



Large Scale Industrial Development Grant Matching Program



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Large Scale Industrial Grant Matching Program

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1.0 Preamble – County of Essex Large Scale Industrial Grant Matching Program

1.1 Introduction

In 2023, County Council approved an Official Plan Amendment which would enable the County to provide matching grant funding aimed to incentivize very large scale industrial development and expansion. This initiative was further supported by the policy language adopted in the County’s new Official Plan, 2024. The Large Scale Industrial Grant Matching Program (“LSI-GMP”) is the upper-tier framework intended to provide additional financial incentives to assist with regional and local economic development initiatives targeted at attracting new large scale industrial developments in Essex County. The County encourages and supports the seven local municipalities in preparing Industrial Focussed Community Improvement Plans.

Industry plays a major role in driving the economy of Essex County and industrial land uses are a key contributor to the future of economic development, workforce retention, economic sustainability and prosperity throughout the County. This LSI-GMP aims to work in collaboration with the forthcoming Regional Employment Land Strategy 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.

Due to the two-tier municipal structure in Essex County, local municipalities are only able to provide tax increment rebates for their portion of the property tax and the County and Education portions still require full collection. The proportions of municipal tax rebates by the seven local municipalities ranges, however results in a potential rebate around 50% of the municipal levy of the total tax bill with the remainder attributable to the County and Education levy. Local Municipal CIPs and supporting upper-tier Community Improvement Programs, such as the County’s LSI-GMP, should be reviewed every five (5) years, similar to an Official Plan. Administration will report to County Council annually on the success and utilization of the program.

This is the first CIP related program offered by the County and based on direction of County Council, additional CIP incentive programs may be established to address emerging policy issues and implement key directions in the County’s Official Plan, Regional Affordable Housing Strategy and Essex County Regional Energy Plan.

1.2 The County's Role In Community Planning

The County of Essex is comprised of seven (7) local municipalities and covers an area of approximately 3,670 square kilometres (1,420 square miles). The primary settlement areas within the County are generally recognized as focal points for employment, residential development, recreation and administration while the rural secondary settlement areas have limited intended growth and public investment only to allow for the rounding out of the designated settlement areas. The numerous secondary settlement areas across the County have residential uses and historic community facilities including churches and schools.

Within Essex, the County level of government is responsible for providing a number of core services to the local municipalities, including long-term care, land ambulance, regional landfill and library. The County has been delegated as the approval authority for planning responsibilities from the Province to approve lower-tier Official Plans and Amendments, subdivisions and condominiums and Part Lot Control Exemptions. County Planning leads regional strategic planning initiatives which are best dealt with at the regional level. The County Planning Division based on the directives in the PPS and policies in the County Official Plan, leads the County and local growth projections and lands needs analysis.

1.3 Legislative Authority And Policy Framework

Municipal Act

Section 106(1) and (2) of the *Municipal Act*, 2001 prohibits municipalities from directly or indirectly assisting any manufacturing business or other industrial or commercial enterprise through the granting of bonuses. Prohibited actions include:

- Giving or lending any property of the municipality, including money;
- Guaranteeing borrowing;
- Leasing or selling any municipal property at below fair market value; and,
- Giving a total or partial exemption from any levy, charge or fee.

This prohibition is generally known as the "bonusing rule". Section 106(3) of the *Municipal Act*, 2001 provided an exception to this bonusing rule for municipalities exercising powers under subsection 28(6), (7) or (7.2) of the *Planning Act* or under Section 365.1 of the *Municipal Act*, 2001. It is the exception under Section 28 of the *Planning Act* that allows municipalities with enabling provisions in their official plans to prepare and adopt

community improvement plans (CIPs). CIPs provide municipalities with a comprehensive framework for the planning and provision of economic development incentives in areas requiring community improvement.

Section 365.1 of the Municipal Act, 2001 operates within the framework of Section 28 of the *Planning Act*. A municipality with an approved community improvement plan in place that contains provisions specifying tax assistance for environmental remediation costs will be permitted to provide said tax assistance for municipal property taxes. Municipalities may also apply to the Province to provide matching education property tax assistance through the Province's Brownfields Financial Tax Incentive Program (BFTIP).

Section 107 of the Municipal Act, 2001 describes the powers of a municipality to make a grant, including the power to make a grant by way of a loan or guaranteeing a loan, subject to Section 106 of the Municipal Act, 2001. In addition to the power to make a grant or loan, these powers also include the power to:

- • Sell or lease land for nominal consideration or to make a grant of land;
- • Provide for the use by any person of land owned or occupied by the municipality upon such terms as may be fixed by council;
- • Sell, lease or otherwise dispose of at a nominal price, or make a grant of, any personal property of the municipality or to provide for the use of the personal property on such terms as may be fixed by council.

The County of Essex is unable to utilize Section 28 of the *Planning Act* to create a Community Improvement Plan as the County is not a prescribed upper-tier municipality, as further outlined below.

Planning Act

Section 28 of the *Planning Act* allows municipalities with provisions in their Official Plans relating to community improvement to designate by By-law a "community improvement project area" and prepare and adopt a CIP for the community improvement project area. Once the CIP has been adopted by the municipality and comes into effect, the municipality may exercise authority under Section 28 (6), (7) or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act*, 2001 in order that the exception provided for in Section 106 (3) of the Municipal Act, 2001 will apply.

According to Section 28 (1), 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". Therefore, there are a variety of reasons that an area can be designated as an area in need of community improvement. Section 28 (1) defines "community improvement" as "the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable, or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary". This represents a wide range of possible municipal actions.

Once a CIP has come into effect, the municipality may:

- i. acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28 (3) of the Planning Act);
- ii. construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the CIP (Section 28 (6));
- iii. sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the CIP (Section 28 (6)); and,
- iv. make grants or loans, in conformity with the CIP, to registered owners, assessed owners and tenants of land and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the eligible costs of the CIP (Section 28 (7)).

Section 28 (2) permits upper-tier municipalities who are 'prescribed' by regulation (O. Reg. 221/07) to create a CIP. The County of Essex is not currently a prescribed upper tier municipality under O. Reg 221/07. Section 28 (4.0.1) also specifies that upper tier CIPs can deal only with prescribed matters. O. Reg. 550/06 specifies that these prescribed matters can include only infrastructure within the upper tier municipality's jurisdiction, land and buildings near existing or planned transit corridors, and affordable housing.

Section 28 (7.1) specifies that the eligible costs of a CIP for the purposes of Subsection 28 (7) may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures,

works, improvements or facilities. Again, this includes a wide range of activities that can be considered as eligible costs for grants and loans.

Section 28 (7.2) allows the council of an upper-tier municipality to make grants or loans to the council of a lower-tier municipality, and the council of a lower-tier municipality to make grants or loans to the council of the upper-tier municipality, for the purpose of carrying out a CIP that has come into effect, but only if the official plan of the municipality making the grant or loan contains provisions relating to the making of such grants or loans. This provision allows upper tier municipalities to help lower tier municipalities fund the grant and loan programs in their lower tier CIPs.

Section 28 (7.3) specifies that the total of all grants and loans made in respect of particular lands and buildings under Section 28 (7) and (7.2) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act, 2001* in respect of the land and buildings shall not exceed the eligible cost of the CIP with respect to those lands and buildings.

Section 28 (11) allows a municipality to register an agreement concerning a grant or loan made under subsection 28 (7) or an agreement entered into under subsection 28 (10) against the land to which it applies and the municipality shall be entitled to enforce the provisions thereof 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. It should be noted that while Section 28 (11) allows a municipality to register an agreement concerning a grant or loan against the land to which it applies, it does not require the municipality to do so.

Section 69 allows municipalities to reduce or waive the amount of a fee in respect of a planning application where it feels payment is unreasonable. Municipalities can use this tool to waive all matter of planning application fees to promote community improvement without inclusion in a CIP. Alternatively, a municipality can collect planning application fees and then provide a partial or total rebate of these fees in the form of a grant, but this must be done within a CIP.

Development Charges Act, 1997

While Section 26 (1) of the *Development Charges Act, 1997*, specifies that a development charge is payable for a development upon a building permit being issued for the development, this Act contains a number of mandatory development charge exemptions, reductions, and deferrals for specific types of development. Several of these development charge exemptions and reductions were introduced by the *More Homes Built Faster Act, 2022*, S.O. 2022 (Bill 23), which received Royal Assent on November 28, 2022.

Section 5 of the *Development Charges Act* allows a municipality to exempt a type(s) of development from a development charge, or to have a development charge that is lower than allowed, but any resulting shortfall cannot be made up through higher development charges for other types of development. This allows upper and lower tier municipalities to offer partial or total exemption from municipal development charges for certain types of development in order to promote community improvement, such as downtown redevelopment, brownfield redevelopment or intensification in core areas. Because this financial incentive is normally offered before construction, i.e., at the time of building permit issuance, it is a very powerful community improvement tool.

Municipalities can also use a CIP (Section 28 of the *Planning Act*) to offer a reduction in development charges in the form of a grant equivalent to part or all of the development charge normally payable. It is typically easier for a municipality to offer a reduction of development charges for certain types of development such as high priority/catalyst sites/projects, affordable and attainable housing projects, and/or projects that achieve desirable economic and/or sustainability performance criteria via a grant within a CIP, than via an exemption or deferral within a development charge by-law. In this regard, a CIP is inherently more flexible than a development charges by-law. A CIP can provide grants for certain types of development in certain geographic areas, and/or development that meets specific intensification, affordability, economic and sustainability performance criteria. And, the types of development and/or performance criteria can be changed without a formal amendment to the CIP. Conversely, development charge reductions within a development charge by-law are prescriptive and are usually based on the location of the development, e.g., downtown, or a specific type of development, e.g., brownfield redevelopment. And, a deferral offered within a development charge by-law cannot be changed without a formal amendment to the development charges by-law.

Provincial Planning Statement, 2024

The Provincial Planning Statement – 2024 (PPS) came into effect on October 20, 2024 and provides policy direction on matters of provincial interest related to land use planning and development matters. The PPS establishes the policy foundation for regulating the development and use of land and supports the provincial goal of enhancing the quality of life for the citizens of Ontario. The PPS is issued under Section 3 of the *Planning Act*, which requires that all decisions affecting land use planning matters “shall be consistent with” policy statements issued under the Act. The Vision from the PPS 2024 includes the following statements:

- “Ontario is a vast, fast-growing province that is home to many urban, rural and northern communities distinguished by different populations, economic activity, pace of growth, and physical and natural conditions.”
- “A prosperous and successful Ontario will also support a strong and competitive economy that is investment-ready and recognized for its influence, innovation and diversity. Ontario’s economy will continue to mature into a centre of industry and commerce of global significance. Central to this success will be the people who live and work in this province.”
- “Ontario’s land use planning framework, and the decisions that are made, shape how our communities grow and prosper. Prioritizing compact and transit-supportive design, where locally appropriate, and optimizing investments in infrastructure and public service facilities will support convenient access to housing, quality employment, services and recreation for all Ontarians.”

Several policies in the *PPS* relate to and support the preparation of a CCIP for large scale industrial lands in the County. For example, Policy 2.8.1 provides the Employment policies and states:

“Planning authorities shall promote economic development and competitiveness by:

a) providing for an appropriate mix and range of employment, institutional, and broader mixed uses to meet long-term needs;

b) 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;

c) identifying strategic sites for investment, monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment;

d) encouraging intensification of employment uses and compatible, compact, mixed-use development to support the achievement of complete communities; and

e) addressing land use compatibility adjacent to employment areas by providing an appropriate transition to sensitive land uses.”

The Provincial Planning Statement defines Employment Area as follows: means those areas designated in an official plan for clusters of business and

economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. An employment area also includes areas of land described by subsection 1(1.1) of the Planning Act. Uses that are excluded from employment areas are institutional and commercial, including retail and office not associated with the primary employment use listed above.

County of Essex Official Plan

The current County of Essex Official Plan was adopted by County Council on November 6th, 2024 and received approval from the Province in August of 2025. The new Official Plan is in force and effect at this time and serves as the upper-tier Official Plan for the seven local municipalities.

In 2023, County Council adopted an Official Plan Amendment that added new policy language to enable the County to participate in lower-tier CIP programs with the intent of supporting major industrial development investments in the County that would lead to large scale job creation and economic diversification.

Only those lands within lower-tier CIPs will be subject to these policies.

6.D.4. *The Community Improvement provisions of the Planning Act provide for and co-ordinate comprehensive improvements in identified areas of a community. Community improvement policies are intended to provide a planning mechanism for improvements, access to cost sharing programs and encouragement for private investment. In order to assist with regional and local economic development initiatives targeted to attracting new large scale industrial and commercial developments to locate in Essex County, the County encourages and supports local municipalities preparing Industrial and Economic Development Community Improvement Plans.*

Where such Local Municipal Community Improvement Plans are in effect, in keeping with the provisions as set out in Section 28 of the Planning Act, County Council may make grants for the purpose of rebating the County's portion of any approved Tax Increment Rebate Grant that is being provided by the Local Municipality, for a maximum of up to ten years for eligible projects.

A description of what constitutes an eligible project for the purpose of the County's participation in this Tax Increment Rebate Grant Program, together with a detailed outline of the County's program

conditions are set out in a Program Guide that has been prepared by County Administrative Staff.

The adopted Official Plan has received final approval by the Province on August 15th, 2025 and has come into full force and effect.

1.4 Methodology And Consultation

In September of 2023, County Council authorized Planning staff to initiate the development of a County-level program that would provide a tax grant back incentive to be administered together with Local Municipal Industrial CIPs. The County Community Improvement Plan- Large Scale Industrial (LSI-GMP) has been prepared in consideration of the limitations and authorities of the provisions of Sections 28 and 77 of the *Planning Act*. A draft document was developed by the County Planning Division and further refined through consultation with Local Municipal Administration as well as Invest Windsor-Essex. A final draft was prepared, taking into consideration those comments received from the noted circulation, where applicable.



2.0 Large Scale Industrial (LSI-GMP)

2.1 Project Area

The LSI-GMP applies to those lands within the County of Essex which are subject to a local municipal community improvement plan. Given the support for economic development reinforced as part of this LSI-GMP, the project area includes all lands within the County that, prior to development, will be placed into the appropriate Official Plan designation and zoning for industrial development. It is noted that, through the appropriate planning approval processes, the settlement area boundaries and land uses may change from time to time.

2.2 Purpose

The purpose of the County Community Improvement Plan-Large Scale Industrial (LSI-GMP) is to promote the development and redevelopment of large scale industrial development with an aim at significant regional scale job creation in the County. The stimulation of large scale industrial development will diversify the County's tax base which is largely secured from residential development. The LSI-GMP is also in keeping with goals and policy objectives of the County Official Plan and other strategic documents including the County's Strategic Plan.

2.3 Goals And Strategic Priorities

The fundamental goal of the LSI-GMP is to create a County-wide program to stimulate large scale industrial growth where appropriate in the County. Further, to ensure that the program positions the County and local municipalities to directly compete with incentive programs offered by single tier municipalities. The LSI-GMP will provide the long-term framework that will direct and guide community improvements through financial incentives and municipally driven projects to achieve the objectives of the County. The goals and objectives of the LSI-GMP are consistent with the policies of the County Official Plan and compliment local municipal industrial CIPs and relevant local and County program criteria. The LSI-GMP will focus on promoting the development of large scale industrial sites by matching grants provided by local CIPs by way of a tax 'grant back' incentive program.

Strategic Priorities

Priority #1: Improve the County's Economic Climate

- encourage long-term investment that improves the economic climate of the County and increase the County's importance as a destination for industry;

- Support investment and development that results in an increase in property assessment and grows the non-residential municipal tax based over the long-term;

Priority #2: Diversify the Economy

- Support investments in targeted high potential economic sectors that contribute to the diversification of the local economy;

Priority #3: Use Land Strategically

- Use existing services and infrastructure most effectively;
- Encouraging investment that results in productive use of lands and/or buildings based full municipal servicing and the integration of all transportation opportunities;

Priority #4: Take Advantage of Cluster-related Synergies

- Support the establishment and on-going development of targeted sector clusters and encourage businesses to take advantage of cluster-related synergies;
- Support synergies with existing and growing industries by attracting investment based on each community’s strengths and competitive advantages;

Priority #5: Balance Incentives with Expectations

- Provide financial incentive programs that are attractive to potential investors and corporate decision-makers, but are balanced with expectations of County taxpayers and the County’s ability to fund financial incentive programs;

Priority #6: Target Significant Job Creation

- 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;

Priority #7: Alignment with Other Levels of Government

- Aligns with Provincial and Federal industrial development incentive initiatives.

Further, the County CIP-LSI accepts the goals and priorities contained in local municipal CIPs as they pertain to the development and redevelopment of large scale industrial development projects and will consider these objectives in providing matching County grant contributions.

As noted in the Growth Analysis Background Report prepared by Watson and Associates for the County Official Plan review,

"steady future economic growth is anticipated across the Windsor-Essex Area, most notably associated with the need for local supply chains to support the planned Stellantis N.V and L.G. Energy Solution (L.G.E.S.) electric vehicle (E.V.) battery manufacturing facility."

One of the directions identified in the County Official Plan 2024 and the County's Strategic Plan is to conduct a Regional Employment Land Strategy to provide strategic direction and recommendations for the County to implement planning for future regional employment lands in an effort to advance the County-wide economic objectives.

The Watson Report also states:

"Given the competitive position of existing and planned Employment Areas across the County, as measured in terms of location/access to major North American employment markets and large population centres, parcel size, price per acre, and competitive development costs, etc., Essex County is anticipated to achieve a relatively stronger rate of industrial absorption over the long-term planning horizon under all three growth scenarios."

Forecasts show that 15,000 indirect jobs will be created associated with the regional supply chain to support the planned \$5 billion NextStar Energy electric vehicle battery plant. Essex County is experiencing unprecedented growth and along with the benefits there are also challenges to confirm that we are well positioned to create and attract jobs at a manageable pace that will help the region reach provincial targets with limited lands ready for development.

2.4 Alignment With Manufacturing Uses

In Ontario, manufacturing remains critical for the provincial economy in terms of providing jobs and contributing to the overall economic output. While there will continue to be an emphasis on manufacturing in Ontario, the Province has more recently focused attention to the automotive sectors. The automotive industry and the Province are currently working together, along with other levels of government and the research and education sector, to establish a business climate that facilitates growth, innovation, and helps the industry adapt to global trends. The Province of Ontario's vision is to:

"strengthen and build on Ontario's North American leadership in automotive assembly and parts production" and "position Ontario to be a leader in the development, commercialization and adoption of advanced manufacturing and

mobility technologies.” Areas of immediate action have been identified by the Province to support the vision for the automotive sectors.

Nearing the end of 2021, the Province released *Driving Prosperity: Ontario’s Automotive Plan Phase 2*. The document focuses on the automotive sector in Ontario and how it can be transformed through a focus on building electric vehicles (EVs), autonomous and connected vehicles.

Given the Province’s continued support for the automotive sector, large scale automotive assembly plants as well as manufacturing plants are targeted through this LSI-GMP as the County and Local Official Plans contemplate manufacturing uses in appropriately designated employment areas. Further, the County recognizes areas of established industrial hubs, where a diverse collection of industrial uses are located. As such, the economic sectors targeted through this LSI-GMP would be compatible with uses already existing in these areas and will benefit from the proximity to the City of Windsor, Town of Tecumseh and the international border crossing(s). In light of previous announcements from the Province regarding investments in the automotive sector, the County and local municipalities stand to benefit from proximity with new large-scale automotive battery and assembly plants in the City of Windsor. This provides an opportunity to support potential feeder plants and enhance synergies within the automotive sector. Further, employment growth projections for the County anticipated an increase over the planning horizon, which is based on the County’s geographic location, existing transportation infrastructure, supply of employment land, existing employment base, and the forecast population growth.

The purpose of this LSI-GMP initiative is to ensure that that the County is attracting the intended scale of industry based on the synergies noted above. Preference will be given developments that meet the Large and Special Purpose Property Assessments by the Municipal Property Assessment Corporation (MPAC). More specifically, the LSI-GMP is targeted with preference to those developments that would be assessed using the Assessment Methodology Guide: Assessing Automotive Assembly Plants in Ontario. The LSI-GMP is also intended to support investment in areas of clean tech, agri-food, defence, logistics and life sciences. More recently, the Ontario and Federal Governments have undertaken an economic diversification strategy and the County program is also intended to facilitate and support this economic diversification.

MPAC notes within each methodology guide for Assessing Automotive Assembly Plants in Ontario and Assessing Automotive Parts Manufacturing Plants in Ontario, that the basis for the definition of “large” industrial properties means,

"a property that falls within the definition of the 'Large Industrial Property Class' contained in section 14 (1) of Ontario Regulation 282/98. [Which] in general, this refers to an industrial property in excess of 125,000 square feet in terms of 'exterior measured area.'"

2.5 Large Scale Industry

The County will target a variety of large-scale industrial uses, in recognition of evolving economic conditions over time, provided that they meet the eligibility criteria outlined in Section 4.1 of this LSI-GMP.

2.6 Monitoring And Changes To The LSI-GMP

The County Community Improvement Plan- Large Scale Industrial (LSI-GMP) is being implemented under the authority granted to the County of Essex under the *Planning Act*, as described previously. The County supports actions that may be undertaken to promote countywide industrial development in cooperation with Local Municipal programs.

However, the County is not obligated to implement the incentive program as outlined in this plan or any other incentive and may choose to discontinue any incentive associated with the LSI-GMP at the sole discretion of County Council.

Where County Council resolves to discontinue a program or incentive, any approved proposals underway at the time that the program is discontinued, or a project area is dissolved, will generally be honoured until the development is concluded.

2.7 Implementation

Programs established through the County LSI-GMP will generally be implemented over the ten year period, but may be extended where Council deems it appropriate or necessary to do so.

Council will adopt a set of general guidelines and procedures regarding program implementation and will include additional details specific to the program as required.



3.0 Financial Incentive Programs

Based on the Policy Framework (Section 1.0), and Goals and Strategic Priorities (Section 2.0), as well as best practices in other two tier municipalities, this section contains the program details. This section itemizes incentive programs offered by the County of Essex (upper tier) to the Local Municipalities (lower tier) in Essex County for the purposes of financially supporting the incentive programs contained in Local Municipal CIPs. If Local Municipalities in Essex County wish to receive funding from the County to support incentive program applications approved under their CIPs, they must apply to the County for funding under the new LSI- GMP.

As per Section 28 (7.2) of the *Planning Act*, an upper tier municipality can make grants or loans to a lower tier municipality for the purpose of carrying out a local CIP that has come into effect, on such terms as to security and otherwise as the upper tier council considers appropriate. Therefore, the County of Essex may attach terms and conditions to its LSI- Grant Matching Program.

On-going consultation with the Ministry of Municipal Affairs and Housing on upper tier participation in lower tier CIP incentive programs has confirmed that upper tier municipalities may decide on a case-by-case (application by application) basis whether or not to provide grants or loans to a lower tier municipality for funding of incentive programs available in a lower tier CIP.

Furthermore, the upper-tier municipality may also attach its own terms and conditions to such individual applications.

Therefore, with regard to the incentive programs contained herein, the County retains the right to determine on an application by application basis, whether or not to provide a grant or loan to the local municipality, and furthermore, the terms and conditions in relation to such a grant or loan. Furthermore, Local Municipalities in Essex County may apply to the County for funding under any or all of the incentive programs contained in the new LSI-GMP, only if and as permitted herein, and subject to each incentive program application meeting all general program requirements and program specific requirements, at the discretion of County Council.

SUMMARY OF INCENTIVE PROGRAMS

The new LSI-GMP was specifically developed to strategically direct County grant funding to local CIP projects that support the County's long-term planning and economic development goals and priorities as specified in Section 2.3. Once the new LSI-GMP has been approved by County Council, it can be activated by Administration confirming and continually monitoring any budgetary impacts to the County. In this regard, this document, once approved, enables Council and Administration to implement the incentive programs contained herein, but does not obligate Council to implement any or all of these incentive programs. Furthermore, Council controls the implementation of the incentive programs and Council will decide which programs will be offered and the amount of funding allocated to the financial incentive programs.

When implementing the incentive programs, depending on budget considerations at the time, Council can set a maximum grant available for each incentive program at or below any maximum specified for that program herein. Council may also specify a maximum grant amount for any incentive program where a maximum grant amount is not specified herein. Finally, all of the financial incentives described herein may be provided to the local municipalities applying for these programs at the sole discretion of the County of Essex.

General requirements that apply to all the incentive programs and program specific requirements have been included to help ensure that the goals and priorities of the County can be achieved while protecting the financial, planning, and other interests of the County. Sections 3.1, 3.2 and 3.3 below summarizes basic details for each of the programs. The balance of this section provides a description of the general program requirements, and basic details for each incentive program including the program purpose, description, and requirements.

The requirements contained within this document are not necessarily exhaustive and the County reserves the right to include other requirements and conditions as deemed necessary on a program and/or property specific basis.

GENERAL DETAILS AND REQUIREMENTS FOR ALL PROGRAM FUNDING

The program created through the LSI-GMP aims to provide targeted diversification of the County's tax base along with significant job creation. The purpose, type, duration, eligibility criteria and application requirements for each of the financial incentive programs are described in detail below.

The general and program specific requirements contained in this LSI-GMP are not necessarily exhaustive and the County reserves the right to include other requirements and conditions as deemed necessary on a property/development specific basis. The financial incentive program contained in this LSI-GMP is subject to the following general requirements, as well as the individual requirements:

1. The provision of all grant programs will be administered on a first-come first-served basis to the limit of available funding in accordance with any administrative rules governing this and other programs. Should there be inadequate funding, completed applications will be held and processed in chronological order from the date of application approval and on their merit as soon as funding is available;
2. The County 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 and/or tax assistance;
3. Local municipalities can make applications to the County for the program funding only for properties within a designated (by by-law) Community Improvement Project Area where there is an adopted Community Improvement Plan (CIP) in effect and must meet all program specific requirements, unless directed otherwise by County Council;
4. Costs related to projects/rehabilitation activities that occurred prior to the approval of the LSI-GMP will not be considered eligible. Financial incentive programs will commence following the date of approval of the LSI-GMP by County Council;
5. Implementation of the LSI-GMP programs are subject to appropriate budget allocation by County Council, on the recommendation of County Administration;

6. An application for the financial incentive program contained in this Industrial GMP must be submitted to, and approved by, the local municipality and then submitted to the County, prior to the commencement of any eligible works to which the financial incentive program will apply and, in some cases, prior to application for building permit;
7. Review and evaluation of an application and supporting materials against program eligibility requirements and applicable built performance guidelines/criteria will be done by County Administration, who will then make a recommendation to County Council. The application is subject to approval by County Council;
8. As part of the County Council application approval process, the local municipality will then enter into a grant agreement with the County that will specify the terms, conditions, duration, and default provisions;
9. All works completed must comply with the description of the works as provided in the application form and contained in any grant agreement, with any amendments as approved by the County;
10. Where other sources of government, agency, or non-profit organization funding (Federal, Provincial, Federation of Canadian Municipalities, etc.) can be applied against the eligible costs of the LSI-GMP, these must be declared as part of the application, whether they are anticipated or secured. Accordingly, the grant may be reduced on a pro-rated basis;
11. The County is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred directly or indirectly in application for a grant;
12. Property taxes and any other municipal financial obligations must be in good standing at the time of program application and throughout the entire length of the grant commitment;
13. The total of all grants and tax assistance provided in respect of the particular lands and buildings for which an applicant is making application under the programs contained in this LSI-GMP and any other applicable Industrial CIPs shall not exceed the eligible cost of the improvements to those particular lands and buildings under all applicable;
14. Grants awarded under any Industrial CIP program are only available to the owner or tenant that signed the original grant

agreement and are not transferable. If all or part of a property is sold within a grant eligibility period, all grant payments would immediately be discontinued. However, the County may, at its sole discretion, transfer all or part of a grant amount to a new property owner, subject to a new owner entering into an agreement with the County that fulfills the requirements of the original agreement, plus any new requirements;

15. If the applicant is in default of any of the general or program specific requirements, or any other requirements of the County, the County may delay, reduce or cancel the approved grant and/or tax assistance;
16. The County may discontinue any of the programs at any time, but applicants with approved grants and/or tax assistance will still receive said grant and/or tax assistance, subject to meeting the general and program specific requirements and subject to the terms of the grant agreement;
17. All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all municipal Bylaws, policies, procedures, standards, guidelines, including applicable County and local Official Plan and zoning requirements and approvals;
18. The improvements made to buildings and/ or land shall be made pursuant to a building permit and/or other required permits, and constructed in accordance with the Ontario Building Code and/or other municipal requirements. Outstanding work orders, and/or orders or requests to comply and/or charges from the local municipality (including tax arrears) must be satisfactorily addressed prior to grant and/or tax assistance payment;
19. Local municipal administration, officials, and/or agents of the relevant local municipality may inspect any property that is the subject of an application for any of the financial incentive programs offered by the municipality; and,
20. Properties may only receive incentives through any given program one time during the life of the LSI-GMP, subject to alternative considerations for a phased project.
21. Applications for the any of the incentives must be filed by the local municipality on behalf of an individual, corporation prior to the start of any activity that would constitute development triggering a re-valuation by MPAC;
22. Applications for the LSI-GMP submitted by a local municipality on behalf of an individual, corporation, or other party who has

litigation pending against the County may be deemed by the County in its sole discretion to be ineligible for any of the programs contained herein.

23. Applications must be accompanied by information that describes existing site conditions, including the current value assessment and taxation rates for the subject property;
24. Applications must also be supported by documentation detailing the proposed development, including a site plan and confirmation of any planning approvals being sought to facilitate the proposed industrial use and development;
25. Applications for the incentives shall be first reviewed by County Staff and then presented to County Council for approval, following local review of industrial CIP eligibility;
26. Where other sources of government funding (Federal, Provincial, Municipal) that can be applied against the eligible costs that are subject of the application by the local municipality to the County are anticipated, or have been secured, these must be declared as part of the application by the local municipality. Accordingly, the LSI-GMI funding from the County may be reduced on a pro-rated basis.
27. The total of all grants, loans, tax assistance provided in respect of the particular property for which an applicant is making an application to the local municipality and subsequently the County under the LSI-GMP shall not exceed the eligible cost of the improvements to that particular property under the local municipal CIP and the LSI-GMP.
28. As a condition of approval, Council shall confirm that the owner or tenant of the approved eligible property has entered into, or is entering into, an agreement with the Local Municipality and the County shall review the terms, duration, default and termination provisions of the grants. County and Local Councils may also apply other conditions to the approval where appropriate and warranted;
29. Property taxes must be in good standing and there must not be any other outstanding County charges or obligations at the time of the program application and throughout the entire length of the grant term.
30. All proposed works and associated improvements to buildings and/or land must conform to all applicable Official Plans, the Zoning By-law, other planning requirements and approvals, Local

Municipal and County standards, guidelines, by-laws, policies, procedures and applicable law.

31. If an individual applicant is in default of any of the general or program specific requirements, or any other requirements of the County, the County may delay, reduce or cancel the approved grant, and require repayment of the approved grant, including the ability to add the repayment of the approved grant amount to the property tax roll.
32. The County may discontinue any program at any time, but applicants with an approved application (through the local municipality) will still receive their approved, committed funding, subject to continuing to meet general and program requirements.

The County will provide the rebate to the local municipality once annually, provided the below steps have been met:

1. The building inspections have occurred;
2. All deficiencies have been addressed;
3. All program and rebate agreement requirements have been met to the local municipality and County's satisfaction;
4. The property has been reassessed by the Municipal Property Assessment Corporation (MPAC);
5. The local municipality has confirmed that there are no outstanding orders against the property; and,
6. The new property taxes have been paid in full for the year.

The pre-improvement assessment and municipal tax values will be determined at the time the application is approved and before construction is started for the industrial development project. It is essential for applicants to submit their applications early, before starting any development, to ensure eligibility. For purposes of this financial incentive program, the tax increment is the increase in municipal property taxes, which is calculated as the difference between the pre-improvement municipal property taxes on the property and the post-improvement municipal property taxes that are levied as a result of the property's re-valuation by the MPAC. The tax increment does not include any increase/decrease in municipal taxes due to a general tax increase/decrease, or a change in assessment for any other reason.

The County may establish a maximum total rebate that can be paid under this program, based on negotiated agreement terms, per application, property or project.

3.1 Tax Increment Equivalent Rebate Program

3.1.1 Purpose

The Tax Increment Equivalent Rebate Program is intended to encourage the development and redevelopment of eligible properties through the provision of a rebate up to the difference between the original and new property tax after improvements.

This financial incentive reduces the property tax increase that can result from these various types of development. The incentive may also assist development proponents in securing project financing.

Local municipalities will be responsible for ensuring that properties receiving the tax grant back incentive are eligible in accordance with the requirements of the Local CIP. Further, where a local municipality approves a grant under this program, the municipality will be responsible for notifying the County accordingly. Where the local municipality proposes to seek the matching County LSI grant, the local municipality will consult with the County Administration prior to advancing the local CIP approval, such that the County can confirm County LSI grant support for the County's portion of the grant. County Planning will coordinate the review of the request with County departments and respond to the grant request prior to finalizing approvals locally.

3.1.2 Description

In instances where improvements to a property will result in an increase in assessment value and taxes levied, County Council, following approval of a local tax rebate, may provide rebates to the owner or tenant of an eligible property to help offset the increased tax costs associated with new construction.

The value of the rebate will be based on the difference between the property's taxes before and after improvements. The tax increment rebates are to be provided after the improvements to the property are complete and after the reassessment of the property by the Municipal Property Assessment Corporation has demonstrated an increase in the assessed value of the property. The pre- and post-improvement assessment and tax values will be used to calculate the incremental increase in municipal property tax levy. This calculation will also determine the total value of the rebate that can be offered by the County. The County will work in collaboration with the relevant local municipality to confirm calculated incremental tax increases and eligible rebates.

3.1.3 Program Requirements

This financial incentive program will provide an annual tax increment rebate up to 50% of the increase in the municipal portion of property taxes generated through the completion of an eligible project, which has resulted in an increase of the assessment value and, therefore, an increase in property taxes paid. The approved tax increment rebate amount would be disbursed by the County on an annual basis, determined at the time municipal taxes are collected, for up to 10 years. The length of time that the rebate will be disbursed will be determined based on the scoring against the above program goals and strategic priorities.

3.1.4 Program Restrictions

This program applies only to those lands that are located entirely within the County of Essex with the appropriate designation and zoning confirmed and also subject to a Local Industrial CIP.

Improvements to buildings and/or land made under this program shall be undertaken pursuant to all applicable legislation. Prior to advancing the County's grant approval, local decisions on required planning approvals must be finalized.

3.1.5 Funding

The nature of the tax grant back program is such that the cost to the County will be realized in foregone tax revenues resulting from property improvements and pre-budgeted may not be possible at times. If funding is needed before the County receives the extra tax revenue, the County can temporarily use County reserves, as approved by the Director, Financial Services/Treasurer.

3.1.6 Local Municipal Consultation

The County of Essex is committed to working with the Local Municipalities to cooperatively and effectively facilitate the objectives of attracting large scale industrial development. The LSI-GMP enables the County and local municipalities to further common community improvement goals in a partnership beneficial to both levels of government.

3.2 Development Charges Rebate Program

3.2.1 Purpose

The County is presently embarking on the first Development Charges Study and associated By-law through 2025 to investigate the potential to implement DC's to put in place a funding source to address growth related infrastructure. A component of the DC Study will investigate and make

recommendations on statutory and non-statutory exemptions based on current Provincial Legislative requirements and best practices. Should County Council direct approval of Development Charge Rebates as an additional incentive to attract large scale industrial development, this program guideline will be updated accordingly.

3.3 Planning Act Application And Permit Fee Rebate Program

3.3.1 Purpose

For industrial projects that meet eligibility criteria, exemptions will also be offered to any County *Planning Act* approval application fees along with County Road permit fees. County Planning Administration will work with applicants (through local municipalities) at the time of LSI-GMP application review to determine if any of the above application or permit fees are applicable and will advance a process to propose the waiving of fees to the County's User Fee By-law as part of the overall project application information to County Council.

4.0 Application Guide

4.1 Eligibility

For a project to be deemed eligible for any of the incentives outlined in the County LSI-GMP, it must meet all of the following criteria:

- Be located within the Project Area (Settlement Area) described in Section 2.1;
- Be consistent with the goals and strategic priorities detailed in Section 2.3; and,
- Adhere with the general and/or specific requirements for the financial incentive program listed below in Section 3.

Properties are eligible if they meet at least one (1) of the numbered criteria below:

1. Would be assessed using MPAC's "Automotive Assembly Plants" or "Automotive Parts Manufacturing Plants" assessment methodology, and has a minimum of approximately 1,500,000 square feet of total floor area; OR,
2. Would be assessed using another MPAC Large and Special Purpose Assessment methodology other than the two named in (1) above, and has a minimum of 1,000,000 square feet of total floor area; OR,

3. Would be a targeted economic sector development included in MPAC's Large and Special Purpose Property Assessment or another tool, pre-approved by the Local Municipality and the County.
4. Would be an industrial use of 125,000 square feet of total floor area minimum as a new build or an expansion to an existing building defined as Industrial in the local Zoning By-law with a minimum employee density of 30 full-time equivalent employees per net acre.

If the above criteria can be demonstrated, a project will be eligible to participate in the LSI-GMP. Any requests for approval of a project that do not adhere to the eligibility criteria provided above, would be at the sole discretion of County Council. All project requests will be assessed for their potential impact on the regional economy including considerations for significant job creation.

4.2 Specific Incentive Program Requirements

All projects that are approved for financial incentives through the LSI-GMP are subject to the terms and conditions outlined in Sections 3.0 and 4.1, in addition to the following provisions specific to the following program.

4.2.1 Tax Increment Equivalent Rebate Program Requirements

For applicants approved for the Tax Increment Equivalent Program, additional requirements apply. Refer to Section 3.1 for the specific requirements for applicants of this program.

4.3 Application Procedure

In this section, the steps for submitting a financial incentive program application are outlined below as well as the evaluation approval procedures.

4.3.1 Submitting An Application

Before a full application is submitted, applicants should review the information available on the County's webpage pertaining to the LSI-GMP. County Administration are available to respond to any questions during the preparation of the County application. All instructions and applications and forms are available on the County Large Scale Industrial Grant Matching Program portion of the County's website.

The completed application form shall be submitted prior to commencing any development or construction that is the subject of the financial incentive application.

In addition to the required supporting materials outlined in Sections 3.0 and 4.0, an application for any of the financial incentive programs to be deemed completed must include the following:

- A completed and signed application form;
- A description of the eligible works and how they satisfy the eligibility criteria;
- Confirmation on the submission status of the building permit application and any planning approvals application(s), including drawings that detail the proposed works and supporting reports for the proposed works;
- Supporting documentation, including detailed drawings i.e,site plan, floor plans, site servicing plans
- Current assessment information;
- Copy of the Property Deed for the subject property (available from the Land Registry Office) showing name of current owner and legal description;
- Photographs of the existing building(s)/property;
- A letter from the local municipality's finance department confirming that the property is up-to-date and in good standing with respect to all municipal financial obligations; and,
- Identification of any additional public funding sources used to support the proposed project.

4.3.2 Application Review And Evaluation

Once a completed application is submitted, the application will be circulated to the County's review committee that consists of County Administration and is led by the Manager, Planning Services. The committee will review the application based on the eligibility requirements. As part of the evaluation procedure, a visual inspection of the subject building or property may be required in order to fully assess the application. Consultation will occur with the relevant local municipality throughout-out the application evaluation process.

4.3.3 Decision On An Application And Expiry Of Approval

After the application has been reviewed and evaluated against the eligibility requirements, both general and specific, it is assessed to determine how much of the proposed development, if any, is eligible, the funding level, and what conditions may apply. This assessment is considered relative to funding availability. For favourable applications, the Manager, Planning Services shall

make a recommendation to County Council for approval of the financial incentive program and the amount of the grant. A grant agreement will be drafted and reviewed by both parties prior to proceeding to County Council with the Manager’s recommendation. The grant agreement with the County will specify the terms, conditions, duration, and default provisions of the approved rebate(s).

Upon approval from County Council, the Manager, Planning Services will provide the applicant with a letter indicating the County’s approval of the application.

After the agreement is executed, the applicant will then have a period of one year to start the project and up to three years to complete the project from the date of County Council approval, after which the approval expires, unless an extension is granted by County Council. For a phased development, the agreement shall establish the period within which the project is to be completed.



4.3.4 Applicant To Undertake Project Work

At this stage in the application procedure, the applicant should obtain, if they have not already, the necessary permits and/or approvals from the local municipality and the County for the project. All costs associated with

the development of the property will be borne by the applicant. In some cases, due to the nature of the proposed works, the applicant may be required to undertake the works in accordance with a commitment agreement made with local municipality.

To demonstrate the development has been completed, the applicant must submit evidence of paid invoices, paid taxes, and other supporting documentation, such as an updated MPAC assessment. The applicant must also ensure that there are not any outstanding orders on the property. If actual costs are less than what were approved under the agreement, the dollar amount of the payment may be reduced; however, if costs are higher, the payment shall not be increased without the approval of local municipal and County Council. The Manager, Planning Services will prepare a report to confirm the County's acceptance of the work completed. This confirmation will require collaboration with the relevant local municipality.

4.3.5 Provision Of The Rebate

The rebate will only be available to the applicant upon completion of the agreed upon development. Funding will not be provided in full or as progress payments to partially completed projects.

5.0 Other Strategic Actions

In addition to the financial incentive program outlined in this LSI-GMP, the County will consider additional activities that will assist the County in meeting the objectives outlined in this Plan.

5.1 Regional Employment Land Strategy (RELS)

The County Official Plan 2024 and the Strategic Plan 2023, recommend the preparation of a County RELS, intended to provide a strategy for identifying and preparing employment lands for development by the County in partnership with local municipalities. A main objective of the RELS is to assess criteria for those areas in the County with the highest potential for large scale employment land development. Another component of the RELS process would be to identify recommendations to the County relating to the required County/local governance structure to develop and administrate a regional employment area.

The Provincial Policy Statement (PPS), identifies the importance of having an adequate supply of land for employment uses, and the infrastructure to support it, is expressed. Through the PPS, municipalities are required to promote economic development and competitiveness by:

- Providing for an appropriate mix and range of employment uses to meet long-term needs;
- Providing opportunities for a diversified economic base;
- 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;
- Facilitating the conditions for economic investment;
- Identifying strategic sites for sites for investment;
- Monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment;
- Ensuring the necessary infrastructure is provided to support current and projected needs; and,
- Planning for, protecting and preserving employment areas for current and future uses.

Attracting new businesses to the region is a challenge to economic development as every community is vying to attract the few companies that are locating or re-locating to this area. Several of our local municipalities face some form of servicing constraints to locating new industry. Economic development analysis identifies that industrial clustering is one of the main criteria sought by industry in site selection. Industrial clusters can be observed as a feature of virtually every national and metropolitan economy. A few of the seven local municipalities have a strategic advantage simply due to location to the existence of other industry and the multi-modal transportation choices.

As such, the County is encouraged to take an active role in ensuring that there is an adequate supply of employment lands within the County boundaries. To do so, actions may include establishing lands that are designated or zoned to allow for a wide range of employment uses and to coordinate servicing across municipal boundaries.

The County is home to several existing, built-up employment hubs that contain an array of industrial uses. However, the supply of available employment land located within the County is limited, particularly for large scale industry that is targeted with this LSI-GMP and the County is pursuing measures to address this in future. Additionally, the incentives, activities and actions outlined in this grant matching program will support and facilitate the attraction of new major industrial investment and development. The RELS will also assess the servicing capability of regional employment lands including consideration for roads, water, sanitary, electrical, and broadband

services to be shovel ready for potential industrial development. The cost of preparing the employment lands to be shovel ready for new industry is cost prohibitive for one local municipality to try to go it alone and in competition with neighbouring municipalities.

5.2 Property Acquisition And Disposition

Following the completion of the County RELS, the County and local municipalities will determine the preference for acquiring lands and consolidating lands for large scale industrial development. If recommended by the RELS and approved by County Council, the County and partner local municipalities can ensure that there will be sites available and suitable for new major industrial investment and development, which furthers the objectives of the LSI-GMP.

5.3 Planning Act Approval Streamlining

For major development applications, the County will work in collaboration with the relevant municipality to streamline and expedite approval processes to the greatest extent possible.



6.0 Monitoring And Implementation

The general administration of the LSI-GMP and the financial incentive program(s) contained within shall be the responsibility of the Planning Services Division, in collaboration with other County departments and the relevant local municipality as appropriate.

6.1 Funding

Implementation of the LSI-GMP program is subject to appropriate budget allocation by County Council, on the recommendation of County Administration.

Properties may only receive incentives through any given program one time during the life of the LSI-GMP, subject to alternative considerations for a phased project.

6.2 Implementation

It is anticipated that the new LSI-GMP will be implemented over a 10-year period. Council may extend, reduce or amend the implementation period as deemed appropriate or necessary.

Nothing in the LSI-GMP shall limit the right of County Council to undertake any other initiatives provided for through the County's Official Plan or other strategic planning documents to facilitate or achieve new major industrial investment or development in the County, based on the recommendations of County Administration.

6.3 Monitoring And Adjustments

The County will report annually on the programs and activities relating to the LSI-GMP, in order to monitor uptake and program effectiveness. The impact of the incentive programs will be monitored to ensure that the purpose and objectives of the LSI-GMP are successfully being met. The County will monitor changes to local municipal CIPs to monitor the effectiveness of this program in achieving the objectives of increasing diversification of the County's tax base as well as significant job creation. Monitoring will include reviewing the financial incentive program(s), the municipal financial contribution to the program(s), and the use of the program(s) offered through the LSI-GMP.

Additionally, monitoring for this LSI-GMP will include reviewing industry trends and projections for industrial development and innovations in the targeted sector. Based on any significant industry shifts, it may be advantageous to adjust programs or eligibility criteria of the LSI-GMP in response to market changes.

At or within five (5) years of the LSI-GMP coming into effect, a monitoring report will be presented to Council, which will address the following matters (at a minimum):

- Revisions to the targeted economic sectors;
- Revisions to the eligibility criteria;
- Modification to funding amounts offered through the financial incentive programs contained within the LSI-GMP;
- Discontinuation or LSI-GMP; and,
- Minor adjustments to the program details or the terms and requirements of the financial incentive programs contained within the LSI-GMP.

6.4 Funding

As noted in Section 3, once this LSI-GMP document has been approved by County Council, this enables the County to implement the incentive programs contained herein, but does not obligate Council to implement any or all of these incentive programs. Council can set a maximum grant available for each incentive program that is at or below any maximum specified for that program herein. Council can also specify a maximum grant amount for any incentive program where a maximum grant amount is not specified herein. While the programs are limited at this time, should monitoring indicate an uptake that benefits the economic climate of the County, additional annual funds might be requested as part of the budget process.

As part of the annual County budgeting exercise, Council will consider the approval of an LSI-GMP budget, if deemed necessary. While the provision of any grant incentive shall be to the limit of the available funding for that year, any unused funding from previous years should be carried forward into subsequent years, in order to provide flexibility for variation in applications from year to year. This is of particular importance when new incentive programs are launched or existing incentive programs are updated, as there may be a “time lag effect” between program launch and uptake, as potential applicants become aware of and knowledgeable with regard to the new/updated incentive programs.

6.5 Local Community Improvement Plans

At the time Local Municipalities in Essex County update their industrial CIPs, they should incorporate a section on “County Participation in Financial Incentives”. In the interim, Local Municipalities will be able to apply for the

LSI-GMP funding under their current industrial CIPs, subject to meeting the general and program specific requirements of the LSI-GMP.

In order to access funding available under the LSI-GMP, Local Municipalities must formally apply to the County for funding under the Programs as outlined in this document. In addition to meeting the general and program specific requirements contained herein, the County retains the right to determine on an application by application basis, whether or not to provide a grant or loan to the local municipality, and furthermore, the terms and conditions in relation to such a grant or loan.

6.6 Administration Process And Coordination

6.6.1 Early Notification

It is very important to the proper administration of the County LSI-GMP Programs be contacted by local municipal staff and involved at the pre/early-development stage of eligible projects. Therefore, it is recommended that a formal "early notification system" be put in place where local municipal staff formally advise County staff at the time the local municipality receives an application for local industrial CIP funding that is deemed suitable for the County's program. This will allow County staff to be informed of the application details at an earlier stage in the process, thus allowing County staff to work with local municipal staff and the applicant to help ensure that the proposed community improvement project will meet the County's funding requirements. For larger scale projects, this notification from local municipal staff to County staff should take place even prior to submission of the application for local CIP funding, i.e., at the project pre-consultation stage.

It is also recommended that County staff formally meet with local municipal staff administering CIPs on a semi-annual basis to review local CIP program applications submitted, in progress and approved to obtain an understanding of CIP uptake at the local level. This information exchange will assist with the County staff monitoring and updating County Council on the interest and success in the program.

6.6.2 Member Municipalities

Local Municipal staff should complete a pre-screening of community improvement incentive program applications they receive using the County's LSI-GMP Framework. It is recommended that part of the pre-screening process involve one or more pre-consultation meetings with the applicant to discuss the details and merits of their proposed community improvement project application, including how the proposed project can meet the general, program specific, and minimum scoring requirements of the

County's framework. Where required, Local municipal staff are encouraged to contact County staff at the pre-consultation meeting stage to assist in the process of informing the applicant regarding the requirements of the County's programs, including the minimum scoring requirements of the County's eligibility and evaluation framework as listed in Sections 3.1.3 and 4.1.

If a local municipality approves a community improvement project and makes an application to the County, local municipal staff should include an explanation of the merits of the proposed project achieved under the County's Framework. Local Municipal staff are also encouraged to provide timely updates to County staff should any of the details of the proposed project change in a way that would affect the project feasibility based on the County's LSI-GMP framework.

6.6.3 LSI-GMP County Staff Team

The County Staff Team will consist of staff representatives from the following County Departments:

- a) Planning;
- b) Chief Administrative Officer; and,
- c) Finance.

The review of applications for Program funding from local municipalities and the work of the LSI-GMP Staff Team will be coordinated by the Planning Division as the first point of contact by local municipalities. County staff with expertise on site-specific matters and/or external consultants may also be consulted to assist with the review and evaluation of the program applications.

The LSI-GMP Staff Team will be responsible for:

- 1) Reviewing and evaluating applications for the LSI-GMP that have been submitted to the County by a local municipality;
- 2) Making a recommendation to County Council with respect to the approval or refusal of applications for the program;
- 3) Marketing the LSI-GMP, in accordance with the Marketing Plan set out in Section 6.7;
- 4) Monitoring the LSI-GMP in accordance with the Monitoring Plan set out in Section 7.3, and providing annual reports to Council with respect to the effectiveness of the Programs, including required program revisions, and need for/timing of a major review and update of the programs; and,

- 5) Making recommendations to County Council on:
 - a) the LSI-GMP to be put into effect in any given year; and,
 - b) Identifying an annual industrial grant matching program budget

Note:

Council may delegate approval authority to County staff for Grant Program applications reliant on the County’s Delegation of Powers and Duties By-law.

Where County staff or the County Team decide not to recommend approval of a grant matching application, the local municipality has the right to represent that matter at a meeting of County Council.

6.6.4 County Council

County Council will contribute to the overall administration of the LSI-GMP (subject to the County’s priorities and the availability of resources/funding) as follows:

- 1) Determining which of the programs (if any) will be put into effect in any given year;
- 2) Identifying (as part of the annual budgeting process) a budget for the LSI-GMP for financial incentives that have been put into effect for that year, if any;
- 3) Where approval authority has been delegated to County staff or the County Staff Team, and the local municipality wishes to appeal the decision of County staff or the County Team on a program application, hearing that appeal and making a final decision with respect to approval or refusal of the application;
- 4) Where approval authority has not been delegated to County staff or the County Team, reviewing staff recommendations with respect to individual applications and making a final decision with respect to approval or refusal of the application;
- 5) Reviewing annual monitoring reports from County staff and considering any recommendations for adjustments to the LSI-GMP contained in the annual monitoring reports.

6.6.5 Administration Process Summary

The flowchart provided in the Appendices summarizes the process by which the County Large Scale Industrial- Grant Matching Program applications will be received, evaluated and approved by the County.

6.7 Requirements For A LSI-GMP Amendment

Any programs included under the LSI-GMP are offered at the discretion of the County, and may be rescinded by the County without an amendment to this LSI-GMP. The administrative details of the specific financial incentive programs (e.g., application forms) may also be amended by the County a formal amendment. Additions of other Project Areas will be undertaken through the preparation of additional project specific CCIP Program Guidelines for that specific purpose, ie. affordable housing incentives.

Minor revisions to the LSI-GMP, such as an adjustment to the terms and requirements of any of the programs, and/or the addition of eligibility criteria under any of the existing targeted sectors (provided the use reasonably fits within the sector) may be undertaken without an amendment to this LSI-GMP.

6.8 Marketing Plan

Experience with upper tier and lower tier CIPs in Ontario over the last 25 years has demonstrated that it is very important to the successful implementation of the County and a Local CIP programs that these incentive programs be effectively and continuously marketed to developers, investors, and current and potential employers both within and outside of the County of Essex.

Consequently, it is recommended that the County develop and implement the following marketing materials to promote the Large Scale Industrial GMP and support the local municipalities in marketing their CIP programs and related opportunities:

- a. A press release announcing the approval by County Council of the new Large Scale Industrial GMP and when the new program will be launched;
- b. An enhanced County webpage devoted to the Large Scale Industrial GMP, including key details on the incentive program available to local municipalities, and the application process;
- c. An information session with Local Municipalities to review the new LSI-GMP, and discuss enhanced information sharing, coordination, and monitoring of incentive program applications between the County and Local Municipalities;
- d. Participation with Local Municipal staff in periodic presentations/information sessions to property and business owners, developers, and support professionals to highlight the LSI-GMP and the program requirements;

- e. In consultation with the Local Municipalities, the identification and targeting of businesses and properties where community improvements would be most desirable, and arrangement of short visits with business and property owners/managers, to ensure awareness and encourage take-up of Local Municipal CIP and LSI-GMP.
- f. Inclusion of information on the LSI-GMP in planning and economic development publications produced by the County;
- g. Information displays at local community events, conferences, and at municipal buildings, that promote the Invest Well Programs;
- h. Promotion of the LSI-GMP on the County Twitter and LinkedIn accounts, as applicable; and,
- i. Preparation of an annual progress report that summarizes program uptake and highlights projects that have been funded by the LSI-GMP as well as providing useful tips and suggestions for future applicants.

7.0 Appendix "A" - Administration Process Summary

