

BUILDING A CITY

Guelph Enterprise Services
Annual Review



invest in Guelph

ENTERPRISE SERVICES: A COLLABORATIVE APPROACH TO BUSINESS SERVICE

The City of Guelph's 2012-2016 Corporate Strategic Plan identifies the need for Guelph to be "economically viable, resilient, diverse and attractive for business."

The market is changing, the needs of business are changing, and the role of government in our local economy is evolving. With that in mind, Enterprise Services was created from the three existing offices responsible for economic development, downtown renewal and community energy.

It's about collaboration. We're bringing people together within the hub of Enterprise Services to put ideas into action.

The mission of Enterprise Services is to grow Guelph's economic base by effectively leveraging municipal assets and services in innovative ways while making full use of partnerships, alternate delivery models and performance measurements.

We're on a fresh and evolving playing field, with a once-in-a-generation opportunity to shape Guelph's future.



“

As growth partners, we take our stewardship of Guelph's growth to heart. We are seriously excited and encouraged by what Enterprise Services accomplished in its beginnings, and by the promising initiatives in the works. Guelph is growing toward a bright and prosperous future. With this review we invite you to celebrate with us what collaboration can achieve. ”

Al Horsman, Executive Director & CFO, Finance and Enterprise Services

Al Horsman, Rob Kerr, Ian Panabaker, Peter Cartwright

BUILDING INVESTMENT A PARTNER IN THE PROCESS

Enterprise Services compounds the value of a tax dollar by establishing an environment that attracts and supports investment.

Being attractive to business development generates new tax revenue for our community to use towards important infrastructure such as parks, roads and recreation facilities. This is why Enterprise Services works to ensure our clients make valuable long-term investments - it helps to ensure continued benefits for our community for years to come.

Recognizing the need to be responsive to new and existing business, our staff function as a partner with companies taking them through the development process, and bringing the right people to the table to solve problems.



Enterprise Services partners with provincial consortiums to meet with companies who are looking to expand in to the North American market. In 2013 Guelph attended meetings in Germany, France and the U.S.A.

FDI

The Guelph Foreign Direct Investment (FDI) Attraction and Retention Strategy and Action Plan created by Enterprise Services, will help Guelph focus its FDI activities and promote the city as **“the gateway to the North American market.”**



In 2013 Enterprise Services hosted delegates from Brazil, U.S.A., China, England, Germany, India, Japan, Mexico and the Netherlands.

Guelph was ranked 5th in the Americas for economic potential of a small city.

FDI magazine, 2012

Würth Canada

The German owned Würth Group, €9.7 billion international manufacturing company, chose Guelph for its new Canadian headquarters. Enterprise Services worked closely with Würth Canada through the development process to see this state-of-the-art facility take shape in the Hanlon Creek Business Park.

Würth Canada partnered with the City of Guelph and Envida Community Energy, to be one of the first companies to take advantage of the park’s central heating and power generation system. Enterprise Services assisted in connecting Würth’s multi-million dollar investment to this new infrastructure, helping support the city’s growth initiatives while also contributing to a reduction in the building’s operating costs.

“It’s comforting to have a municipal partner in business that you can trust to facilitate a development of this magnitude. Enterprise Services assisted us through the development process and has connected us with this community through both infrastructure and new relationships. We are proud of what we are building in Guelph.”

Ernie Sweeney, President, Würth Canada



BUILDING INFRASTRUCTURE SETTING FOUNDATIONS FOR THE FUTURE

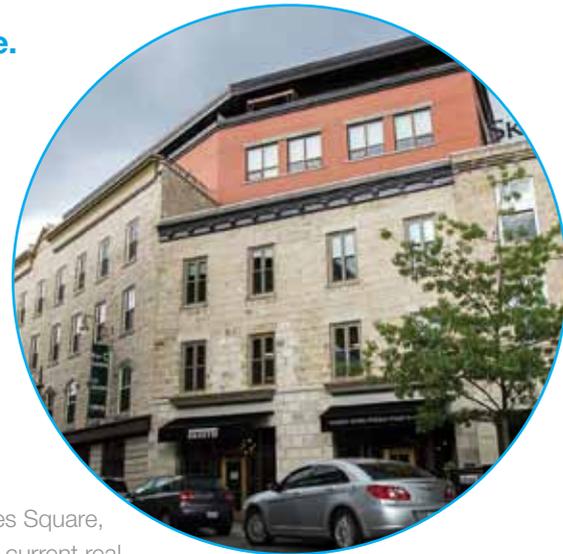
Each day our city relies on well built, modern infrastructure that is critical to ensuring Guelph can sustain its residential and commercial growth in to the future. Guelph’s plan to build the first city-wide, thermal energy network in North America is a pivotal launching point of Guelph’s commitment to improving the way we deliver important services such as water and energy.

Guelph is proactively shaping its future.

In the downtown, public investment in road and bridge upgrades; Market Square, the Guelph Civic Museum, and Guelph Central Station, have created the foundation to spark private investment opportunities. Between 2012 and 2013 Enterprise Services has leveraged these public investments to achieve upwards of \$85 million - and growing - in new private investment.

This private investment increases the value of underutilized spaces in more tax dollars that can be reinvested back in to our community.

Investing in infrastructure is an investment in Guelph’s future.



After the restoration and redevelopment of the historic Gummer building in St. Georges Square, the City of Guelph was able to collect roughly 15 x the tax levy without expanding the current real estate footprint. This makes the Gummer Building the second most valuable building in the city in terms of taxes/hectare.



At today’s prices, Guelph’s bill for electricity, natural gas and transportation fuels is approaching \$500 million annually. By 2031, the Community Energy Initiative will keep the majority of those dollars in Guelph by making much of the distribution infrastructure local. guelph.ca/energy.

Galt District Energy System

The boiler and chiller at the Sleeman Centre were retrofit to make this sports and entertainment venue into the heating and cooling centre for surrounding buildings.

Participants in district energy systems do not need to purchase or operate their own furnaces, boilers, air conditioning systems or cooling towers saving initial and ongoing expenditures on equipment. Contracts are in place to expand the Galt District Energy System grid to include other buildings in the area.

Enterprise Services is creating an environment where businesses have the opportunity to participate in cost saving infrastructure improvements such as the Galt District Energy System.

Pipes installed at Sleeman Centre
Photo credit: Enviva Community Energy

BUILDING AN ICONIC DOWNTOWN

Downtown Guelph is primed and ready for continued investment.

Renewal of Guelph's downtown increases the value of the city's pre-existing cultural and structural assets, converting underperforming properties, into higher value mixed use sites. This strengthening of the city's core is vital to maintaining smart long-range growth across the city.

In 2013 the Downtown Guelph Strategic Assessment was completed, an important first step in gauging where to focus investment efforts in the core. This document provides an in-depth analysis of downtown Guelph's existing programming, ground floor customer base and commercial clusters. Now more than ever, Enterprise Services is equipped to better match business with opportunities that will grow our downtown community.

Done right, city building benefits everyone.

After a decade of flat residential growth, 300 new residents are moving in to the downtown in 2014, this growth is projected to be followed by 300 residents each year for the next decade.



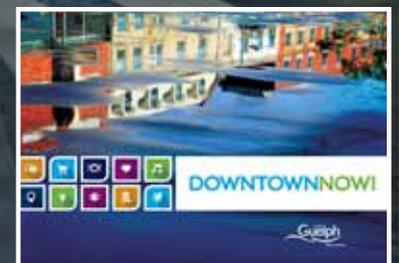
RiverHouse Condominiums

In 2013 construction was well underway of downtown Guelph's first prestigious luxury 130 unit condominium building. Built by the Tricar Group, one of southwestern Ontario's leading builders, this 18 story building was 90% sold before it even completed construction.

The success of this investment led Tricar to move up production schedule for their second building, River Mill Condominiums, now slated to break ground in 2014. This is a great example of how underperforming land can be re-born to support growing land values, tax assessments, and the creation of an environment that generates further investment.

From an MPAC assessment point-of-view, Guelph's downtown is currently worth \$400 million in real estate value. Our growth plan transforms that in to a forecasted value of at least \$1.3 billion.

The DOWNTOWNNOW! booklet produced in 2013 illustrates the revitalization and economic activity already being realized in the city's core.



BUILDING RELATIONSHIPS GROWING GUELPH

Enterprise Services recognizes that in most Canadian cities, as much as 80% of all new investment comes from existing business. This is why after a year of research and consultation, the formalized **Grow Guelph Business Retention and Expansion (BR+E) program** was launched in 2013.

The Grow Guelph BR+E program is directed and executed by a community led taskforce made up of Guelph's business service organizations. In this way, the program reaches beyond the municipality and maintains a collaborative approach to business service.

The program includes important relationship building components such as face to face business surveys, networking events, expansion facilitation, access to industry opportunities and programs, and marketing support. For more information on the BR+E program visit www.growguelph.ca.

36



In its first few months the Grow Guelph BR+E program assisted and supported 36 local businesses.

In 2013 local companies could be found under the *Grow Guelph pavilion at the Canadian Restaurant and Foodservice show, Ontario Centres of Excellence Discovery show and the Canadian Manufacturing Technology Show.*

\$1.4M

The 4th annual Downtown CIP Grants Program assisted local businesses with 16 projects, a total construction value of \$1.4 million. Projects included facade improvements, minor activation projects, and feasibility studies.

Our existing businesses remain our greatest advocates and partners.

When our partners are successful, the entire community benefits.

Hitachi Construction

Hitachi Construction Truck Manufacturing Ltd. chose to keep Guelph as the company's North American headquarters, adding a \$32 million expansion to the existing facility and expanding its employee base by over 400 by 2018.

When asked why the company expanded in Guelph over other short-listed communities elsewhere, Hitachi asserted it was the access to uniquely skilled labour that is required for their complex technologies, which allows them to maintain the level of quality that is vital to their ability to compete.

Hitachi's expansion, completed in 2013, was the largest FDI project in Ontario in terms of job creation*. Enterprise Services helped with a large volume of background approvals and processes to facilitate the project's timely completion.

*FDI Magazine, 2012



CAPACITY BUILDING

BRINGING IT ALL TOGETHER

Guelph is projected to grow to 175,000 people by 2031. The community-led decision not to expand beyond our current city boundaries means that new housing and employment needs to be managed within our existing footprint.

Every aspect of city building contributes to the city's capacity to manage growth.

To continue to create capacity for growth, Guelph is making better use of the existing real estate in the downtown by transforming underperforming sites for higher density uses. As well, new employment lands such as the Hanlon Creek Business Park and the Guelph Innovation District, provide the opportunity to create new areas to live, work, learn and play.



Providing service to site selectors is key to promoting what real estate opportunities Guelph has to offer. For that reason Enterprise Services created an online directory for available land and space in Guelph at guelph.ca/realestate.



Getting a finger on the pulse, Enterprise Services completed a sector analysis to gain a better understanding of the composition of Guelph's identified growth sectors in terms of employment, wages and growth trends.

Hanlon Creek Business Park

Designed to service Guelph's growing population and employment needs the Hanlon Creek Business Park, a 675 acre development is expected to attract 10,000 jobs by 2031.

From the beginning, partnership played an important role in bringing this site online. Private investors contributed in a large part by working alongside City staff to prepare and market over 100 acres of privately owned land in the park.

Public partnerships contributed to infrastructure development, monitoring, and approvals that created the key selling features that will attract innovative companies and talent.

- A natural gas-fired combined heat and power plant, part of the City's energy management initiatives and central to the district energy services.
- A new interchange provides improved transportation access to the Hanlon Creek Business Park, Hanlon Business Park, and the Southgate industrial lands.
- The incorporation of a 165 acre environmental reserve with 12 km of walking trails.

Not just a business park, this site acts as a platform from which many of Guelph's growth initiatives are supported. In this way Guelph is working within its own boundaries to achieve the vision set out by the community and manage the capacity needed to achieve growth targets.



BUILDING PROSPERITY

PROGRESS AND PARTNERSHIPS

Guiding Enterprise Services is Prosperity 2020, the strategic directions document for economic development in the City of Guelph. Working together with partners to sustain and enhance Guelph’s position as a competitive and prosperous city for private and public sector investment over the coming decade to 2020.

But Enterprise Services can’t do it alone, only by partnering with our over 100 different public and private partners can we achieve Guelph’s vision of being an economically viable, resilient, diverse and attractive city.

ENTERPRISE IS KEEPING ON TRACK FOR 2020

Making Guelph attractive to targeted sectors in advanced manufacturing, agri-food, and clean technology

- Member of the Ontario Food Cluster and Ontario Clean Tech Alliance
- Targeted FDI action plan
- BR+E business surveys conducted in targeted sectors
- Measuring trends in targeted sectors through sector analysis
- Sector targeted Grow Guelph tradeshow in Canadian Manufacturing and Technology Show and Canadian Restaurant and Foodservice show

Infrastructure development to support growth

- Complete and planned district energy projects
- Laird Road interchange in Hanlon Creek Business Park
- Continued support for city-wide approach to construction and utility projects

“ INTO THE FUTURE

As we look forward, we already see the encouraging progress that will continue to result from the foundations we are laying today. We will continue to build an economically sustainable, affordable, and livable Guelph. This is just the beginning.”

Al Horsman, Executive Director & CFO, Finance and Enterprise Services



Partnering internally, implementation began on the City’s Integrated Operational Review of Planning, Engineering, Building and Enterprise Services. These actions will help to better integrate and improve the business services offered by all departments; including the development review process, communications, and customer service.

Focusing on the downtown

- New Downtown Secondary Plan developed and approved
- Downtown Community Improvement Plan expanded with major programs
- Public Infrastructure investments continue – roads as well as culture
- Downtown Strategic Assessment setting course for next investments

Increasing Guelph’s capacity for investment

- Hanlon Creek Business Park land sales, collaterals and events
- First plan for a city-wide thermal energy network in North America
- Continued support for the development of the Guelph Innovation District
- Repositioning of IMICo brownfield site for redevelopment

Improving our relationships and processes

- Integrated Operational Review
- BR+E board establishment with community organizations
- Continued support of Connect Guelph





Enterprise Services

City of Guelph
1 Carden Street
Guelph, ON
N1H 3A1

519-837-5600

bizinfo@guelph.ca

guelph.ca/biz

Community Energy

Rob Kerr
Corporate Manager
519-822-1260 x 2079
rob.kerr@guelph.ca

Downtown Renewal

Ian Panabaker
Corporate Manager
519-822-1260 x 2475
ian.panabaker@guelph.ca

Economic Development

Peter Cartwright
General Manager
519-822-1260 x 2820
peter.cartwright@guelph.ca



Invest in Guelph is an initiative of the City of Guelph to position and promote Guelph Ontario as an investment ready and responsive community. For more information on the services offered by Guelph Enterprise Services please visit:

guelph.ca/biz