Essex County and from outside of the region; or • its ability to support attracting major events, conventions or meetings to Windsor.
Warehousing/ Logistics	• Warehouse	A building or facility for storing large amounts of products (i.e. wares) on an interim basis prior to being shipped to retailers, wholesalers or manufacturers.