
HALDIMAND COUNTY

Memorandum EDT-M02-2022 North Caledonia Employment Lands Feasibility and Servicing Study



For Consideration by Council in Committee on December 6, 2022

To: Mayor Bentley and Members of Council
From: Lidy Romanuk, Manager, Economic Development and Tourism, B.A., Ec.D.

OBJECTIVE

The purpose of this memo is to provide Council with an update on the progress of the North Caledonia Employment Lands Feasibility and Servicing Study (the Study) and to outline the planned future public engagement process.

BACKGROUND

Haldimand County is growing. Over the past ten years the County has seen and continues to see a substantial increase in residential development. With increased residential development there is a need to provide increased employment opportunities for Haldimand residents and to ensure a good balance in terms of the County's tax base. While commercial/employment focused inquiries also continue to rise, one of the most significant challenges in growing our employment numbers is the lack of well-located shovel ready employment lands to direct these inquiries to.

The key objectives of the North Caledonia Employment Lands Feasibility and Servicing study are to continue to promote economic development within Haldimand County by ensuring there is an adequate supply of serviced and developable lands to attract target employment sectors and businesses over the long term. The lack of readily available serviced lands has been identified as a challenge throughout recent studies as described below.

Economic Development Strategy

As identified in the 2017 Council approved Economic Development Strategy, Haldimand County is facing challenges securing new business and investments. These challenges are predominately a result of having a very limited supply of well-located shovel ready commercial/industrial lands. The Economic Development Strategy further recommends developing Haldimand County as an investment product by undertaking an industrial/employment land strategy that would include:

1. Creating policies to address the County's responsibility for ensuring a sufficient and continuous supply of shovel-ready employment area available. Policies should include the development of employment/industrial land if/as required;
2. Completing a market and location analysis to identify land within Haldimand County which is strategically located as having the highest investment potential for industrial/employment development;
3. Completing an analysis of the infrastructure and servicing need for development of recommended lands; and
4. Creating a business case for the development of employment/industrial land.

Business Development and Planning Advisory Committee of Council

In addition, the Business Development and Planning Advisory Committee of Council participated in an exercise to identify their recommended priorities for the last term of Council (2018-2022). The Committee identified developing and servicing employment lands as one of the top priorities including:

1. Inventorying of available properties within Haldimand County;
2. Addressing land supply issues through an Employment Lands Strategy for serviced and designated industrial lands;
3. Increased focus on infilling business properties in the County; and
4. Investment into Caledonia Employment lands.

Municipal Comprehensive Review and Haldimand County Growth Analysis

Following the recent completion and approval of the Official Plan Update – Phase 1 (in December 2021), it was further identified that there is a need for the County to play a role in the development of employment lands. The municipal comprehensive review and the growth analysis process outlined that moving forward Haldimand County shall:

1. Accommodate the Provincial 2051 forecast of 77,000 residents and 29,000 jobs;
2. Accommodate an additional population of 30,000 new residents and 12,700 new households and 11,000 new jobs by 2051;
3. Set intensification targets for existing built areas in urban communities;
4. Set a minimum target of 40 residents and jobs per hectare in new community areas;
5. Plan for and protect employment land; and
6. Conform to the Provincial Policy Statement.

Further identified in Haldimand County's Growth Analysis (to 2051) is that a key driver of Haldimand's future population and economic growth is its geographic location within Ontario. Haldimand is located within the southwest region of the Greater Golden Horseshoe (GGH) Outer Ring. The magnitude and distribution of growth through the GGH is of key significance to Haldimand County. More specifically, as the remaining greenfield areas of the more mature areas to the west of the Greater Toronto and Hamilton Area (GTHA) gradually build out, increasing outward growth pressure will be placed on the outlying municipalities of the GGH Outer Ring. For Haldimand County, this outward growth issue is anticipated to be most heavily felt in the County's larger urban centres, most notably Caledonia, and to a lesser extent Hagersville.

In December 2021, the Province approved Phase 1 of Haldimand County's Official Plan Update. The amendments to the Official Plan identified Caledonia as the area of most significant demand, and where employment land interest is growing as residential development advances. As a result, during the Official Plan Phase 1 process, an additional 140 hectares (345 acres) of employment lands were added to the urban boundary of Caledonia. This location recognizes the criticality of being located near the Hamilton airport with easy access to the 403 and Highway 6 which will be further enhanced in the future when the Highway 6 by-pass is extended. This amount of land is aligned with expected employment land needs until 2051. The approved of the Growth Strategy has allowed staff to proceed forward with the North Caledonia Employment Lands Feasibility and Servicing Study.

Addressing the lack of serviced lands will enable the County to retain, grow and attract new business. Recognizing the long-term and significant investment that will be required, Haldimand County will need to be involved in some capacity to ensure this objective continues to move forward. Through the Study there are several business models for development that will be examined and presented to Council for consideration.

Regardless of the model that is selected, it is assumed that the County will need to be involved in some capacity in the future development of these employment lands to ensure the following:

- The upfront investment of the infrastructure needed to create fully-serviced, shovel ready lands and ensuring a cohesive approach to the development of the lands;
- To ensure the best use of these lands and look for those development opportunities that will see an increase of good-paying jobs for our community.

OVERVIEW OF THE PROJECT

To address the provision of an additional 11,000 jobs by 2051 and ensure there is an adequate supply of employment lands for future development, the County has initiated the Study which consists of three phases (as outline in detail below). This project was approved as part of the 2019 Capital Budget, however was delayed to accommodate the completion of the Official Plan and as a result of the pandemic. The project was initiated in early 2022 and the consultant team of Watson & Associates Economists Ltd., WSP Canada Group Limited and GM BluePlan Engineering were retained to lead the Study.

The purpose of the study was initiated to address the anticipated employment growth as identified in the recent Growth Management Study and Official Plan review and to remain competitive over the long term. Through these three phased studies, the necessary investigations and due diligence will be completed for the future development of employment lands in Caledonia.

The Study incorporates a methodical, critical assessment and forward-looking approach to the future development of employment lands in Caledonia. The study area is 183 hectares (454.23 acres) as identified in the map found as Attachment 1.

The following provides a high-level overview of the project currently underway:

Phase 1 (current focus of the consulting team and staff)

1. Location Analysis will be completed to provide appropriate input into the planning and development process. This will include, but is not limited to review of all plans/surveys; infrastructure servicing plans and the associated capacity; identification of comparative advantages and disadvantages of the subject lands noting the surrounding and nearby development. The consultant will make recommendations for the highest and best use of the land taking into consideration current market conditions of supply and demand and desire for job growth.
2. Market Research and Analysis will include both primary and secondary research that includes the following: analysis of area economy; market demographics; supply and demand analysis; anticipated real estate sales/uptake; risk factors; Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis; best practices/lessons learned of past and comparable developments. Key analysis will include an economic base analysis; local labour force analysis; identification of key sectors and target industries; as well as a competitive analysis and employment land supply and demand analysis.
3. Function Servicing Design will be completed to further confirm any planning and environmental issues. Through this review the consultants will make recommendations on any potential or necessary changes to the Official Plan designations and/or zoning by-laws. In addition, the consultants will include a site servicing cost estimate and provide a conceptual design for subdivision, road layout and lotting plan.

Phase 2 (project focus in first quarter of 2023)

1. Financial Analysis – the consultant will conduct a financial impact analysis to assess the impacts of the preferred land design and financial policies. This analysis will include a preliminary servicing cost estimate; development of scenarios; estimated operating revenue and expenditures analysis; assessment revenue analysis; capital cost and development charge analysis; annual cash flow and net present value analysis. Based on the above, the consultant will develop a financial model and work with County staff to develop policy recommendations and phasing scenarios. The report will also include discussion on potential development incentives and funding sources the County could consider as part of this endeavour.
2. Business Plan – based on the financial analysis undertaken, a business plan will be prepared. This plan will identify actionable steps and processes for the County to effectively manage the land development/investment opportunity. The business plan will review the following scenarios:
 - Employment lands are privately developed and traditionally designed and operated;
 - Haldimand County acts as the land developer, and in partnership the private sector develops serviced lots;
 - Haldimand County invests in conceptual planning for the site and then shops the plan to a developer who commits to developing the employment lands; and
 - Haldimand County is the developer, acquires, services, markets and sells the employment lands.

Following the conclusion of Phase 1 and Phase 2 and subsequent Council direction, the consultant will commence Phase 3 (expected timing is spring/early summer 2023) which will involve recommendations regarding property administration and management marketing, as well as an implementation plan with anticipated focus as follows:

1. Property Administration and Management – the consultant will identify opportunities to raise the profile of the subject Employment Area both domestically and internationally, building on the target sector analysis completed in Phase 1. The Consultant will provide an outline and general direction regarding a marketing strategy for the North Caledonia employment lands as it relates to targeting, promoting and attracting development to the future Employment Area. The marketing strategies provided will:
 - Identify and evaluate mechanisms, tools and approaches for communicating key advantages to target sectors and companies;
 - Consider the North Caledonia employment lands value proposition to potential investors, how that value may be differentiated from that of competing communities and investment destinations, and the manner in which that value may be effectively communicated;
 - Review of the target sectors to ensure a strong understanding of the key value proposition to potential investors, and a sense of Haldimand County's position within the broader competitive landscape;
 - Review the success of previous business attraction efforts in Haldimand County and build on these efforts to promote and profile the North Caledonia employment lands;
 - Provide consideration to how properties within the North Caledonia employment lands should be marketed and sold; and
 - Identify potential employment land sale negotiation parameters according to the target sectors identified.
2. Implementation Plan – following Council's direction, the consultant team will establish the Council approved business model for the North Caledonia Employment Lands in the final report. The report will also provide a recommended direction on public/private land acquisition and identify an overall plan to implement the finds of the study. This plan will provide guidance on

required additional studies to develop the employment lands, proposed timelines, target sector requirements, sales process, and required resourcing.

Updated Public Consultation and Engagement Program

Due to the sensitivity of this project and upon review of the applicable procurement legislation, the Canadian Free Trade Agreement (CFTA), the consultant services were sought by invitation only to three (3) bidders and not through a public open process. As permitted within CFTA, if there are matters that are confidential or privileged in nature and disclosure of those matters through an open process could reasonably be expected to compromise government confidentially, limited tendering is possible. Once the project was started however, it was determined that a public facing process would better meet the expectations of the County and the community. On that basis, County staff requested the consultants to prepare an updated public engagement and consultation program for the County's consideration. See (Attachment 2) for the July 2022 stakeholder meeting presentation.

The Public Consultation and Engagement Program will be implemented as follows:

Task	Description	Target Schedule
Phase 1		
Stakeholder Consultation Meetings	This task was included in the original scope of work and has since been completed.	Summer 2022 (complete)
Consultation with First Nations	This task was resourced in the original scope of work and has since been completed.	Summer 2022 (complete)
Landowners Meetings	This is a new task that would seek to hold one meeting with interested landowners within the Study area. The intent is to provide an early opportunity for participation of the landowners in the Study.	Fall 2022
Dedicated Project Webpage	This is a new task that would principally be led by the County with advisory input from WSP. A public-facing webpage containing all project information would be established.	Fall 2022
Phase 2		
Advisory Group Meeting	This is a new task that seeks to establish an Advisory Group and hold one meeting during Phase 2. The Advisory Group would be comprised of key stakeholders that were engaged from Phase 1. The intent is to continue to offer a meaningful opportunity for key	Winter 2023

	stakeholders to directly engage with the Project Team, while streamlining the engagement program.	
Landowners Meeting	This is a new task to hold one meeting with interested landowners within the Study area during Phase 2. The intent is to provide continued opportunity for participation of the landowners in the Study.	Winter 2023
Consultation with First Nations	This is a new task that contemplates an additional one-on-one meeting with each of Six Nations of the Grand River and the Mississauga of the Credit First Nation. This task has been identified based on feedback from consultation with First Nations communities that took place during Phase 1.	Winter 2023
Public Information Centre	This task was resourced in the original scope of work and contemplates holding a Public Information Centre during Phase 2 to present the Study and findings to date to the public.	Winter 2023
Delegation to BDAPAC* and AAC**	A delegation to the BDAPAC was resourced in the original scope of work, however a delegation to the AAC is contemplated as a new task.	Winter 2023
Presentation to Council for Information Purposes	This is a new task that contemplates making a formal presentation to Council for information purposes only during Phase 2. The intent of this task is to ensure Council remains informed and updated on the Study as it evolves and prior to commencing Phase 3. A separate task to make an in-camera presentation to Council was contemplated under the original scope of work and is intended to be delivered in conjunction with the public	Winter 2023

	presentation for information purposes, as noted above.	
Phase 3		
<p>Phase 3 will follow a similar structure as Phase 2 with outreach to the same groups. The focus on the meetings will be to focus on gathering input and guidance on the key elements of Phase 3 including:</p> <ul style="list-style-type: none"> • Property Administration and Management Marketing; and • Development of the Implementation Plan 		

**Business Development and Planning Advisory Committee (BDAPAC)*

***Agricultural Advisory Committee (AAC)*

The enhanced public engagement and consultation program has resulted in additional costs of \$16,000 to the overall budget. That said, the contingency funds included within the original project budget did allow for these costs to be fully covered without any further impact to the original budget.

The consultants have been actively engaged in the project and have recently provided staff with a draft copy of the partially completed Phase 1 report. Upon Council receipt of this memo, staff will be moving forward with the enhanced public engagement consultations and will develop a project specific web page to share the information with the public.

CONCLUSION

The lack of serviced, ready to go employment lands is a significant barrier to employment growth in Haldimand County. Inquiries are regularly received from site selectors, realtors and business owners looking for land inventory that is properly zoned and adequately serviced for potential developments. In 2022, over 400 such inquiries were fielded by staff. However, more often than not, staff's ability to move these inquiries to the next step has been limited due to the lack of servicing for any of the land in the County that is currently zoned for employment/industrial use. While it is anticipated that Caledonia will see the most significant growth in jobs from now to 2051 and is the area that receives the greatest number of inquiries, it is also the area that has the least amount of available lands to allow for employment growth. To be successful in business attraction requires that a municipality complete the due diligence required to ensure at the very least, that lands are properly zoned (to the best of our ability) and adequate servicing is available at the site. Businesses do not have the time, money or interest to invest in these basic requirements and will simply move along to an area that is development ready and business friendly.

Over the past number of years, it has become evident that Haldimand County lacks serviced employment lands in the right location. To realize the greatest potential for success, it is crucial that Haldimand County be involved in the long-term planning and execution of employment land development. The County, while needing to ensure that any project is fiscally responsible, has the responsibility to plan for the future growth of the County and provide future employment opportunities to our residents. This includes making or helping to facilitate long term investments in infrastructure and servicing to ensure the greatest impact and best use of these lands. From a market demand perspective, it is anticipated that to be successful the Study will demonstrate the need for Haldimand County to be involved in employment land development in some capacity for the long-term.

The Study will enable the County to develop a long-term strategy to overcome land supply and servicing issues, selecting the best location to leverage opportunity and undertake robust due diligence to develop a business park and accompanying business plan to market and sell these lands. The completion of the North Caledonia Employment Lands Feasibility and Servicing Study will provide

Council with the necessary information to determine how to proceed to continue to advance this project forward.

Following the completion of this Study, and dependant upon Council's decision and directions to staff, future phases of work could include the following:

Future Phase 2

1. Conditional Land Acquisition to complete required studies.
2. Due Diligence/Studies including – Environmental Impact Study, Archaeological Study, Agricultural Impact Study, Subwater Shed Study, Geotechnical investigation, structural engineering, survey, title search, site planning, traffic plans, water/sewer requirements.

Future Phase 3

1. Construction of infrastructure/servicing.
2. Construction of business park (fully serviced, development ready).

Future Phase 4

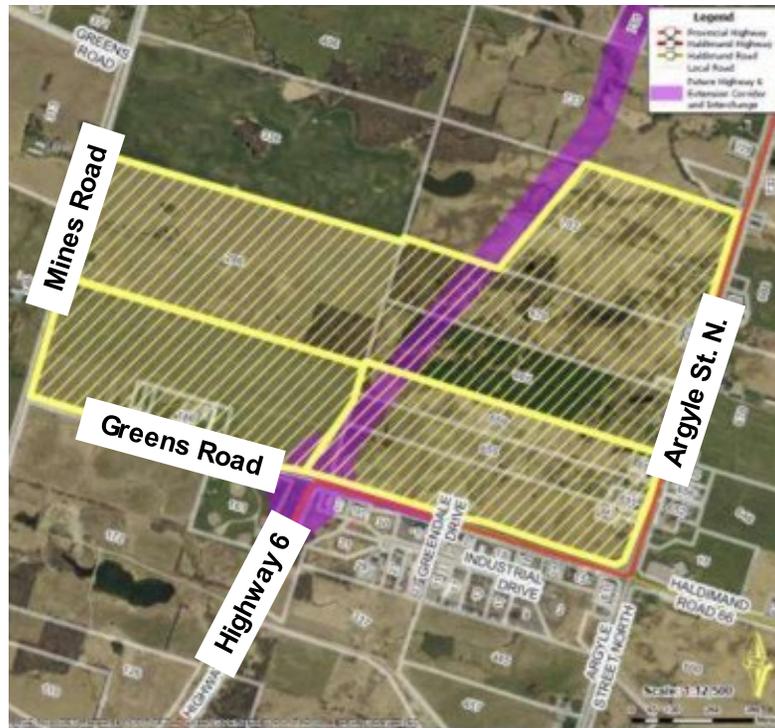
1. Development of Investment Attraction Strategy.
2. Marketing and Sale of Land.

The impacts on future capital and operating budgets for the above phases will be determined as the study moves forward.

ATTACHMENTS:

1. Map of Project location.
2. Stakeholder Presentation.

Study Area Location



The Study Area is 183.41 hectares (453.23 acres) in size, and located at the north end of Caledonia.

North Caledonia Employment Lands Feasibility Study

Stakeholder Meetings | July 2022



Presentation Overview

1. Project Team Introductions
2. Purpose of the Meeting
3. Purpose of the Study
4. Study Area Location
5. Proposed Work Plan and Consultation Schedule
6. Discussion Questions
7. Project Contact Information

Who is on the Call Today

On the Call Today:

- Lidy Romanuk, Manager, Economic Development & Tourism, Haldimand County
- Rob Rappolt, Senior Planner, WSP Canada Inc.
- Will Turman, Planner, WSP Canada Inc.

Listening in:

- Adam Fischer, Land Economist/Planner, Watson
- Dania Chehab, Lead, GM BluePlan

Purpose of the Meeting

- Engage key stakeholders early in the process
- Identify key considerations and priorities to inform the background analysis
- Establish next steps in the Project, including how and when stakeholders prefer to be engaged

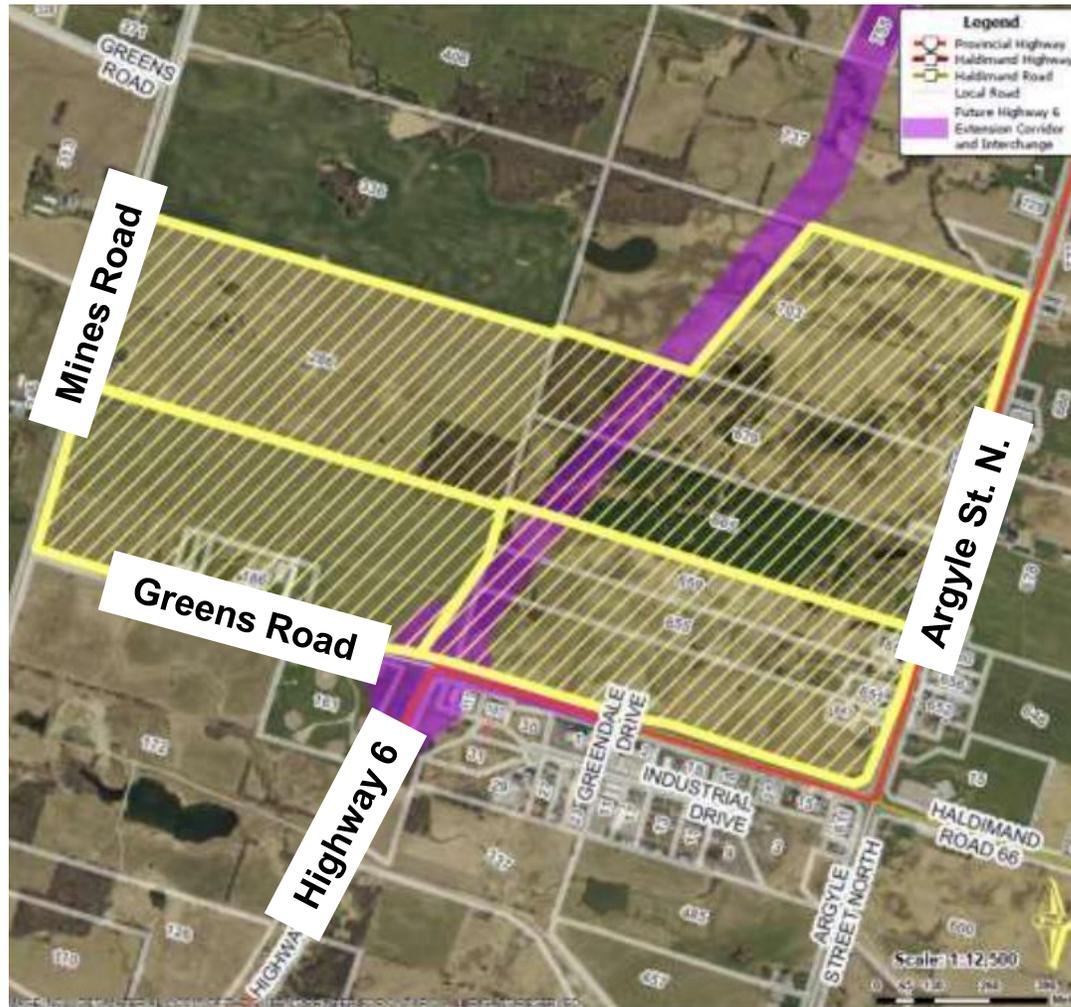
Purpose of the Study

- Haldimand County has a demonstrated need for additional employment lands over the planning horizon as identified through the recent Official Plan Update.
- Promote economic development within the County by ensuring there is an adequate supply of serviced and developable employment land.
- Provide direction on the type of industry and employment which should be attracted.
- Produce a plan for how these lands should be serviced and financed over the planning horizon.

Note on Confidentiality:

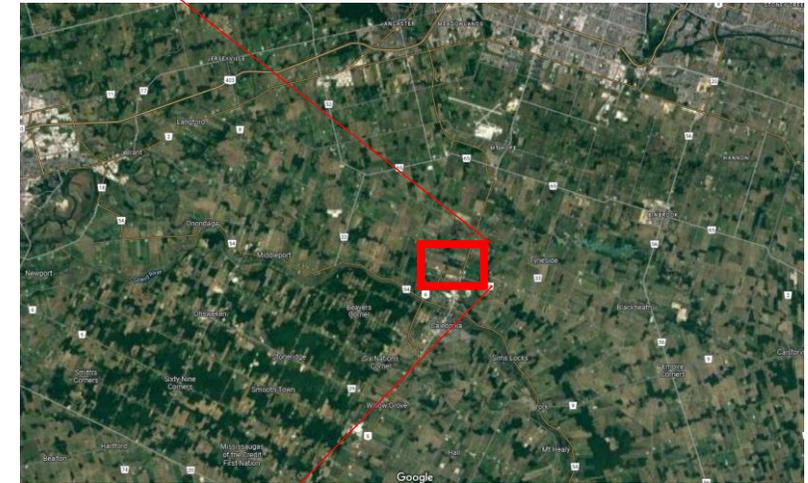
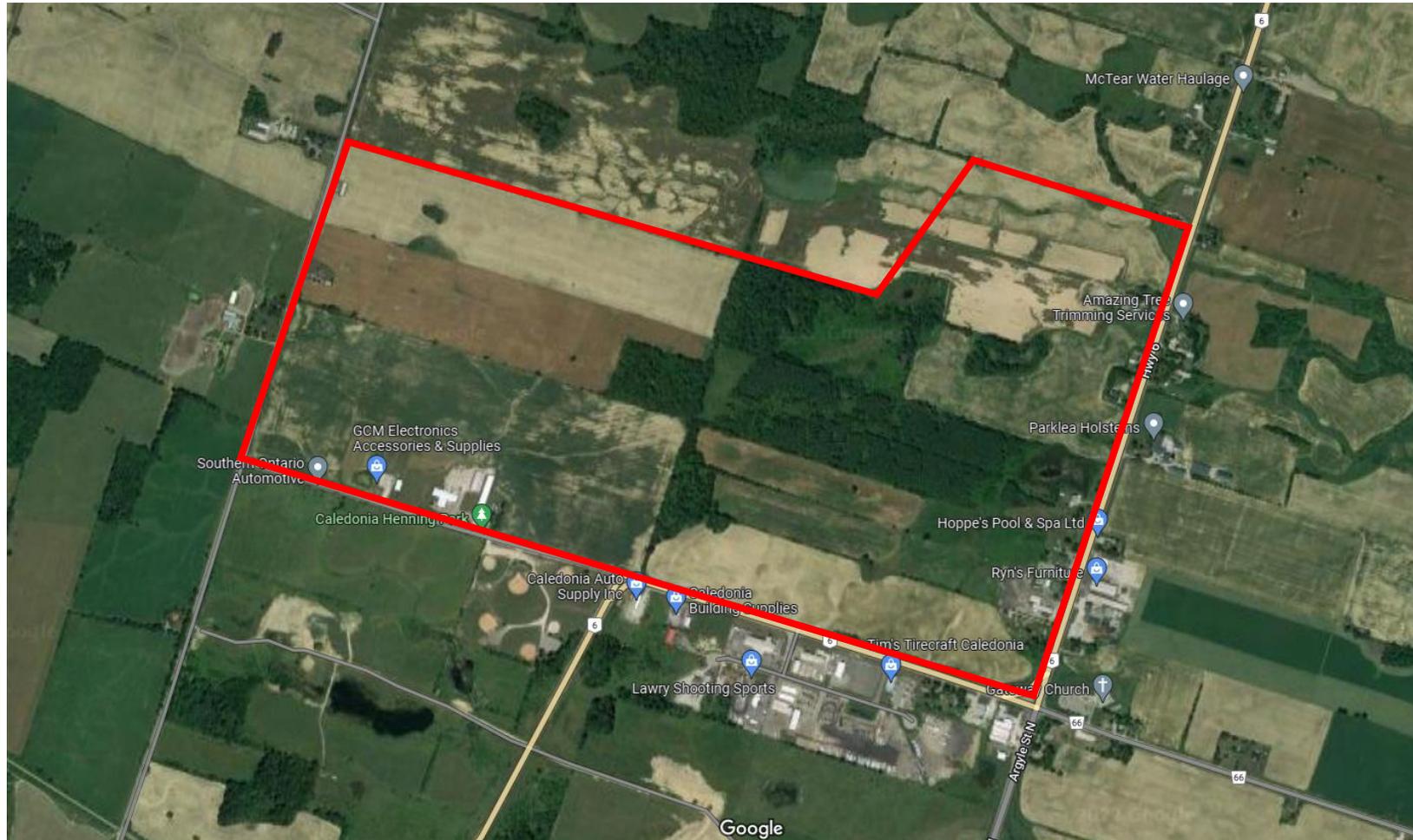
At this time, the Study remains confidential. We appreciate participants respecting the County's request to treat the information and discussions of today's meeting in that regard.

Study Area Location



The Study Area is 183.41 hectares (453.23 acres) in size, and located at the north end of Caledonia.

Study Area Location



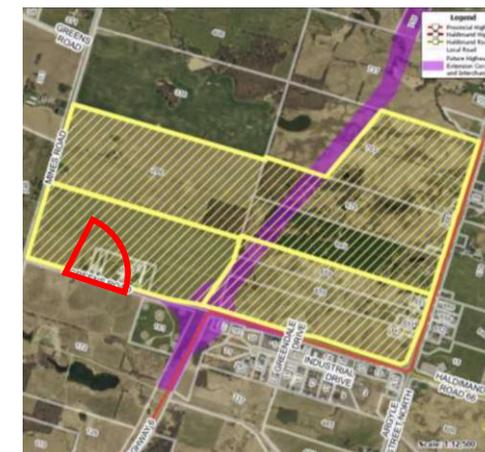
Study Area Location

Mines Road (looking south)



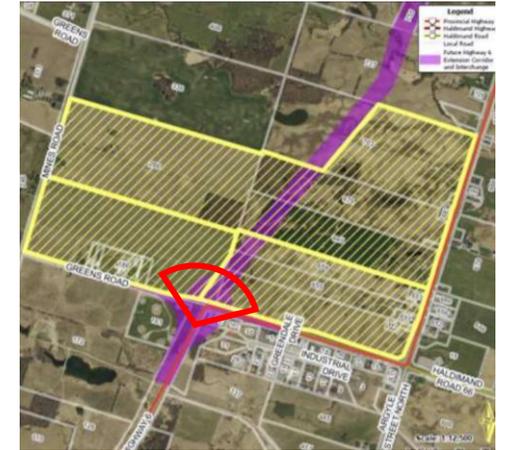
Study Area Location

Greens Road looking East



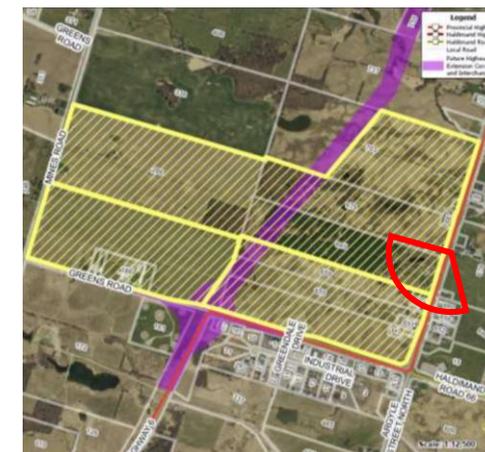
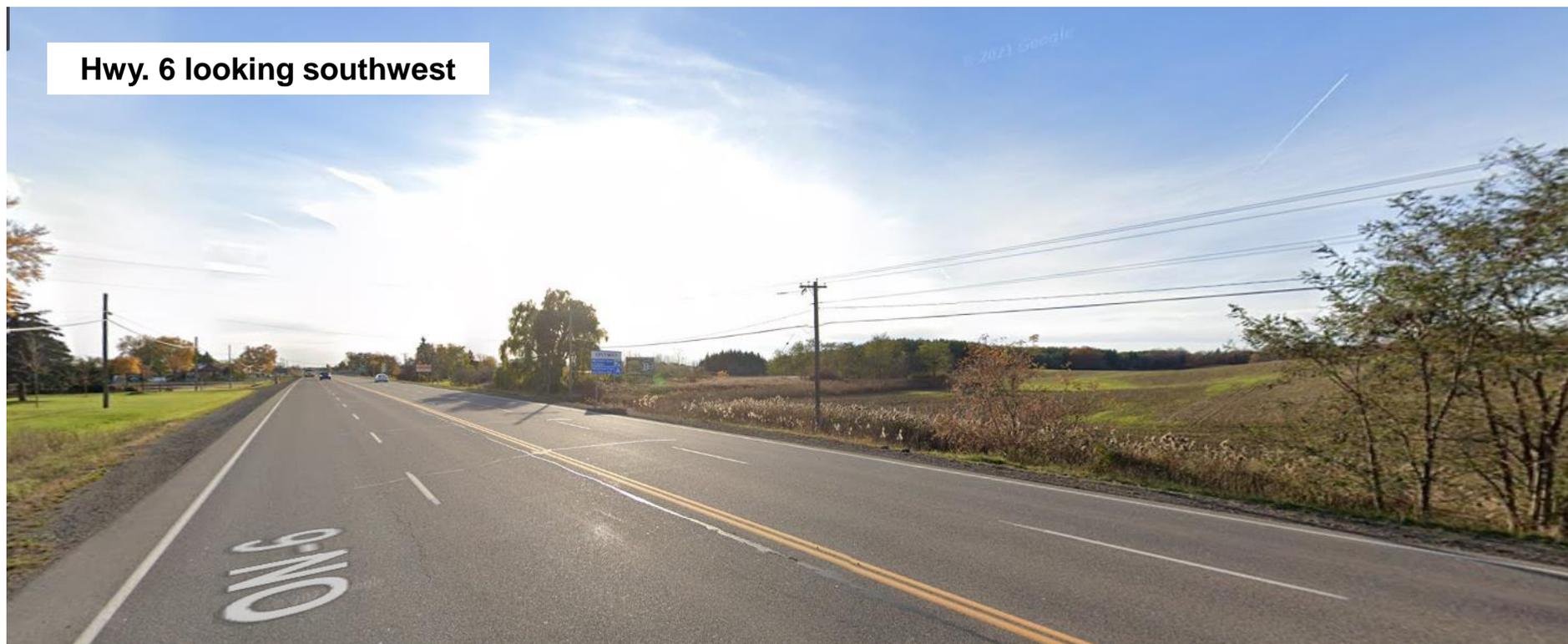
Study Area Location

Hwy. 6 and Greens Road looking north



Study Area Location

Hwy. 6 looking southwest



Proposed Work Plan

We are Here



Phase 1

- Location Analysis
- Market Research and Analysis
- Functional Servicing Design

Phase 2

- Financial Analysis
- Business Plan

Phase 3

- Property Administration and Management Marketing Recommendations
- Implementation Plan
- Business Plan
- Implementing Land Use Planning Framework



All three phases are **confidential**.

Proposed Work Plan

We are Here



Phase 1

- **Location Analysis (background review)**
 - Review plans, surveys, servicing, current capacities
 - Review land use including environmental information
 - Review of site specific characteristics
 - Identify area context
- **Market Research and Analysis**
 - Economic Base, Local Labour Force analyses
 - Identify key sectors/target industries
 - Employment land supply/demand analysis
- **Functional Servicing Design**
 - Recommendations for Official Plan (OP) and Zoning By-law (ZBL) Amendments
 - Prepare conceptual design and layout
 - Recommendations on permitted uses and design control

Proposed Work Plan



- **Financial Analysis**

- Servicing cost estimates
- Assessment revenue analysis
- Capital Cost Analysis
- Develop policy recommendations and phasing scenarios
- Financial Analysis Report

- **Business Plan**

- Prepare Business Plan based on the analysis from work from Phases 1 and 2

Proposed Work Plan

We are Here



Phase 3

- **Property Administration and Management Marketing Recommendations**
 - Assessment and recommendations on municipal practices in industrial land development, marketing, sales, covenant enforcement and policies
 - Development of options for how the properties are to be administered, marketed and sold
 - Development of general processes/procedures
- **Implementation Plan**
 - Development of Business Model, including appropriate plan for land acquisition
 - Identification of Required Development Approvals
 - Preparation of draft policies to support Council's decisions making with respect to employment land development
 - Prepare draft proposed County employment land development policies/objectives

Proposed Consultation Schedule

Summer 2022:

Stakeholder Meetings

- today's Meeting

Fall 2022:

Stakeholders

- Ongoing project communication to stakeholders

Business Development and Planning Advisory Committee

- Present to the BDPAC for input

Winter/Spring 2023:

Stakeholders

- Ongoing project communication to stakeholders

Spring 2023:

Business Development and Planning Advisory Committee

- Present draft policies/objectives for input

Summer 2023:

Presentation of Final Draft to Council

Consulting First Nations

- Haldimand County has a duty to Consult the Six Nations of the Grand River and the Mississaugas of the Credit First Nation.
- Haldimand County's approach to Indigenous consultation is government-to-government.
- It is anticipated that this consultation will occur over Summer 2022.



Discussion

1. What are your priorities and/or interests in the Study?
2. What opportunities are there through this Study?
3. What concerns, if any, are there with this Study?
4. What is the best way to stay in touch and how often?
5. Are there any additional key considerations for the Project Team at this time?
6. How can the County support the long-term success of the Employment Lands?
7. What role should Haldimand County play?
8. What would an effective implementation plan consider?

Project Contact Information

**For project updates,
more information or to
provide input on the
Project**

Project Manager

Lidy Romanuk

Manager – Economic Development
& Tourism

Haldimand County

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