

Prepared for:

TOWN OF HEARST
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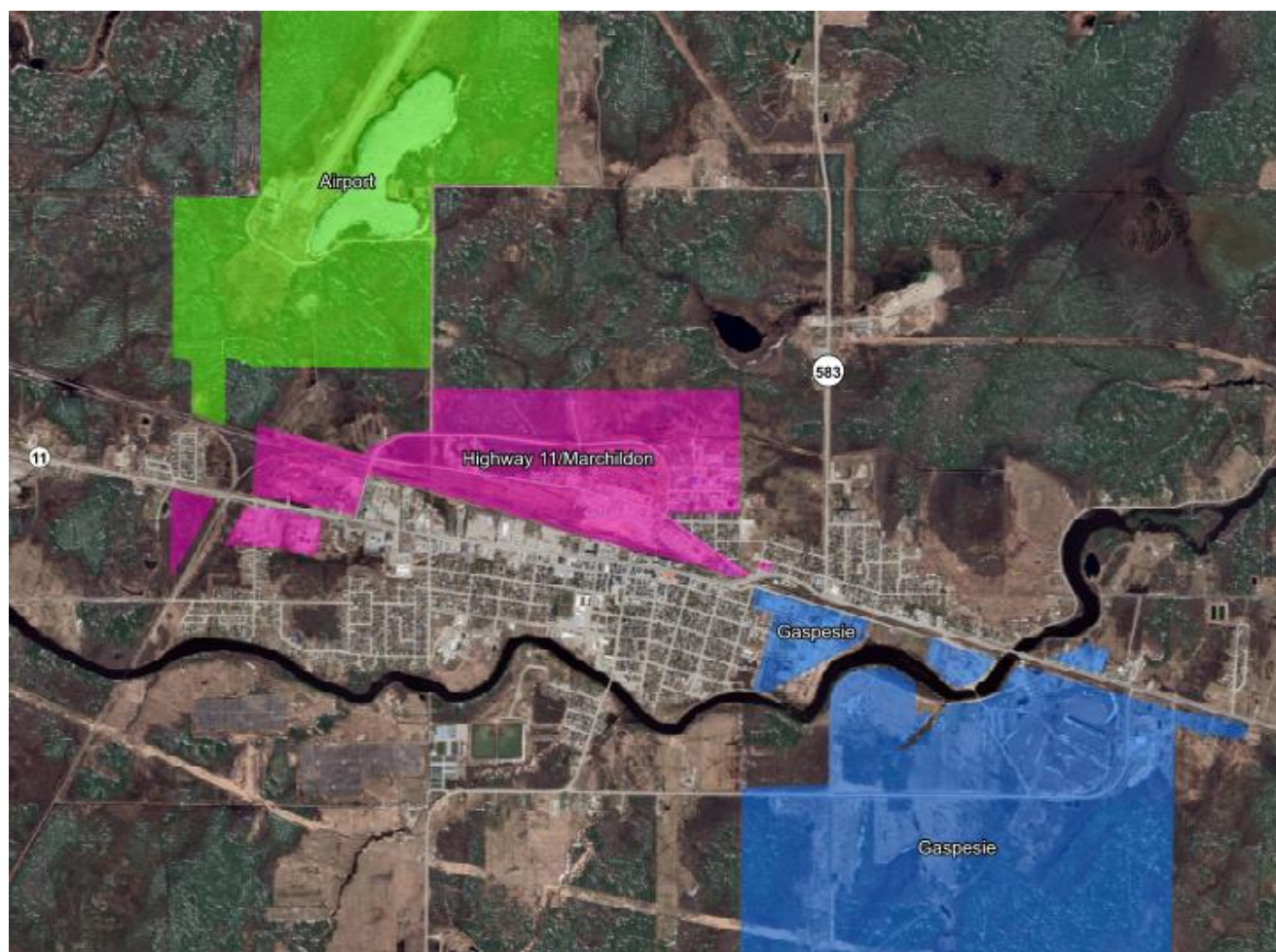
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Town of Hearst

Draft Industrial Community Improvement Plan



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1.0 Introduction

1.1 Background

The Town of Hearst (Town or Hearst) is strategically situated on the Highway 11 Corridor in Northern Ontario. The community was established in 1913 as a divisional point on the transcontinental railway system. Since this time, Hearst has evolved into a progressive and dynamic predominantly francophone community of approximately 5,000 people. Traditionally, Hearst's economy has been rooted in the forestry sector. Today, the Town's economy is more diverse. According to the 2016 Census, 15 percent of working age residents were employed in the health care and services industry followed by manufacturing (12.4 percent), retail trade (12.2 percent), educational services (10.4 percent), construction (8.5 percent) and transportation and warehousing (7.2 percent). Hearst is also home to the Université de Hearst, which has campuses in Hearst, Timmins and Kapuskasing.

Hearst is a regional economic leader and is consistently looking for ways to further diversify and grow their local economy to ensure community sustainability. The Town has decided to create an Industrial Community Improvement Plan (Industrial CIP) to facilitate investment and job growth in the community. A Community Improvement Plan (CIP) is a tool that municipalities in Ontario can use to stimulate economic activity in accordance with local and provincial goals and priorities. A CIP is a planning tool that establishes a framework for achieving community improvements to rehabilitate and revitalize project areas. A CIP can include incentives to stimulate or encourage private and public sector investments and sets out design guidelines for public and private sector improvements. The CIP can provide programs for municipal grants, loans, and rebates for private sector improvements.

1.2 Legislative Authority

The Industrial CIP has been developed in accordance with Section 28 of the *Planning Act* and Section 106 of the *Municipal Act*, as well as other relevant policies and documents including the Provincial Policy Statement (2020), Growth Plan for Northern Ontario (2020 Update), Town of Hearst Official Plan (2017), and the Town of Hearst Zoning By-law. The legislative and policy framework for the CIP is included in Appendix A.

1.3 Purpose

There are several barriers that prevent continued investment in the Town's Industrial Areas including availability of services and utilities (including internet service), cost to service, serviced land costs, increasing construction costs, cost of equipment or software and supply chain constraints (e.g. good distribution services). The purpose of this Industrial CIP is to help overcome these barriers by reducing the cost of development and establishing a policy framework to guide municipal lands assembly, servicing and disposition, all with the intent of stimulating investment in new and existing businesses in Hearst.

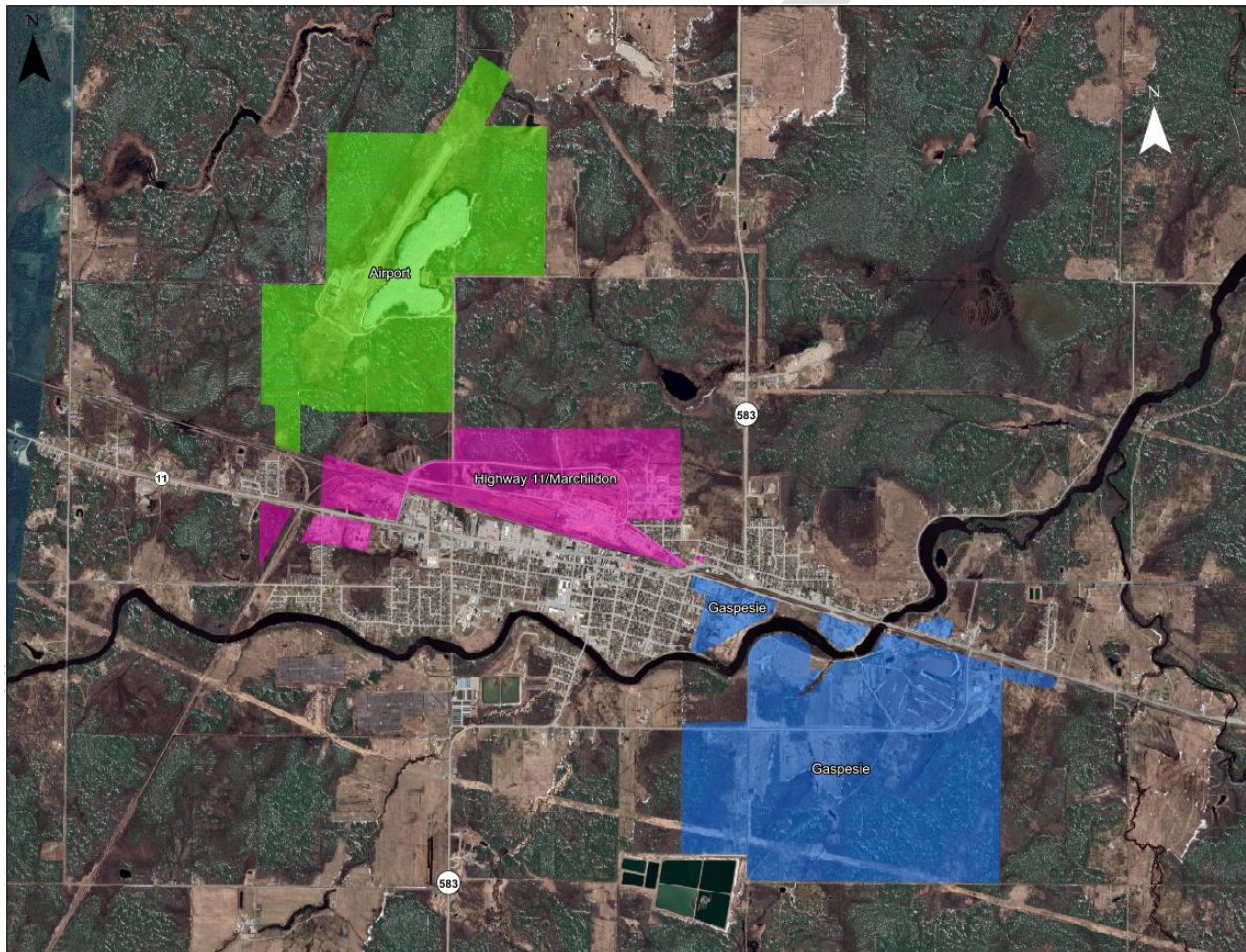
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2.0 The Industrial Community Improvement Project Area

2.1 Project Area

The community improvement project area for the Industrial CIP includes all lands within the Town that are designated Industrial District and Airport District in the Official Plan of the Hearst Planning Area, together with lands owned by the Town adjacent to the René Fontaine Municipal Airport. The boundaries of the community improvement project area are illustrated in Figure 1.

Figure 1. Community Improvement Project Area Boundary



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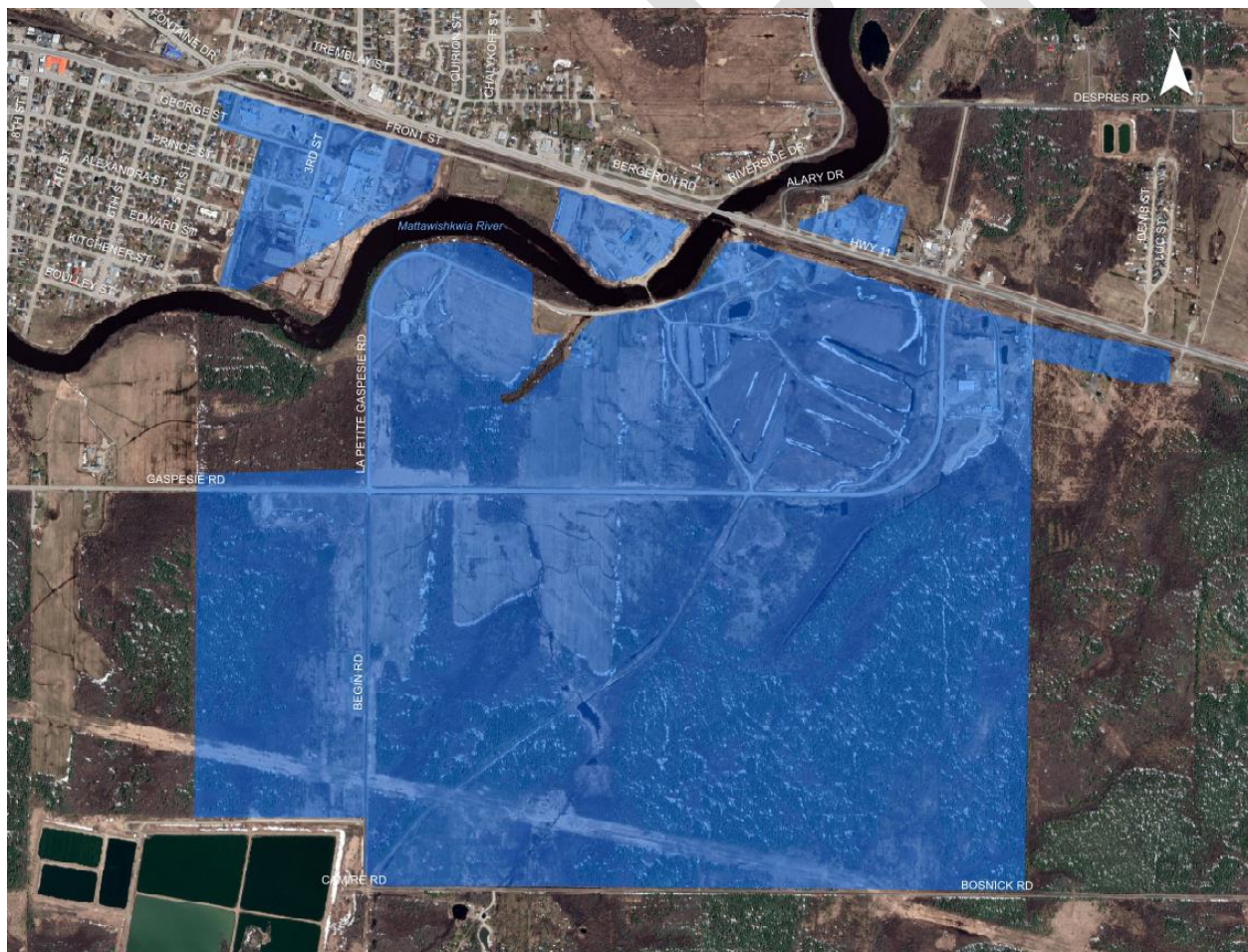
2.2 Project Area Districts

The community improvement project area includes three distinct districts including: the Gaspésie Road District; the Highway 11/Marchildon Road District; and, the Airport District.

2.2.1 The Gaspésie Road District

The Gaspésie Road District is situated in the southeastern corner of the community and includes the land on the north and south sides of the Mattawishkwia River. It is approximately 464 hectares in area and contains a mix of organic and Class 3 soils. It includes 68 parcels of land, averaging 6.8 ha in area. The majority of lands are privately owned. The majority of land is vacant. Some lands have been developed for industrial, commercial and residential uses. Major industrial uses include Columbia Forest Products plywood facility and PEPCO. The District also includes a large brownfield site. The District is well served by road and rail. Lands on the north side of the Mattawishkwia River are serviced with municipal water and sewage services. Two properties on the south side of the river are serviced with municipal water. The District's boundaries and existing conditions is illustrated in Figure 2.

Figure 2. Gaspésie Road District Existing Conditions



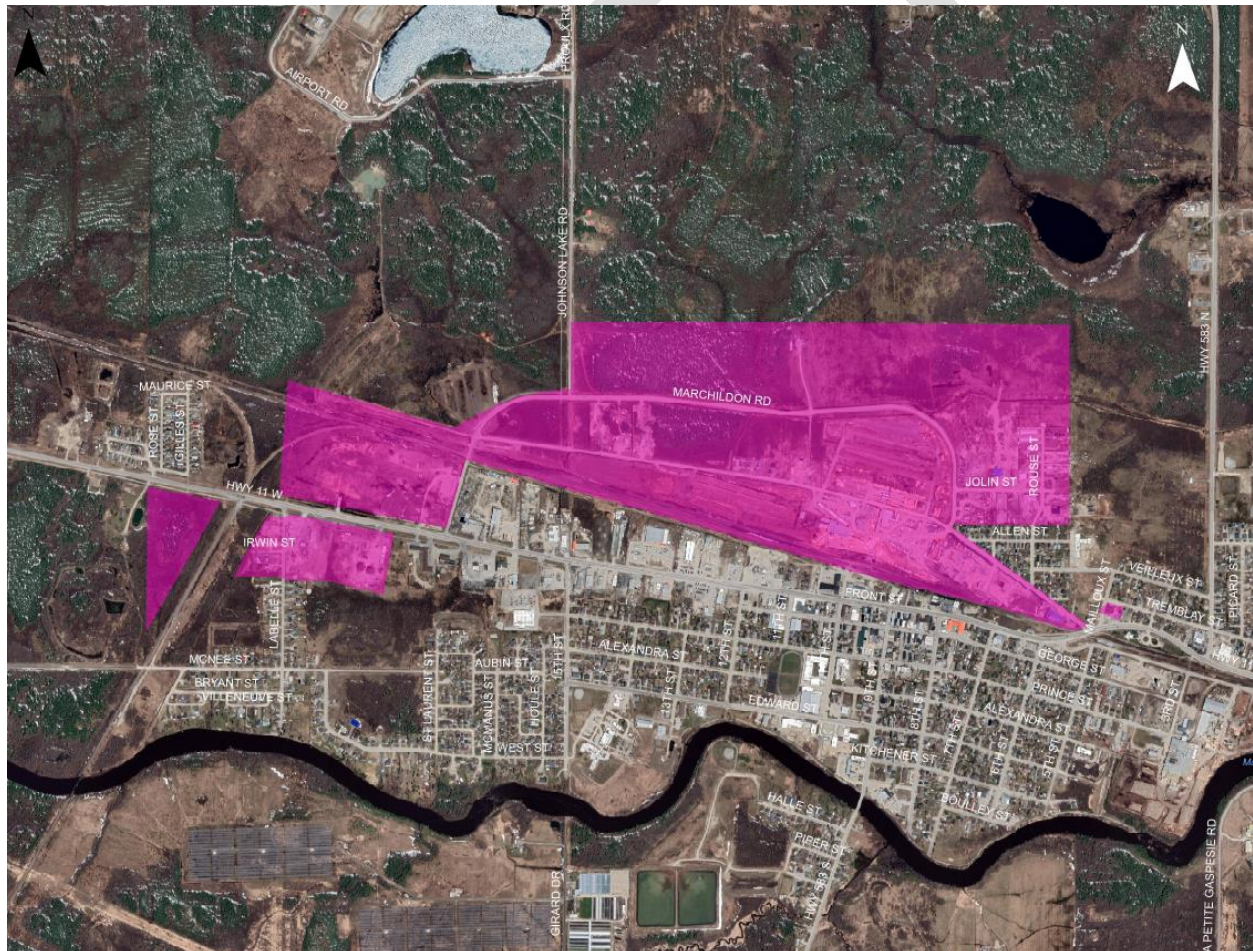
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2.2.2 The Highway 11/Marchildon Road District

The Highway 11/Marchildon Road District is situated along the Highway 11 Corridor. This District includes lands north of Highway 11 and lands near the intersection of Highway 11 and Labelle Street. This District is approximately 194 hectares in area and also contains a mix of organic and Class 3 soils. Most of the Class 3 soils have been developed. It includes 70 parcels of land, averaging 2.8 ha in area. This District is partially developed with industrial and commercial uses. This District is anchored by a large lumber mill and yard and includes several transportation related businesses. The majority of lands are privately owned. Hearst owns one parcel of land on the north side of Marchildon Road and a second at the end of Rouse Street. The District is well served by road and rail. The western and eastern ends of the District are serviced with municipal water and sewage services. The central portion of the District on Marchildon Road is not yet serviced with municipal water and sewage services, given the nature of existing uses in the area. The District's boundaries and existing conditions is illustrated in Figure 3.

Figure 3. Highway 11/Marchildon Road District Existing Conditions



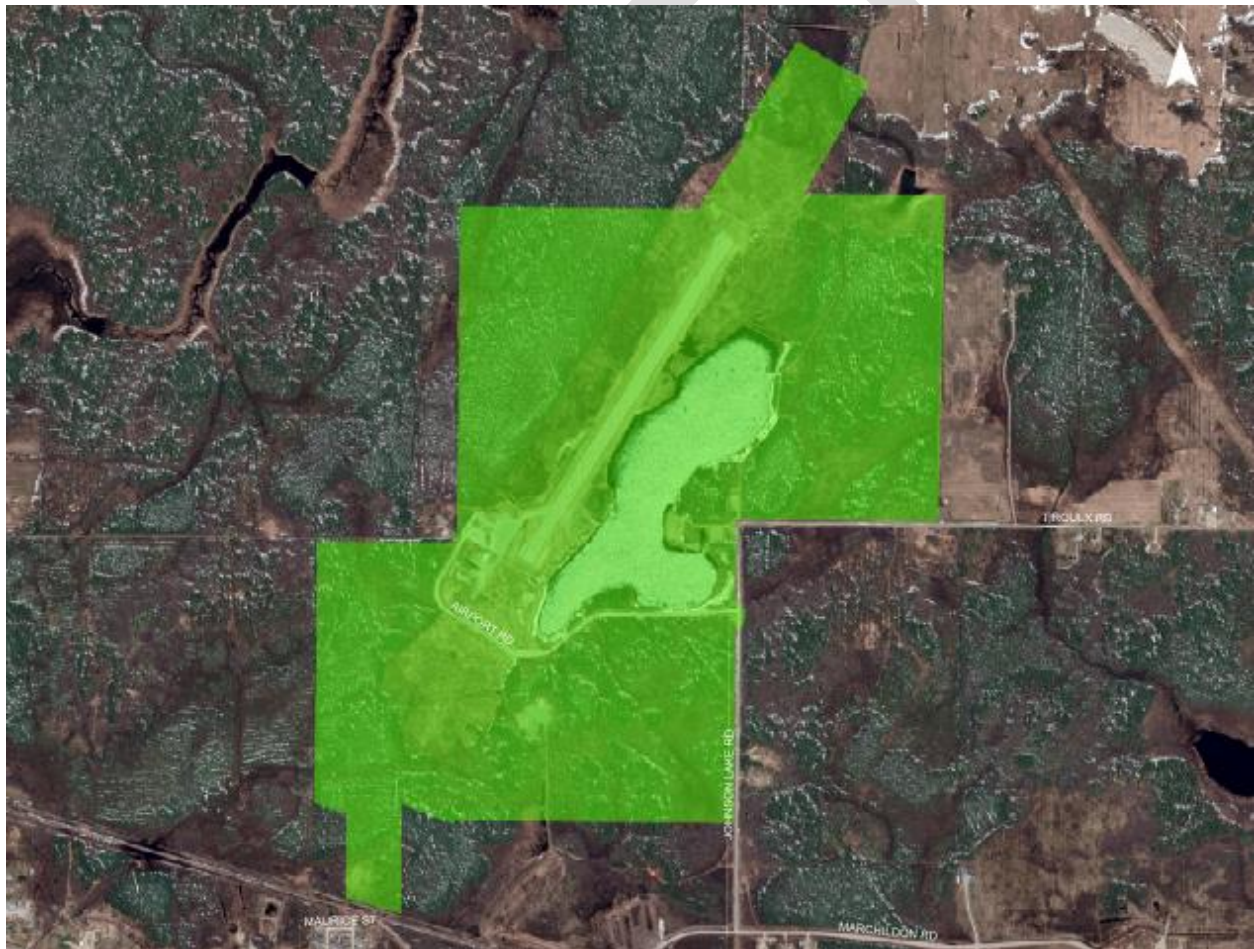
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2.2.3 The Airport District

The Airport District is situated northwest of the Highway 11/Marchildon Road District and includes the René Fontaine Municipal Airport and surrounding lands. This District is approximately 273 hectares in area and contains a mix of organic and Class 3 soil. It includes 12 parcels of land, averaging 22.8 ha in area. The District is anchored by the René Fontaine Municipal Airport, which currently serves cargo flight, air ambulance, forest fire fighting and aircraft maintenance. The land surrounding the airport are owned by the Town of Hearst, providing a unique opportunity to establish an air oriented municipal industrial park. The District includes Johnson's Lake and associated recreational infrastructure (i.e. municipal park and beach, multipurpose trails). The District is accessible to Highway 11 via Johnson's Lake Road and Fontaine Drive. The District is not currently serviced with municipal water or sewage services. The District's boundaries and existing conditions is illustrated in Figure 4.

Figure 4. Airport District Existing Conditions



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3.0 Goals, Objectives and Target Areas

3.1 Goals and Objectives

The Town has identified the development of a CIP as an opportunity to stimulate commercial and industrial development, consistent with its Official Plan and other strategic documents.

The Industrial CIP will serve as a long-term framework that will direct and guide community improvements through financial incentives and municipally driven projects.

The Industrial CIP is intended to stimulate private sector investment in new or existing businesses in Hearst through development, redevelopment and expansion of existing uses.

The objectives of the Industrial CIP are to:

1. stimulate new industrial and commercial investment;
2. sustain local businesses, jobs and investments;
3. grow local businesses, jobs and opportunities;
4. attract external businesses and investment and create new opportunities and jobs;
5. prioritize areas for future development;
6. provide opportunities for controlled economic diversification;
7. grow the Town's industrial assessment and tax revenue base;
8. create incentives and tools to support the economic competitiveness of Hearst;
9. provide a comprehensive implementation and monitoring program; and,
10. align with the Town's Planning documents (Official Plan & Zoning Bylaw).

3.2 Targeted Economic Sectors

The Industrial CIP is aligned with the Official Plan for the Hearst Planning Area (Official Plan).

The financial incentives and tools in this Industrial CIP will be used to support the four part economic strategy identified in the Official Plan that includes specialized support for select business sectors to balance economic activity amongst multiple sectors, including:

1. existing primary forest industries;
2. value-added forest manufacturing industries;
3. mining supply and service sector industries; and,
4. the industrial support sector.

Council, in its sole discretion, may use the incentives and tools included in this Industrial CIP to support other existing or new businesses, provided the project meets all other relevant policies and requirements of this CIP and is in the public interest to do so.

3.3 Eligibility

A project must be located within the community improvement project area described in Section 2, consistent with the goals and objectives in Section 3.1, represent a land use that falls within the targeted economic sectors in Section 3.2 and meet the requirements outlined in Section 3.5 to be eligible to participate in the Industrial CIP.

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3.4 Eligible costs

The total amount of incentives provided under this CIP shall not exceed eligible costs (i.e. 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).

3.5 Financial Incentive Programs

3.5.1 Tax Increment Equivalent Grants

3.5.1.1 Purpose

To encourage the development and redevelopment of eligible properties by providing grants equivalent to the incremental increase in municipal property tax assessment and revenue resulting from property improvements such as, but not limited to, new construction, redevelopment and expansion.

3.5.1.2 Description

Council may provide grants to the owner or tenant of an eligible property to help offset costs associated with its rehabilitation, reuse, development and redevelopment of the property, provided that that the improvements to the property result in an increase in assessment and taxation.

The value of the grant provided is equal to the incremental increase in property assessment and municipal property tax resulting from the improvements. The grants can 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 revenue and the total value of the grant.

3.5.1.3 Program Requirements

1. Tax Increment Equivalent Grant Program applications must be filed prior to the start of any activity that would constitute an eligible cost and to which the proposed grant would apply.
2. Tax Increment Equivalent Grant Program applications must be accompanied by information that describes existing site conditions (e.g. assessment, taxation, improvements) and the proposed development.
3. Tax Increment Equivalent Grant Program applications where approved, shall be approved by Council, by by-law.
4. As a condition of approval, Council may require the owner or tenant of the approved eligible property to enter into an agreement with the Town respecting the terms, duration, default and termination provisions of the grant. Council may also apply other conditions to the approval where appropriate and warranted.

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5. In years one to five, the approved grant will be equal to 100 percent of the incremental increase in municipal property tax revenue associated with improvements to the eligible property.
6. Should the owner or tenant of the approved eligible property default on any condition in the by-law or agreement, the grants, plus interest, will become payable to the Town in full.

3.5.2 Planning and Building Permit Fee Grants

3.5.2.1 Purpose:

To encourage the development and redevelopment of eligible properties by rebating fees associated with *Planning Act* and *Ontario Building Code* applications in the form of a grant.

3.5.2.2 Description:

The Town may rebate fees for *Planning Act* and Ontario Building Code applications associated with improvements to eligible properties.

3.5.2.3 Program Requirements

1. Planning and Building Permit Fee Grant Program applications must be filed prior to the start of any activity that would constitute an eligible cost and to which the proposed grant would apply.
2. Any required planning and building permit fees shall be paid in advance and may be reimbursed upon successful completion and approval of an application by Council.
3. The total amount of incentive provided under this program shall not exceed the cost of the required land use planning application fees and/or building permit application fees, as applicable.
4. Any fee required by an outside public agency is not subject to this CIP.
5. This fees-rebate program does not apply to any required performance securities (i.e., letters of Credit) posted by the proponent, required professional studies, to expenses incurred by the applicant as a result of an Ontario Land Tribunal Hearing.

3.5.3 Feasibility Study Grant Program

3.5.3.1 Purpose

To stimulate private sector investigation of the potential to establish a new business or expand an existing business through the development of feasibility studies, business cases, site selection studies, site studies, site plans and similar activities.

3.5.3.2 Requirements:

1. Feasibility Study Grant Program applications must be filed prior to the start of any activity that would constitute an eligible cost and to which the proposed grant would apply.

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2. An owner may apply for a grant of up to 50% of the cost of studies or investigations up to \$10,000 per eligible owner and property that are consistent with the purpose of this program.
3. Fifty (50%) of the grant approved under this program will be provided to the applicant following submission of the final completed study with the original invoice indicating that the study consultants have been paid in full. The remaining 50% will be paid to the applicant upon the building being available for occupancy.
4. One copy of the study will be provided to the Town. Applicants agree to provide the Town with permission to share the findings with any other subsequent project proponents and/or related government agencies

3.5.4 General Terms and Conditions

1. All financial incentive programs described herein are subject to the following general requirements. These requirements are not intended to be exhaustive. The Town reserves the right to include other reasonable requirements and conditions on a project-specific basis.
2. Works commenced prior to submitting an application are ineligible. Works commenced after submitting an application but prior to application approval do so at the applicant's risk.
3. The financial incentives described herein may be used in combination with any other municipal financial incentive program.
4. The financial incentives described herein may be used in combination with any other program offered by the Town and/or any other level of government and/or association.
5. Approved grants are applicable to the registered owner or assessed owner or tenants of land and buildings within the community improvement plan area and are assignable to any third part to whom such an owner or tenant has assigned the right to receive a grant.
6. At its sole discretion, Council may sell municipal property at below fair market value to achieve the goals of the Official Plan and this Community Improvement Plan.
7. Council may consider phasing incentives for large, multiphase redevelopment projects, where it can be clearly demonstrated that the provision of the phased incentive does not exceed the eligible costs associated with any particular phase of development and/or redevelopment.
8. The Town may receive applications that exceed the maximum program amounts outlined in this Community Improvement Plan. At its sole discretion, Council may provide incentives that are greater than the amounts outlined herein, provided that all other applicable criteria are met.
9. All approved works and improvements shall conform to all relevant provincial legislation and local policies and regulations. An approval under this CIP does not relieve a proponent from the need to obtain any required approvals.\
10. Town staff, officials and/or agents of the Town may inspect any approved eligible property that is subject of a financial incentive program application.

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11. The Town reserves the right to peer review/audit any studies and/or works approved under a financial incentive program, at the expense of the applicant.
12. The Town is not responsible for any costs incurred by an applicant in relation to any of the above financial incentive programs.
13. The eligible property will not be in a position of tax arrears at the time of application or approval.
14. If the applicant is in default of any program requirement, or any other requirement of the Town, the Town may delay, reduce or cancel its financial incentive program approval.
15. Outstanding work orders and/or orders or requests to comply, and/or other charges from the Town (including tax arrears) must be satisfactorily addressed prior to the issuing of any financial incentive.
16. The Town may discontinue any financial incentive program at any time. Notwithstanding this, approved eligible properties will continue to receive approved municipal financial incentives, subject to compliance with the requirements set out herein and any associated by-law and/or agreement.
17. Council retains the right, in its sole and absolute discretion, to fund, extend, revise, or alter this CIP at any time for any reason.

3.6 Other Community Improvement Activities and Actions

In addition to the financial incentive programs outlined in this CIP, the *Planning Act* also permits the municipality to undertake the following community improvement activities:

- Acquire, hold, clear, grade or otherwise prepare land for community improvement;
- Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan; and,
- Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the Community Improvement Plan.

3.6.1 Property Acquisition and Preparation

The Town may facilitate the assembly of land within the community improvement project area. Additionally, the Town of Hearst may acquire, hold, clear, grade or otherwise prepare the land for community improvement as defined by this CIP.

The principal reason for acquisition is to improve and secure the economic well-being of the local economy by asserting an elevated level of control over the acquisition and consolidation of sites suitable for employment uses or that furthers the objectives of this CIP.

The Town may service land within the community improvement project area provided that the investment is supported by a business case that clearly demonstrates that the pre-servicing of the land will generate a return on investment in the form of assessment and additional tax revenue and will not put the municipality at financial risk.

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Additionally, the Town may choose to construct, repair, rehabilitate or improve buildings on land acquired or held by it to further the objectives of this CIP.

3.6.2 Property Disposition

The Town may dispose of municipally owned land or buildings within the community improvement project area in conformity with the CIP. Additionally, the Town may sell, lease, or otherwise dispose of any land and buildings acquired or held by it, provided the end use of the property and/or buildings remains in conformity with this CIP.

The Town may choose to dispose of municipally owned property or buildings at less than market value in order to facilitate the development, redevelopment or adaptive reuse of the property and/or buildings.

Municipally owned property that is disposed of for the purpose of meeting one or more of the objectives of this CIP, whether at market value or less, is subject to the following requirements:

1. The development should be non-residential, and in conformity with this CIP.
2. Town Council, with recommendations from Town Administration, will determine the percentage below market value, if any, that the Town will sell the property for based on the benefit to the public generated by the project, as determined by Town Council.
3. The actual percentage below market value will be determined by Town Council with the difference between market value (as determined by an independent appraiser) and the amount paid (i.e., the amount less than market value) applied to the total amount of incentives a project may be eligible for. The total amount of the incentives provided by the municipality, either individually or collectively, cannot exceed the eligible costs.
4. Purchaser of land must provide detailed architectural concepts and site drawings describing the proposal.
5. The purchaser has 2 years to complete the development of the property. If this is not met Council has the option to re-purchase the property at the original price or to extend the agreement. The purchaser is responsible to legal and transfer costs related to the buy-back.
6. The Town will retain a right-of-first refusal to purchase the vacant property, at the original price, should the purchaser choose to divest prior to construction.
7. As required by the *Planning Act* the purchaser of Town owned property will be required to enter into a written agreement with the Town stating that they will keep and maintain the land, building and the use in conformity with the Community Improvement Plan. The agreement entered into above will be registered against the land to which it applies, and the Town will enforce the provisions of the agreement against any party to the agreement and against any and all subsequent owners or tenants of the land.
8. Projects are also required to be in compliance with the Town's other by-laws and policies, including zoning and building regulations.

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4.0 Monitoring and Amendments

Town staff will conduct periodic reviews of the CIP programs and activities relating to Community Improvement to determine their effectiveness and provide an update to Council.

Council may amend this Plan as is necessary to ensure that the goals and objectives outlined in this Plan are achieved. Any increase in program financing permitted under Section 28 of the *Planning Act* will not require an amendment to this Plan.

Following the first year of the program, the Town should evaluate the effectiveness of the organizational and funding structure of the CIP process, the evaluation process, and the amount of staff resources to administer, monitor, and market the Plan.

The following measures are recommended for monitoring the CIP programs:

1. **Annual Report:** An annual CIP report to Town Council should be produced and presented to Council. The reports should reflect the following program specific information:
 - Number of applications
 - Number of jobs created/retained
 - Increase in assessed value of participating properties
 - Estimated and actual amount of grants provided
 - Hectares/acres of land developed or redeveloped
 - Industrial/commercial space (sq.ft.) constructed or rehabilitated
 - Value of private sector investment leveraged
 - Number of program defaults
2. **Post-Project Evaluation Report:** Following the completion of a CIP-funded project, municipal staff should complete a project close-out checklist with detailed descriptions of the work completed with any issues that may have arisen during the application process. This information can be used in the preparation of the annual CIP report to Town Council.

The following information should be documented for each CIP Project:

- Before/after project photos
- Description of the project
- CIP program(s) utilized
- Benefit created to the Town (i.e. type of employment, increase in useable space, number of jobs, increase in assessment, aesthetic/safety/efficiency/accessibility or other improvement)
- Grant amount
- Construction value

Application Database: A database of past CIP applications can be used to assess the effectiveness of various financial incentive programs with amendments to the Town CIP made where necessary.

Appendix A

Legislative and Policy
Framework

The Legislative and Policy Framework

The legislative and policy framework for the Industrial CIP is formed by the Municipal Act, the Planning Act, the Provincial Policy Statement 2020, the Growth Plan for Northern Ontario and the Official Plan for the Hearst Planning Area.

Municipal Act

The *Municipal Act* is passed by the Legislative Assembly of Ontario. The purpose of the *Municipal Act* recognizes that municipalities are created to be responsible and accountable governments with respect to matters within their jurisdiction and that each municipality is given legislative authorities for the purpose of providing “good government”.

Section 106 of the Municipal Act includes provisions pertaining to what is known as the “bonusing rule”. This section states in part that “... *a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose. ... including giving or lending municipal property/money, guaranteeing borrowing, leasing/selling municipal property at/below fair market value, giving a partial/total exemption from any levy, charge or fee. ... unless Council is exercising its authority under Section 28 (6), (7) or (7.2) of the Planning Act.*”

Planning Act

The Planning Act is also passed by the Legislative Assembly of Ontario. The purposes of the Planning Act are, in part “... *to promote sustainable economic development in a healthy natural environment within the policy and by the means provided under this Act, ... to encourage co-operation and co-ordination among various interests; and to recognize the decision-making authority and accountability of municipal councils in planning.*”

Section 28 (2) of the *Planning Act* gives municipalities, with provisions in their Official Plans relating to community improvement, to designate all or part of an area covered by the Official Plan as a community improvement project area.

Section 28(1) defines a community improvement project area as “... *a municipality or area within a municipality, the community improvement of which in the opinion of council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability or for any other environmental, social or community economic development reason.*”

Section 28(1) defines community improvement as “... *planning or re-planning, design or redesign, re-subdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, ... and the provision or such residential, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities or spaces therefor, as may be appropriate or necessary.*”

Sections 28(3)(4) of the Planning Act state that once municipal council has passed a by-law to establish a community improvement project area, it may “... *acquire land within the community improvement project area; hold land acquired before or after the passing of the by-law within the community improvement project area; clear, grade or otherwise prepare the land for community improvement; and ... prepare a plan suitable for adoption as a community improvement plan for the community improvement project area ...*”

Sections 28(6)(7) of the *Planning Act* states that once a CIP has come into effect, the municipality may:

1. *construct, repair, rehabilitate, or improve buildings on land acquired or held by it in conformity with the community improvement plan;*

2. *sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the Community Improvement Plan; and*
3. *make grants or loans, in conformity with the Community Improvement Plan, 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 whole or any part of the eligible costs of the community improvement plan.*

Section 28 (7.1) of the *Planning Act* 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.

Section 28 (7.3) of the *Planning Act* 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* shall not exceed the eligible cost of the Community Improvement Plan with respect to those lands and buildings.

Through the creation and implementation of the Industrial CIP, Hearst will exercise its legislative authorities under Section 106 of the *Municipal Act* and Section 28 of the *Planning Act*.

The Provincial Policy Statement 2020

The Provincial Policy Statement 2020 (PPS) is issued under Section 3 of the *Planning Act* and is intended to guide municipalities in making planning decisions. The PPS came into effect on May 1, 2020 and applies to decisions on all planning matters rendered after that date.

The PPS contains a comprehensive set of policies that are designed to support the creation of strong healthy communities. These policies speak to employment and long-term economic prosperity.

Section 1.3.1 of the PPS requires that municipalities 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 ...; facilitate conditions for economic investment by 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, ...*”.

Section 1.7.1 of the PPS states that long term economic prosperity should be supported by “... *promoting opportunities for economic development and community investment readiness; ... optimizing the long-term availability and use of land, resources, infrastructure and public service facilities; ...*”.

Growth Plan for Northern Ontario

The Growth Plan for Northern Ontario (Growth Plan) is prepared under the legislative authority of the *Places to Grow Act*. It applies to the Northern Ontario Growth Plan Area, which include the Industrial CIP community improvement project area.

The Growth Plan includes a comprehensive set of policies that are designed to strengthen Northern Ontario's economy. Section 2.2.1 and 2.2.2 of the Growth Plan identifies 11 existing and emerging priority economic sectors and calls on all stakeholders, including municipalities, to collaborate on economic development strategies for these sectors, which include advanced manufacturing; agriculture, aquaculture and food processing; arts, culture and creative industries; digital economy; forestry and value added forestry sectors; health sciences; mineral sector and mining supply and services; renewable energy and services; tourism; transportation, aviation and aerospace and water technologies and services. Section 2.2.3 states that economic development strategies for these

sectors will “... *attract investment, growth and retain competitive businesses ...*”. Section 2.3. of the Growth Plan calls on “appropriate parties” to “grow and diversify each existing and emerging priority economic sector.”.

The Official Plan for the Hearst Planning Area

The Official Plan for the Hearst Planning Area (Official Plan) was developed pursuant to the legislative authority of the Planning Act. The Official Plan came into effect in 2017.

Section 2.2. speaks to the purposes of the Official Plan, which includes “... *to promote the sustainable development and economic growth within the Hearst Planning Area ...*”.

Section 3 speaks to the basis of the Official Plan. This section states that the following principles provide the fundamental basis for the Official Plan:

i) The Town of Hearst shall continue to be the principal residential, commercial, industrial, social and cultural centre of the Planning Area.

ii) Hearst shall be the regional centre for business services ranging from goods to skilled trades ...

iii) Hearst shall achieve economic growth through a balanced diversification program. It shall foster and champion the development of new valued added forestry sectors, mining opportunities and the strengthening of service and support industries and commerce, while at the same time expanding the tourism sector. This will balance long-term growth and reduce dependence upon one traditional sector. ...

v) Catalyst projects created through public private partnerships shall result in investment, job creation and expansion of Hearst's tax base. New

vi) New economic activity in Hearst shall be environmentally sustainable and congruent with the interests of the forestry and the mining sector.

vii) With its large forest industrial base supported by physical and social infrastructure and served by a sophisticated industrial support sector, Hearst shall build on its existing industrial cluster and encourage its expansion into new fields and economic opportunities. ... “

Growth Management

Section 5.1 sets out strategic growth management policies for the Hearst Planning Area. This section describes lands designated for industrial uses as “*areas of existing industrial development and lands suitable for industrial growth and attenuating zones ...*”. Lands designated as the Airport District are described as “... *lands devoted to the landing and departure of aircraft, including related commercial and industrial uses, and that area immediately surrounding René Fontaine Municipal Airport which requires constraints on heights of buildings and structures to ensure aircraft safety.*” This section goes on to state that “... *the urbanized areas and their adjacent readily serviceable lands within municipalities which are designated as ... Industrial Districts shall comprise the Settlement Areas for the Town of Hearst ...*”.

Economic Development

Section 5.2 sets out the economic development policies for the Hearst Planning Area. These policies speak to the Town of Hearst preparing an Economic Development Strategy that sets out Council's approach to building the economy of Hearst in a sustainable manner and state that the “*underlying target of each economic development strategy shall be job growth.*” These policies clearly distinguish between the role of the private and public sectors. The policies state that it shall be the role of the Town of Hearst to work in concern with regional stakeholders to create an environment that is conducive to private sector investment. The policies also set out the objectives for the Economic Development Strategy which include:

“a) support the economic competitiveness of Hearst and area businesses through the efficient provision of municipal services and through an equitable tax levy;

b) establish Hearst as a leader in forestry value-added manufacturing; ...

d) achieve controlled economic diversification without compromise to the core elements of the existing economic infrastructure;

e) create development catalysts to encourage private sector investment and job creation;

g) ensure that Hearst is mining-ready with opportunities available for the development of support industries and services, including the development of a commercial/industrial subdivision at the René Fontaine Municipal Airport and the establishment of the Gaspésie Road Industrial Park; ...”

Section 5.2.2. sets out economic strategy targets, stating that to expand the economy strategies are aimed at five fronts: *“ sustaining local businesses, jobs and reinvestment; growing local business, jobs and opportunities; attracting and retaining a workforce; attracting external businesses and investments; and, developing existing tourism assets.”*

Section 5.2.3. speaks to strategy balance. This section states the Town of Hearst *“... shall work towards a diverse and balanced portfolio, which recognizes the importance of the following: investment anchor jobs; small business creates new net jobs; globally competing industry is the foundation of the Hearst economy; public sector financial risk is unacceptable; economic strategies are long term investments; stakeholder participation is essential; and recognition of the public sector bottom-line including the importance of balancing social, environmental and economic considerations over the long term is critical to success.”*

Section 5.2.4. speaks to the important leadership role that Hearst Council plays in achieving the desired economic outcome for the community. This section commits Council to pursuing a four part strategy that includes specialized support for select business sectors in order to balance economic activity amongst multiple sectors. *“Council shall: support existing primary forest industries currently operating in this sector; foster development of value-added forest manufacturing industry; ... support mining exploration and assist existing projects; ... encourage the growth and ambitions of the industrial support sector; ...”.*

The Economic CIP is a key tool that Council can use to achieve its desired strategic economic outcomes for the community.

Community Improvement

The Official Plan includes a comprehensive set of policies that recognizes existing and set the stage for future CIPs.

Section 5.3.1 states that the entire Town of Hearst is a community improvement project area for *Planning Act* purposes. This designation was achieved with Council's passing of the By-law to adopt the Official Plan. This section also states that future CIPs will provide the Town of Hearst with *“... various powers to address infrastructure deficiencies and facilitate beautification projects and other identified community improvements. These include incentives to stimulate or encourage other private and/or public investments where they advance the public interest.”*

Section 5.3.2 sets out the strategic policies for CIPs.

- These policies recognize that the overall quality of life and well being of residents and businesses can be enhanced by promoting *“... the rehabilitation and/or redevelopment of areas characterized by deficient, underutilized and/or vacant lands and buildings, land use conflicts, economic instability or deficient municipal hard services; encouragement of private sector participation in*

community improvement; and, economic growth and development in underutilized or older commercial and industrial areas."

- These policies state that community improvement shall strive to "... encourage the renovation, rehabilitation ... of obsolete buildings and/or underutilized lands by the private sector; provide, upgrade and improve municipal services and public utilities ...; ... improve traffic circulation ...; ... encourage the revitalization, conversion and redevelopment of obsolete ... greyfield lands".
- This section also states that the selection of future industrial community improvement project areas shall be based on "... need for water, sanitary and storm sewer infrastructure and/or upgrading; deficiencies in off-street parking; need for maintenance, rehabilitation, intensification, reuse/conversion or redevelopment of building stock; ... the need for development/redevelopment of unused or underutilized lands including brownfield and greyfield sites."

Industrial District

Section 6.8 of the Official Plan sets out land use planning policies for lands that are designated Industrial District in the planning area, including the lands that will be included in the Industrial CIP community improvement project area. Section 6.8.3.1 of the Official Plan states that predominant uses shall be for activities such as manufacturing, processing, warehousing, wholesaling, repairing and servicing, transportation terminals and the storage of goods and equipment. Research and development centres, central processing yards for sorting, grading and shipping wood and secondary manufacturing plants shall also be permitted, as well as ancillary uses, provided that they do not interfere or detract from the primary industrial function of the area. The Industrial CIP will be designed to stimulate investment in such uses in the Industrial District.

Airport District

Section 6.13 of the Official Plan sets out the land use planning policies for the Airport District. Section 6.13.3.1 states that the predominant uses shall be for the landing and take-off of aircraft, ancillary commercial and industrial uses which are related to airport operations, as well as other commercial and industrial uses which are dependent on close proximity to the airport for the viability of their operations. The Industrial CIP will be designed to stimulate investment in such uses in the Airport District.



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