



Plan the Bruce: **BUSINESS**

DRAFT Discussion Paper
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Introduction

Bruce County is embarking on a journey to a new County Official Plan.

The Plan the Bruce Guiding Principle is about growing economic health through business diversity. This Discussion Paper for Plan the Bruce: Business was prepared after consultation and engagement and further research and analysis of Bruce County's economic landscape. It is intended to provide a foundation for policy development in the County's new Official Plan.

Bruce County's current population is 73,500 (2021) and is expected to reach 93,600 by 2046, increasing by approximately 20,100 residents. Bruce County's employment base is expected to increase by 9,200 jobs and permanent housing is expected to increase by 9,600 households by 2046. Bruce County must plan for long-term demographic and economic trends for sustainable and manageable growth in the next 25 years.

We are grateful to the members of the community who provided feedback on this project. This input will help the County and local municipalities make informed planning decisions that support economic development.

Background

Current Bruce County Official Plan, 2010

Bruce County's current Official Plan was first adopted by County Council in 1997, approved by the Ontario Municipal Board in 1999, and last reviewed in 2010. As an upper-tier municipality, the County's Current Official Plan provides the overarching planning policy framework for the entire County. The eight lower-tier municipalities within the County all have their own local Official Plans that must conform with the County's Official Plan.

The current Official Plan includes several policies relating to economic development and supporting Bruce County's key industries. Section 3.4.1.5 details the County's economic goals:

- Provide opportunities for the continued development of a diverse, sustainable, and viable economic base within the County, which is compatible with the natural environment;
- Strengthen the industrial and commercial base of the County;
- Recognize the interest in and importance of economic growth in the County;
- Recognize, promote, and strengthen tourism as a viable, vital component of the County economy;
- Recognize, promote, and strengthen the agricultural community as a viable and vital component of the County's economy; and,
- Promote energy generation as a viable form of economic development including, but not limited to, nuclear, renewable alternative and green energy supply.

Section 4.5: Economic Development of the Official Plan details the County's economic development objectives and general policies. Objectives include identifying and supporting industries such as tourism, agriculture, the energy sector, home industries, and other local businesses that are important to the County's economy, and ensuring that the County's natural resources are identified, protected, and promoted to create and support recreation and tourism opportunities.

The general policies for Economic Development include facilitating the expansion and diversification of the economic base, through sustainable economic development while recognizing the importance of existing industries and business.

The current County Official Plan also promotes the development of a four-season tourism industry and recognizes that the Rural Recreational Area is one of the principal areas for tourism and recreation. As such, the County supports the upgrading and expansion of existing commercial/tourism related facilities and allows commercial uses that service tourists and local residents to be permitted in this designation.

Bruce County Economic Development Strategy Strategic Plan 2017-2021

The “Find Yourself in Bruce County” Economic Development Strategic Plan established long-term goals that include increasing the population and tax base by attracting visitors and entrepreneurs to the area, creating business opportunities and diversifying the economic base under the key sectors of tourism, nuclear and agriculture, and business retention and expansion. The overarching goal of this plan is to stimulate and reward innovation and economic development.

The County is working on the next iteration of the 5-Year strategic planning process. An updated Economic Development Strategy will continue to support Bruce County’s vision of community involvement in revitalizing and growing its local economy. The following outlines the priority areas from the current strategic plan. To implement and support the strategy, four key program areas were established:

1. **Business to Bruce**
Connecting entrepreneurs with tools and resources to start new business ventures or grow existing ones.
2. **Spruce the Bruce**
Focused on community development, with emphasis on downtown revitalization and stakeholder coordination. The program pivoted to support businesses making modifications in response to COVID with significant success.
3. **Explore the Bruce**
The objective of this program was to improve marketing and promotion to attract residents, businesses, and visitors to the County. Focused on promoting the best destinations, notable initiatives included development of Adventure Passports and a tourism webpage.
4. **Nuclear Investment Strategy**
The Strategic Plan identified nuclear energy as an important economic driver for the region that meets the strategic priorities around sector development and economic diversification. As part of this plan a partnership between Bruce Power and the County was established as part of the Regional Nuclear Economic Development and innovation Initiative, including the Nuclear Investment Strategy. The strategy aims to leverage the long-term agreement between the Independent Electricity Systems Operator (IESO) and Bruce Power.

Factors that Influence Economic Development

Economic Resilience

The nature and structure of the economy is changing and a key issue for economic resilience in the County is how to respond to an evolving economy, and how to attract the appropriate corresponding employee profile that supports ongoing economic development - matching employees to jobs. The discussion of growth management and economic development is explored in more detail in the Good Growth Discussion Paper.

Accommodating an appropriate range and mix of job opportunities is important for creating a healthy and livable community. Healthy and livable communities have all their 'systems' working and offer a range of opportunities that can adapt and change to meet local needs. A resilient community therefore includes a full range of jobs, supported by dynamic commercial areas with clustered economic activity, nearby populations, and easy access by multiple forms of transportation.

It is important that communities have increasing employment, along with population growth, to promote a complete community, to provide jobs for residents, and to ensure a healthy and diversified tax base.

Fiscal Realities

The employment landscape in smaller Ontario communities is shifting, with the introduction of more diverse demographics and a new way to look at economic development. This changing context will require economic development policies to focus both on protecting key employment lands for future employment growth and adapting to the 'new economy', where employers and businesses may choose to locate outside of traditional employment areas and explore opportunities in more dynamic urban centres.

It is critical to protect an appropriate supply and range of commercial and employment lands to support ongoing economic development, a diversified tax base, and *complete communities* where residents have access to jobs, goods, and services.

Attracting and Retaining Workers

Resident and talent attraction strategies are a relatively recent addition to a community's toolbox for economic development, as quality of life increasingly has joined the list of attributes a municipality must nurture to remain competitive for new investment.

Economic development organizations are now employing datasets and microtargeting to deliver more sophisticated resident and talent attraction strategies. This work begins with developing the strategy itself, reviewing workforce demands and employer challenges, as well as documenting pinch points related to welcoming new talent. Available housing at attainable prices for the target workforce is one of the most critical challenges. Enhancing community amenities to attract professional remote workers can also be obstacles for communities. Buy-in at the strategy-building stage from existing residents is key, given that their efforts as champions may make the difference between lukewarm outcomes and tangible successes.

Business Recruitment and Enhancement

Strategies for investment attraction and business retention and expansion are the most important foundational elements for a community involved in economic development.

1. Investment Attraction

An investment attraction strategy describes which economic drivers the community depends upon, and which industry sector prospects best fit the community's desires for new development or foreign-direct investment. A Readiness Analysis is critical to investment attraction. The community must possess the business case, location, access, available land, infrastructure and services, planning tools, policies, incentives, protocols, and quality of life attributes that tick all the boxes on a site selector's check list, which typically includes:

1. A visible and accessible land supply that includes "shovel ready" locational options, at an appropriate cost;
2. Access to a qualified labour force;
3. A high quality of life including a range and mix of housing and an appropriate community context - complete, beautiful, and healthy community;

4. Access to necessary communications technology and adequate municipal infrastructure and utilities; and
5. Proximity of appropriate suppliers and customers

When the community is “shovel-ready,” it can then begin the marketing and promotion of the community, by gaining a deep understanding of target industry players. For a rural community, investment attraction efforts are best maximized by collaborating with neighbouring municipalities and alliances.

2. Business Retention and Expansion

Business retention and expansion (BR&E) efforts are less a concrete strategy and more an evolving work plan of communicating, assisting, and supporting existing enterprises within the community. Effective BR&E efforts involve dedicated economic development staff making routine visits and calls to major employers and as many small- and medium-sized enterprises as possible. Routine information is collected and tracked within a database - all in confidence - and intelligence gleaned from businesses helps to shape how the economic development office chooses to evolve its strategies and work plans.

Tourist Economy

Tourism plays a large role in the County’s economy, adding \$326.7 million a year to the local economy and creating 3,244 direct and indirect jobs in 2019. Bruce County has a competitive edge in tourism due to its shorelines, natural environment, outdoor activities, beautiful communities, along with a strong brand identity. Most tourists visit the County during the summer months, creating a seasonal economy for some municipalities. Recent initiatives are actively promoting Bruce County as a place to visit in all seasons and in all parts of the County.

Key Themes from Consultation and Engagement

MDB Insight is working with Bruce County to review its Economic Development Strategy. This report utilizes their findings and the input from key stakeholders, including local and County level officials, community partners, industry organizations, workforce boards, business owners, and the public.



Consultation and engagement were approached in a variety of ways offering many opportunities for input:



Stakeholder Interviews

Interviewees included political, community, partner and business leader representatives located throughout Bruce County
27 interviews



Business Survey using an online open-link survey methodology, from May 27th to June 16th, 2021. Promoted through Bruce County's website and social media platforms
138 responses



10 Workshops

Stakeholder groups included Economic Development, Indigenous Communities, Chambers/BIAs/Downtown Businesses, Real Estate/Developers, Tourism, Energy Sector, Students, Educators & Newcomers

The feedback from the consultation and engagement is cited below and organized under the following key theme areas. The recommended directions arising from the analysis of the comments are set out in a later section.

Strengths of Bruce County

- **Agriculture** - Bruce County has a strong agriculture sector which is a significant component of the County's economy. Bruce County should find ways to grow this sector and explore connections with the local food movement and clean technology or Cleantech (any technology, product, or service that uses fewer materials or energy, generates less waste, and causes less negative environmental impacts than the industry standard).
- **Nuclear** - The nuclear industry attracts highly skilled workers, creating spin-off benefits of residential growth and local spending. There is opportunity to leverage the clean technology sector, including nuclear and wind energy.
- **Tourism** - The County's natural features and location are an asset for tourism, with year-round outdoor activities. The County is an attractive location for new investment.
- **Quality of life** - People want better quality of life; beautiful communities and family-oriented living. The beautiful landscape, waterfront access, and pace of living offer unparalleled work/life balance. Residents can capitalize on remote work opportunities.
- **Entrepreneurship** - Great examples of successful entrepreneurs. Appears to be a higher level of curiosity and inquisitiveness that leads to innovation, nurturing, and attracting entrepreneurs. Need to support and retain these companies, while attracting new investment.

Opportunities for economic growth

- Businesses can be expanded and retained through the diversification of the economy into new products, services, and supply chains. Focusing on where these sectors overlap (nuclear/clean tech, agriculture, tourism) represents the best use of resources. For example, the County must determine how it can support/help diversify agriculture such food processing, value-added enterprises, smaller-acreage farms, alcohol production, and culinary tourism.
- The nuclear industry provides business opportunities in manufacturing, research and development, energy distribution, clean technology and waste disposal.

- Support for local businesses in villages and hamlets including work at home options, small-scale farms (grow-fresh initiative), sustainable tourism also known as ecotourism and green tourism.
- Residential development with innovative ways to ensure affordability, development fast-tracking, and diversified housing stock (e.g., tiny homes). Lower home costs, remote work opportunities and quality of life attract people to the County.
- Cleantech, Project Innovate (the hydrogen strategy with the goal to transform the County into an innovative energy supercluster within ten years). Hydrogen is a promising economic development opportunity that capitalizes on the County's competitive advantage in nuclear energy and should continue to be investigated.

Biggest challenges affecting business growth and opportunities

- Population growth is changing the needs of communities; businesses will need to diversify, expand infrastructure.
- There is a lack of industrial space and suitable locations for businesses in some communities.
- Demand for skilled workers has impacted workforce availability and wage inflation. Businesses are impacted by labour shortage, distance to markets, and lack of critical infrastructure. There is a need to attract and retain seasonal labour (agriculture, tourism, and construction), leveraging remote work opportunities, new technology, and retaining youth.
- Housing availability and affordability are basic challenges for residents, especially for young families and seniors. More affordable housing is needed and a mix of diverse housing stock for permanent and seasonal residents. The influx of people is driving the cost of housing up.
- Infrastructure investments. Servicing is needed to support large industries and attract new people (lack of water and sewage capacity, limited natural gas, poor broadband capability in some areas).
- Transportation networks are lacking, no public transit.
- More cooperation/collaboration is needed between the various levels of government.

Long-term vision and strategic focus

- Continue to focus on the energy, agriculture and tourism sectors. Continue to explore options for promoting tourism throughout the region and explore developing an energy/nuclear hub.
- Economic diversification should also be a focus. Certain sectors are perceived as getting more attention due to volume or money.
- Focus on collaboration; identify regional initiatives that involve municipalities.
- Focus on local businesses that need grants and training, with hands-on local initiatives.
- Plan for growth, need to retain people that come here in order to build the labour force.
- Partner on post-secondary, bring an accredited college and skilled trades development that is needed for businesses. Municipalities could work with businesses and post-secondary schools (e.g., University of Guelph) to build synergies between nuclear and agriculture. The sectors are very similar - safety aspects, processes, and innovation. Explore the potential for hybrid modules moving forward that do not rely on having a physical campus.

Major economic transformations

- Managing growth and development; providing greater support and promotion of the interior communities, housing supply and affordability.
- Remote work/work at home options will expand, and in some cases, will need to be facilitated by expanded broadband access.
- Long-term viability of the agricultural sector – evolution and support for farms.
- Bruce Power, and the potential nuclear waste disposal site if approved, will have a significant impact on communities.
- Dispersing tourists across geography and seasons will be very important to assist with environmental sustainability and business viability.

Services the County should consider developing

- Expand collaboration and sharing of resources.
- Hard services in some areas are lacking or very poor, and responsibility falls to member municipalities. To support growth, the County should support infrastructure improvements.
- Continue to improve access to broadband internet.
- As a regional service, transportation should be something Bruce County is very involved in to help move people and products.
- Affordable housing is a huge issue, but it may not be perceived as an economic development issue or a County problem. Bruce County could strengthen its role in helping to provide a supply of housing.
- Services for children and youth are lacking. Day care is a major challenge for those who need it. More services to enable ageing-in-place.

Changes for Bruce County's economy to 2031

- Capitalizing on opportunities for growth from within and greater economic independence.
- Economic diversification away from the dependency on nuclear, expand into new products, services and supply chains.
- Evolution away from seasonal tourism and day visitors, making downtowns destinations and revitalizing commercial cores.
- Improved servicing and renewed infrastructure.
- Well planned growth, sustainable development, and ample housing supply.
- Availability of affordable housing is essential to keeping youth and building the labour force.
- Support for local agriculture through investing in research, reviewing policy frameworks such as County and local plans and Provincial Policy Statement implications. More flexibility in agriculture policies to allow for more ag-related commercial activity.

Discussion, Analysis of What We Heard, and Recommended Directions

This section of the report discusses the results of analyzing the engagement feedback and includes recommended directions for Official Plan policies. The following may encompass components of the other Official Plan Discussion Papers that play an important role in supporting economic development in the County. The Business Discussion Paper works in concert with the Communities, Good Growth and Homes Discussion Paper directions.

1. Economic Development as a Key Objective

Economic Development should be a key principle or objective of the Official Plan. Stating this objective up front will support the economic development goals of the Official Plan and identify the importance of supporting lower tier municipalities and local businesses, agriculture sector, economic diversification, tourism, and the nuclear industry.

What We Heard

Respondents noted that businesses can be expanded and retained through the diversification of the economy into new products, services, and supply chains. Focusing on where these sectors overlap (nuclear/clean tech, agriculture, tourism) represents the best use of resources.

From their comments, respondents also identified the need for a greater diversity in housing tenure, specifically noting the urgent need for affordable housing as costs have increased in Bruce County over time. It was noted that there is a housing shortage in the County. An example was provided that noted the hospitality sector and the trades have trouble attracting and retaining staff due to lack of available, affordable housing options.

Recommended Directions

- Add a key principle to the Official Plan that speaks to a flexible approach to economic development, such as:

Support a flexible approach to economic development - A flexible approach to local economic development will ensure the County is able to adapt as trends change and remain prosperous with a diversity of employment opportunities for its residents, with a focus on supporting the diversification of the commercial sector, tourism, the creative and cultural industries, the energy sector, and the rural/agricultural economy.

- The County should meet the needs of employment and business opportunities of all types, by working with local Municipalities to:
 - i. Support an appropriate mix and range of business, industrial, commercial and institutional uses to meet the long-term needs of the community; and
 - ii. Maintain a range and choice of suitable sites for all employment uses and take into account the needs of existing and future businesses.
 - iii. Support a diversity of housing types and tenures to provide affordable choices for the workforce.

2. Reinforce the Economic Development Strategic Plan

The Official Plan should make a direct reference to the relevant Economic Development Strategy, and the Official Plan should indicate the name of the strategy, and note it is amended from time to time. This is important because economic development strategies may be adjusted from time to time, and that can be done outside of the statutory public process. If there is substantial inclusion of work from the Economic Development Strategy embedded within the Official Plan, then an Official Plan Amendment may be required to make those adjustments with full public process and rights to appeal. Keeping things very simple in the Official Plan keeps the County nimble in its approach to economic development.

It is recognized that the Official Plan is certainly an important overarching planning tool that can be used to facilitate economic development objectives. The goal is to ensure that the Official Plan facilitates the change that the Economic Development Strategy has identified, without replicating the Strategy in the content of the Official Plan.

What We Heard

There is a desire for collaboration between the County, lower tiers, and organizations to ensure a coordinated and balanced approach to economic development. Economic diversification was identified as a way of moving towards a more flexible policy approach, for example renewing agriculture policies to allow for more agriculture-related commercial activity. Some respondents would also like to see economic diversification away from the dependency on the nuclear sector and leverage other opportunities. It was also noted that clean tech industry may help establish a new supply chain and inventory of value-added products and services.

Other key points identified include the need to attract small to mid-size businesses, recognize the shift to remote work, the lack of available land for industrial space, and the distance to larger markets. As noted previously, and which can be applied to the discussion for all recommended directions is that of investment in infrastructure - servicing capacity, roads, rural broadband, and natural gas.

The respondents overwhelmingly noted that Bruce County has a high quality of life due to beautiful natural landscapes, waterfronts, and the geography of the County. Tourism should be expanded to highlight four season opportunities, Bruce County as a destination, and downtowns promoted. There is a continued need for revitalization in downtowns and suitable spaces for businesses. It was also noted that a continued focus must be placed on sustainable tourism activities (ecotourism and green tourism) with experiences focused on Indigenous cultures, and outdoor experiences, and to reduce pressure on sensitive environmental areas and lower-tier municipal infrastructure capacity, specifically in the Bruce Peninsula.

Support for the Agriculture sector was a consistent message from respondents. The agriculture sector is one of the top sectors in the County but more concrete avenues are needed to support this sector. Broadened on-farm permitted uses, smaller acreage farms, innovative entrepreneurs, alcohol production, culinary tourism, grow-fresh initiative and facilities, ensure that the planning and zoning are in place to provide added value services on site e.g., market growers and sales (farmers markets, Huron Bruce auction), food processing, niche opportunities, and servicing were all noted as opportunities.

Recommended Direction

The Official Plan should consider policies that speak to an Economic Development strategy as a separate document, encourage diversification of commercial functions, promote tourism, and support creative industries and the energy sector.

- Through the Official Plan, support and reinforce the Economic Development Strategy to plan for a strong and healthy economy and anticipate changing economic trends with policies that support:
 - i. Rationalizing and protecting the County's inventory of Employment Areas for appropriate employment generating land uses;
 - ii. Supporting a full range of employment generating uses, including office development, institutional uses, and a variety of restaurants, retail, and service commercial businesses;
 - iii. Constructing, upgrading, and maintaining high quality municipal infrastructure systems and public service facilities, particularly those that support the sustainable management of tourism;
 - iv. Facilitating efficient and convenient transportation options for the movement of people and goods;
 - v. Planning for an appropriate range of home occupations and home-based businesses, including artist studio/maker spaces and live/work units, within land use designations that permit residential uses; and,
 - vi. Developing policy directions which support an agricultural systems approach and opportunities for on-farm diversified uses while protecting the system from incompatible uses.

3. Diverse Land Supply

It is important for Bruce County to grow its employment opportunities in concert with residential growth - to promote a complete community and economic development, to provide jobs for local residents, and to ensure a healthy tax base. Employment lands are protected from residential development and represent a predictable supply of land that can be developed for commercial or industrial purposes.

A key role for the Official Plan with respect to Economic Development is to understand the County's land supply for specific components of the job creating spectrum.

Employment types:

- Employment Land Employment (ELE) includes jobs accommodated in industrial-type buildings that are primarily located within employment areas. This includes largely industrial sector employment, including manufacturing, research and development, wholesale trade, transportation and warehousing, construction, and utilities.
- Population-Related Employment (PRE) is defined as employment that primarily serves a resident population and generally grows in line with population growth. PRE is comprised of many sectors and types of work with the significant share of PRE dedicated to institutional which includes healthcare, schools, and government services. The remaining PRE growth is primarily retail, food services, and other personal services that typically locate within downtowns, residential communities, or on other commercial lands.
- Rural Employment includes all jobs located outside of the settlement areas. Rural employment consists primarily of primary sector jobs, such as agriculture and mineral aggregate extraction, as well as some population-related jobs in rural areas.

What We Heard

It was noted that there is a lack of industrial space and suitable locations for businesses in some local areas, making it difficult for new industry to locate in the area, while large surpluses of designated business park lands in other communities create a challenge in addressing the provincial framework for County employment land budgeting.

Recommended Directions

- For employment land employment (business parks, industrial uses), differentiate what is "effective supply" versus supply that is available as a longer-term proposition. The concept of effective supply is crucial to attracting new employers in this sector, and effective supply is important to offering reasonable choice in locations throughout the County that are "shovel-ready". That means the lots are created and available for sale, municipal infrastructure is either in the ground, or readily available, and that the properties are designated in the Official Plan, and pre-zoned for the intended use. The County should continue to work with local municipalities to assess the designated employment areas to ensure the lands are appropriate for their intended use and adjust the employment land budget accordingly.
- Official Plan policy needs to be as flexible as possible to facilitate a new use, or expansion of existing uses, as quickly as possible, minimizing hurdles to implementation. This may include policies with respect to scaling a comprehensive review to the size or complexity of a proposal when site-specific expansion is proposed.
- The County should include policies to allow for minor employment land area adjustments or conversions in the development of the new Official Plan. This creates flexibility for employment land conversions to be approved where certain tests or criteria have been met, for example, where the conversion helps to mitigate an existing land use conflict, or where the conversion provides for a specific and desirable alternative development opportunity. The definition of "minor" will need to be more fully explored in the context of the existing land supply, and the achievement of the identified tests or criteria.
- To accommodate population-related employment, the County will need to ensure that land opportunities for the expansion of the retail and service commercial sector is adequately considered and tailored to the anticipated residential growth of an area, and the understanding of whether these uses are to be accommodated in an expanded or intensified downtown, OR within an existing or newly planned retail and service commercial nodes located outside of the downtown.
- Major institutional uses like a significant medical centre or a post-secondary campus tend to go through their own site selection process. Anticipating these uses in specific locations is difficult, but not outside of what the County may want to consider. Office uses should generally be permitted in downtowns and can also be accommodated in existing or newly planned retail and service commercial nodes located outside of the downtown.

Next Steps

The Draft Business Discussion Paper will be circulated for stakeholder comments. The comments will be incorporated into a Final Discussion Paper for County Council to consider endorsing as a foundation for developing detailed land use policies for growing economic health through business diversity.