
Subject: Support to Local Area Municipalities

Report to: Planning and Economic Development Committee

Report date: Wednesday, July 13, 2022

Recommendations

1. That this Report **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to update PEDC on Niagara Economic Development's (NED) support to local area municipalities in their economic development and business retention and expansion efforts in 2019, 2020 and 2021.
- This report will provide an overview of projects supported through LAM Funding, Buy Local Funding and funding partnerships to upper levels of government.
- This update will note aggregated reporting outcomes from projects supported.
- NED's Quarterly Update reported on these programs previously. This is an aggregated summary of programs in collaboration with municipalities.
- Continuation of these programs is subject to an annual budget review.

Financial Considerations

The activities described in this report have been accommodated within the approved 2019 to 2022 NED operating budgets.

From 2019 to date the following funding was granted;

- LAM Funding of \$163,492
- Buy Local Funding of \$132,229
- RED Funding \$60,000

Analysis

In 2019, NED began administering the Local Area Municipal Economic Development Fund (LAM Fund) exemplifying a collaborative and integrated approach to working with local municipalities and business organizations to enhance business growth and retention. The program purpose is to build capacity and assist in realizing common objectives throughout the region.

In 2020, as a result of impacts on local business due to the pandemic, a Buy Local Fund was also introduced to amplify marketing efforts by local municipalities to encourage patronage of Niagara businesses through campaigns and initiatives.

NED also supported the matching fund component of larger scale project applications by rural municipalities to Ontario Ministry of Agriculture, Food and Rural Affairs' Rural Economic Development fund (RED Fund)

Support Streams Available to LAM's

Niagara Region Local Area Municipality (LAM) Fund

Since the fund's inception, 24 projects have been approved and applications are still open for 2022 projects with expressed interest from a number of municipalities. Total funding from 2019 to date is \$163,492.00

This is a 50% matching fund (combination of cash and in-kind), open to all LAM's and the criteria is based on outcomes that will:

- Undertake evidence-based planning to identify priorities and measure economic performance
- Collaboration for economic growth
- Economic competitiveness and diversity (i.e., attraction, retention and expansion of businesses)
- Innovative communities
- Expansion of markets
- Creation and/or retention of jobs
- Attraction, development or retention of a highly skilled workforce

From 2019 to current, LAM projects have resulted in collaborations and partnerships between:

- More than 180 businesses
- Chambers of Commerce
- Business and Downtown Improvement Associations
- Industry organizations and associations
- Tourism organizations
- Agricultural organizations
- Regional, municipal and upper levels of government
- Post-secondary institutions
- Research and innovation institutions

In 2020 and 2021, municipalities included reporting on how funded projects aligned with the defined pillars identified in the Niagara Economic Rapid Response Team's Economic Recovery Plan. Outcomes include, but are not limited to:

- Viability of industrial and employment lands
- Increased entrepreneurship
- Agri-innovation promotion/exposure
- Youth engagement
- Tourism product and promotion
- Increased partnerships and collaboration
- Business and marketing support and Investment attraction collaterals (i.e. Community Profile).

Projects from 2022 and forward should now align with the Strategic Directions outlined in the 10 Year Economic Development Strategy, Inspire.Invest.Grow.

Buy Local Funding Support

In 2020 and 2021, 21 campaigns were supported by this micro grant. Applications are still open for 2022 projects. Total funding to date \$132,229.00.

NED Buy/Shop local funding is to support a range of activities that encourage consumers and visitors to shop at local businesses. One application per municipality can be made to support campaigns and initiatives that promote consumer awareness and benefits to the broader business community. A 25% cash contribution is required by the applicant. Eligible initiatives include: Shop-local branding and digital content graphics; Media related initiatives that broaden exposure of local businesses; Advertising campaigns and marketing events intended to direct shoppers (both residents and visitors) to local small merchants; Marketing materials such as videos, social media visuals, and radio and newspaper ads that encourage consumers/visitors to buy from local businesses and patronize local restaurants and attractions.

Outcomes were measured in, but not limited to: campaign length/occasions; social media engagement; web visits/views; distribution/subscribers; emails opened; event attendees.

Matching Funding Support to RED Initiatives

Ontario's Rural Economic Development (RED) program provides cost-share funding to support activities that create strong rural communities in Ontario and opens doors to rural economic development.

NED assisted four local area municipalities with \$15,000 in matching funds to enable them to apply for the provincial funding and each application was approved. Total funding to date \$60,000. Projects timelines run to 2023 and 2024 and will be reported directly to the Province. Projects include: Gateway, Wayfinding, Beautification and Community Signage Strategy; Business Expansion and Resiliency Project; Tourism Business Retention and Expansion Project and West Street Renewal Project: Connecting the City's Waterfront and Downtown

Summary

LAM Funding

- 2019 - \$40,000 for 9 projects in 8 municipalities;
- 2020 - \$50,792 - 7 projects in 6 municipalities;
- 2021 - \$57,000 - 7 projects in 7 municipalities;

Buy Local Marketing Initiative Support

- 2020 - \$50,000 in support to 12 municipalities
- 2021 - \$82,229 in support to 9 municipalities

Matching funding support to OMAFRA's Rural Economic Development fund

- \$60,000 in support to 4 rural municipalities

Alternatives Reviewed

All activities described in this report are key functions of Regional Economic Development and the tactics being used are consistent with accepted economic development practices.

Relationship to Council Strategic Priorities

Economic development activities described in this report directly support Council Strategic Priority:

- Supporting Businesses and Economic Growth

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