

## Appendix A

### Risks of Eliminating Regional Economic Development Services

#### Office of the Chief Administrative Officer

##### Overview

Windsor-Essex's economy depends on continuous investment attraction, business retention, and workforce alignment across manufacturing, agri-food, and logistics sectors. Economic development services, currently delivered through Invest Windsor-Essex (IWE) and municipal partnerships, play a critical coordination and advocacy role. Eliminating or significantly reducing these services would create near-term cost savings but introduce serious long-term economic, fiscal, and reputational risks.

##### Key Risks

###### 1. Investment and Job Losses

- IWE actively responds to investor inquiries, promotes industrial lands, and supports expansion of local firms.
- Without a dedicated team, Windsor-Essex would appear unresponsive compared to peer regions (e.g., London, Hamilton, Detroit-Wayne County), jeopardizing new investments and expansions.

###### 2. Reduced Business Retention & Expansion (BRE)

- Existing employers rely on economic development staff to navigate zoning, workforce, and infrastructure issues.
- Lack of support could accelerate downsizing or relocation, particularly in automotive, tool & die, and advanced manufacturing.

###### 3. Lost Access to Provincial & Federal Funding

- Windsor-Essex has successfully leveraged grants for innovation, green energy, and border infrastructure.
- Without dedicated grant-writing and partnership capacity, the region risks losing millions in competitive funding streams.

#### 4. Fragmented Regional Coordination

- Economic development integrates land use, housing, and transportation planning across eight municipalities.
- Eliminating the regional coordination layer would create duplication, slower responses, and reduced regional voice with senior governments.

#### 5. Reputational and Investor Confidence Damage

- Perception of withdrawal from economic competitiveness could weaken confidence among investors, institutions, and labour partners— affecting both local and international markets.

### **Fiscal Implications**

While elimination could save approximately 0.5–1% of the County’s budget, long-term losses in assessment growth, job creation, and investment attraction would likely outweigh short-term savings within 2–3 years.

### **Mitigation Options (if reductions are necessary)**

1. **Retain a Core Regional Function** – Preserve minimal staff for business retention, investment response, and grant coordination.
2. **Outsource Specialized Tasks** – Use targeted contracts for marketing, data analysis, or sector studies.
3. **Protect Institutional Assets** – Maintain investor databases, land inventories, and key stakeholder relationships.