



Subject: Application - Southwestern Ontario Development Fund
To: Council
From: Chief Administrative Office

Report Number: 2021-313

Meeting Date: December 13, 2021

Recommendation:

That Chief Administrative Office Report 2021-313 be received;

That the Manager of Strategic Initiatives be directed to submit an application to the community economic development stream of the Southwestern Ontario Development Fund (SWODF) for the waterfront centre project including servicing and improved linkages and pathways to the downtown core; and

That Council commit to funding the City's share of the project from the 2022 Capital Budget.

Purpose:

The purpose of this report is to seek Council's support for the City's application to the community economic development stream of the Southwestern Ontario Development Fund.

Background:

The Southwestern Ontario Development Fund (SWODF) is a provincial funding program administered through the Ministry of Economic Development, Job Creation and Trade Services (MEDJCT). The program is designed to provide businesses, municipalities and not-for-profit organizations with support for economic development projects. The City of Port Colborne intends to apply to the community economic development stream of this funding program.

The City's waterfront redevelopment plans, including the construction of the new waterfront centre, meet SWODF eligibility criteria. In fact, the City's proposed

application to SWODF has already been screened for eligibility by MEDJCT officials and was determined to be eligible for the second step of the application process, which entails completing a full application.

One of the primary objectives of the City's waterfront redevelopment plans, including the focus of the SWODF application, is to generate increased economic activity, tourism, new jobs and attract commercial investment and residential development.

Discussion:

The cost of the new waterfront centre is estimated to be \$5 million and staff have been investigating potential funding sources. SWODF provides an opportunity to acquire a provincial government contribution of \$1.5 million toward the construction of the waterfront centre, site servicing, and walkable pathways and improved linkages. The federal government is providing \$750,000 towards the waterfront centre through the Canada Community Revitalization Fund (CCRF).

If successful in obtaining the grant, the \$1.5 million in funding support from SWODF, together with \$1.5 million in matched funding committed in the City's 2022 Capital Budget and provided through the CCRF, will be used to deliver site servicing (\$500,000) at the centre, create walkable pathways and improve linkages (\$500,000) between the property area and downtown, and assist with the cost of constructing the waterfront centre (\$2,000,000).

Financial Implications:

During budget discussions, staff indicated that the estimated cost of the waterfront centre would be approximately \$5 million. This total is based on a high-level opinion of probable costs provided by R.J. Burnside & Associates and updated by City staff. A more accurate cost estimate will be available in the first half of 2022 once architectural drawings and detailed design, as well as a site servicing plan, are finalized.

The \$5 million estimate includes construction, architectural and engineering fees, servicing, signage, landscaping and beautification, walkways and improved accessibility, lighting, paving, a project contingency, as well as required gates and fencing to comply with Transport Canada and marine transportation security regulations.

No new funding is being requested from Council for the SWODF application because project funding has already been allocated in the approved 2022 Capital Budget, and the City has secured \$750,000 from the federal government through the CCRF which can be used as matching funding for the SWODF application.

Staff are developing a waterfront centre project financial model that will show minimal impact on the City's levy budget and this will be presented to Council as part of a project update in Q1 2022. Financing options will include non-tax levy sources, federal/provincial grants, commercial lease revenue, and naming rights.

SWODF Application Breakdown	
Site Servicing (A.13 in the 2022 Capital Budget)	\$500,000
Walkable Pathways and Improved Linkages (E. 6 and A.13 in the 2022 Capital Budget)	\$500,000
Construction of the Waterfront Centre (A.13 in the 2022 Capital Budget)	\$2,000,000
Total	\$3,000,000
<ul style="list-style-type: none"> • \$1.5 million is being requested from SWODF • \$1.5 million is being funded by both CCRF (\$750,000), A.13 (\$500,000, Waterfront Centre) and E. 6 (\$250,000 Promenade Improvements) in the 2022 Capital Budget 	

Strategic Plan Alignment:

The initiative contained within this report supports the following pillars of the strategic plan:

- Attracting Business Investment and Tourists to Port Colborne
- Value: Financial Management to Achieve Financial Sustainability
- City-wide Investments in Infrastructure and Recreational / Cultural Spaces

Conclusion:

The vision statement in the City's 2020-2023 Strategic Plan reads: "a vibrant waterfront community embracing growth for future generations". Economic Development and Tourism Services staff identified SWODF as a program that aligns with this vision. Applications are due December 14, 2021, and staff feel it would be advantageous to have a resolution from Council to include with the application.

Securing \$1.5 million from the province's SWODF program, matched by the federal government's \$750,000 commitment and \$750,000 in allocations from the City's 2022 Capital Budget, will assist with the cost of constructing the waterfront centre, site servicing, and creating walkable pathways to improve linkages to City parks, public spaces, West Street, and the downtown core.

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.