



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Rebecca Belanger, MCIP, RPP, Manager, Planning Services

Date: Thursday, August 28, 2025

Subject: Large Scale Industrial Grant Matching Program-Supplementary Report

Report #: 2025-0917-IPS-R17-RB

Purpose

In 2023, County Council directed administration to implement a process that would enable the County to provide grant funding to attract large scale industrial development to the County with the aim to diversify the tax base and target significant job creation.

Background and Discussion

This supplementary report is provided to County Council further to reports from September 7, 2022, July 19, 2023 and November 1, 2023 which summarized the process to enable the County to participate in grant programs aimed at contributing to our local municipalities that have industrial Community Improvement Plans ("CIPs"). The direction of County Council was to bring back a County Grant Matching Program specifically targeting large scale industrial development.

The previous reports on this topic to County Council branded the forthcoming guideline in the terms of a County Community Improvement type of guideline. The new name of the proposed guideline has been re-branded to be more descriptive of the role of the County's programs, as they can be thought of as top-up funding that is available through member municipality industrial CIPs. Therefore, this does not fall within the definition of a CIP as outlined in Section 28 of the *Planning Act*. The County of Essex is not currently permitted by the Ministry of Municipal Affairs and Housing under the *Planning Act* to have an individual CIP, as the County is not a prescribed upper-tier. This means that the County cannot fund industrial development directly through CIP incentives, and instead is only permitted

to provide additional funding towards the member municipality CIPs. This also means that the County is not required to follow statutory requirements of Section 28 of the *Planning Act* which would require more time to make any future changes to the program.

This Large Scale Industrial Grant Matching Program ("LSI-GMP") aims to work in collaboration with the forthcoming Regional Employment Land Strategy ("RELS") as an important tool to further large scale industrial development and help the County achieve the economic development goals of the County's Strategic Plan. The industrial development CIP related tax grants offered by the seven municipalities varies from community to community.

Appendix 'B' is a link to the September 7, 2022 report to Council.

This program is the first of its kind offered by the County. It works in collaboration with local municipalities, providing matching grant funds for their approved Community Improvement Plans (CIPs). The County's main proposed role is to provide a tax rebate for its portion of the property tax for eligible projects, for up to a maximum of 10 years.

The Large Scale Industrial Grant Matching Program includes the following sections:

Purpose and Goals:

- The LSI-GMP aims to support regional economic development through financial incentives targeting large-scale industrial investments.
- It aligns with Essex County's Strategic Plan and Regional Employment Land Strategy, intending to compete with similar programs offered by single-tier municipalities.

Strategic Priorities:

- Focus on industries such as manufacturing, clean tech, and logistics, particularly targeting very large industrial properties as defined by the Municipal Property Assessment Corporation (MPAC).
- Encourages the harmonization of local and county initiatives to streamline processes and enhance the attractiveness of Essex County for industrial investments.

Financial Incentives:

- Includes Tax Increment Equivalent Rebate, Development Charges Rebate (if applicable), and *Planning Act* and Permit Fee Rebates.
- Incentives are specifically designed to offset costs associated with new construction and expansions.

Eligibility and Application:

- Incentives are available for projects located in designated Community Improvement Plan (CIP) areas that comply with program criteria.
- Applications are reviewed by the County Planning Division as a first screening with a structured evaluation and approval process.

Implementation and Administration:

- The program is implemented over a ten-year period, with emphasis on continuous monitoring and adaptability to changing economic conditions.
- Administration requires collaboration between County and local municipalities, involving early notification and semi-annual reviews.

The implications of this initiative are significant, promising enhanced industrial growth and economic resilience for Essex County. The document highlights the importance of strategic cooperation between the County and local municipalities, while also maintaining a flexible and responsive program structure.

It should be noted that several of the local municipalities identified that due to the current scale of the program's eligibility criteria, it would be rare to unlikely that they would benefit from the County's incentive program. This is the first CIP type of program under preparation by the County, and at the last meeting of County Council on this topic, it was suggested that County incentives should also be considered for other uses such as affordable housing grants. The LSI-GMP has been drafted such that the eligibility criteria contain a clause enabling consideration for smaller-scale industrial developments which still create significant industrial development and job creation in the community at County Council's discretion. Requests for funding which may not meet the building size threshold will be presented with recommendations for County's Council's approval or denial for funding.

Financial Implications

The proposed Large Scale Industrial Grant Matching Program (LSI-GMP) represents a strategic opportunity for Essex County to attract large-scale industrial development, create jobs, and grow the tax base. Implementing the program will result in direct costs to the County, primarily related to property tax rebates awarded to eligible projects and the administrative work required to review applications, calculate grants, and maintain records.

These costs are expected to be offset by the long-term benefits of new industrial development. These benefits include increased property assessment and tax revenues from new or expanded industrial facilities, as well as the economic spin-offs associated with job creation and growth in related local industries. By providing top-up funding to support municipal Community Improvement Plans, the County strengthens its competitiveness and positions Essex County as a more attractive location for significant industrial investment.

Council will maintain full oversight of the program and its financial implications. The program guide will establish clear parameters, including potential annual funding limits, the longevity of the program, and criteria for prioritizing projects should demand exceed available funding. Importantly, the program is flexible: Council may modify or discontinue it in the future if strategic development targets are achieved or if budgetary constraints arise.

Should Council approve the advancement of the LSI-GMP, projected costs and financial commitments will be incorporated into future budgets. Ongoing monitoring and semi-annual reviews will ensure the program remains responsive to economic conditions while balancing fiscal responsibility.

Consultations

At the time of the preparation and hosting of the public meeting to put in place policies to enable the County to participate in local industrial CIPs the County received comments from Marion Fantetti from Invest WindsorEssex requesting the opportunity to review the County's Large Scale Industrial Program guidelines prior to finalization. A draft of the guidelines was shared with Invest WindsorEssex along with partner local municipalities for review and comment. The comments were reviewed and summarized and incorporated into the final draft document.

If the new Large Scale Industrial Grant Matching Program guidelines are approved by County Council, the member municipalities will be informed and staff will establish application and scoring methodologies.

It is recommended that this incentive guideline be posted on a project website along with hosting of a non-statutory open house to obtain feedback from the public. The open house would be scheduled within a month with a final report back to County Council following the brief public feedback period.

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
<ul style="list-style-type: none"> <input type="checkbox"/> Scaling Sustainable Services through Innovation <input checked="" type="checkbox"/> Focusing “Team Essex County” for Results <input checked="" type="checkbox"/> Advocating for Essex County’s Fair Share 	<ul style="list-style-type: none"> <input type="checkbox"/> Being an Employer with Impact <input checked="" type="checkbox"/> A Government Working for the People <input type="checkbox"/> Promoting Transparency and Awareness 	<ul style="list-style-type: none"> <input type="checkbox"/> Providing Reliable Infrastructure for Partners <input checked="" type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2025-0917-IPS-R17-RB, Large Scale Industrial Grant Matching Program as information; and,

That Administration be directed to undertake a public consultation process relating to the Large Scale Industrial Grant Matching Program and to prepare a report for Council, summarizing comments received and related actions and updates taken.

Approvals

Respectfully Submitted,

Rebecca Belanger

Rebecca Belanger, MCIP, RPP, Manager, Planning Services

Concurred With,

Allan Botham

Allan Botham, P.Eng., Director, Infrastructure and Planning Services

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	Large Scale Industrial Grant Matching Program
B	https://coe-pub.escribemeetings.com/Meeting.aspx?Id=cbc41a7-3b16-4bd4-bf5b-f1418ca96907&Agenda=Agenda&lang=English&Item=23&Tab=attachments
C	https://coe-pub.escribemeetings.com/Meeting.aspx?Id=4a02380d-75c6-491d-a820-ab4610729917&Agenda=Agenda&lang=English&Item=25&Tab=attachments
D	https://coe-pub.escribemeetings.com/Meeting.aspx?Id=c1d0e4db-af84-463f-aa0c-687f1690af2a&Agenda=Agenda&lang=English&Item=24&Tab=attachments