



Staff Report EDO2024-004-CIP Application – Canadian Fence and Hardware

Title of Report: EDO2024-004-CIP Application – Canadian Fence and Hardware
Department: Economic Development
Council Date: April 17, 2024

Recommendation:

Be it resolved that Council receive Staff Report EDO2024-004 for information; and

That Council approve Canadian Fence and Hardware for Community Improvement Plan project funding to build an additional warehouse on their property at 151 Eco Parkway, Dundalk in the amount of \$15,000, subject to planning approvals and building permit issuance.

Background:

Southgate Economic Development received an application to request funding from the Community Improvement Plan from Canadian Fence and Hardware, which owns the industrially zoned property located at 151 Eco Parkway, Dundalk. The applicant requested funds to build additional warehouse space on the property to keep up with growing demand for its manufactured products. The total cost of construction for the project will be approximately \$700,000.

Staff Comments:

The application was received on Monday, March 25, 2024. It was circulated to staff for comment on April 2, 2024.

The Building Department does not have concerns regarding the proposed work.

The Planning Department does not have concerns about the project. However, the township engineers had significant concerns with the plans submitted so far. Canadian Fence and Hardware is required to resubmit its site plan application as the first draft lacked necessary engineering details.

The EDO recommends that Council approve CIP funding for Canadian Fence and Hardware on the condition that it obtains the required site plan approval, and building permit before the start of this project. The recommended amount of \$15,000 would be split between \$2,500 for planning fees, \$2,500 for building permit fees, and \$10,000 for development charges. The above-mentioned amounts are the maximums allotted per category under section "4.7 Planning & Building Permit Fee and Development Charges Grant" of the CIP. This grant category

permits reimbursement of 100% of these fees up to the specified maximums. It is estimated that the fees for all three of these sub-categories will be well above these maximums.

The applicant also requested funding under the "4. 2 Building & Lands Improvement Grant", but this CIP grant category is not permitted to cover industrial businesses. The amount of \$15,000 is the maximum amount that Canadian Fence and Hardware can receive through this application.

This project represents a significant investment by a manufacturing business in Southgate's Eco Park. Furthermore, the construction work will be undertaken primarily by Proton Welding & Fab – a local business – significantly contributing to Southgate's economy.

Financial Implications:

The financial impact of this report would be utilizing \$15,000 of the CIP funds transferred to Southgate from Grey County Economic Development to support local CIP projects. Following the dispersion of funds to Canadian Fence and Hardware, the balance of the Grey County Economic Development Funds would be \$46,000. The balance of the Southgate CIP reserve funds would be \$40,000. In total, the CIP reserve balance would be \$86,000 after the dispersion of these funds.

Communications & Strategic Plan Impact:

Priority: A Thriving Economy

Goal: Goal 1: Support the growth and development of existing businesses in Southgate

Action Item: 4b) Increase participation in Southgate Community Improvement Plan Program in Dundalk and across the Township through enhanced promotion

Concluding Comments:

Respectfully Submitted,

Dept. Head: *Original Signed By*

Brenna Carroll, Economic Development Officer

CAO Approval: *Original Signed By*

Dina Lundy, CAO

Attachments: