



**City of Saint John  
Growth Committee - Open Session  
AGENDA**

Thursday, March 21, 2019

2:30 pm

8th Floor Common Council Chamber (Ludlow Room), City Hall

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<b>1. Call to Order</b>	
<b>1.1 Approval of Minutes - February 12, 2019</b>	<b>1 - 2</b>
<b>1.2 2018 Year-End Reporting and 2019 Outlook</b>	
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The City of Saint John

MINUTES - OPEN SESSION GROWTH COMMITTEE MEETING  
FEBRUARY 12, 2019 AT 1:30 P.M.  
8<sup>TH</sup> FLOOR COMMON COUNCIL CHAMBER (Ludlow Room), CITY HALL

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Present: Mayor D. Darling  
Councillor J. MacKenzie  
Councillor B. Armstrong  
Councillor R. Strowbridge

Absent: Deputy Mayor S. McAlary

Also

Present: City Manager J. Collin  
Deputy City Manager N. Jacobsen  
Commissioner Growth and Community Development J. Hamilton  
Deputy Commissioner Building and Inspection Services A. Poffenroth  
Deputy Commissioner Growth and Community Development P. Ouellette  
Population Growth Manager D. Dobbelsteyn  
Deputy Commissioner Administrative Services I. Fogan  
Director Strategic Real Estate Services S. Carson  
Director Corporate Performance S. Rackley-Roach  
IT Manager S. Ranson  
Continuous Improvement N. Moar  
Acting Communications Manager L. Caissie  
Administrative Assistant K. Tibbits

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1. Meeting Called To Order

Mayor Darling called the Growth Committee open session meeting to order.

1.1 Approval of Minutes – December 11, 2018

Moved by Councillor Strowbridge, seconded by Councillor MacKenzie:  
RESOLVED that the minutes of December 11, 2018 be approved.

MOTION CARRIED.

1.2 Website Project Overview – Verbal Update

Ms. Hamilton stated that a refresh to the City's website was identified as a priority for 2019. The website plays a key role in terms of interfacing with citizens on service delivery, portraying an image of the community, connecting with investors, and engaging people interested in re-locating to the City.

Ms. Ranson provided an overview of the website design project and received feedback from the committee. A designer has been selected through an RFP process.

In response to comments regarding the development of a comprehensive plan that identifies goals and outcomes, and aligns with a branding and communication strategy prior to the refresh of the website, Mr. Collin noted that a strategic communications plan is being developed. The goal is to have the proper usability and design in place, and then incorporate the strategic communications plan into the web design. It will be a valuable tool to communicate the strategy once it has been developed.

Moved by Councillor MacKenzie, seconded by Councillor Armstrong:

RESOLVED that the Website Project Overview – Verbal Update, be received for information.

MOTION CARRIED.

1.3 Rescheduling March Growth Committee Meeting – Verbal Discussion

The March 5<sup>th</sup> Growth Committee meeting will be re-scheduled to Thursday, March 21, 2019 at 1:30 pm.

**Adjournment**

Moved by Councillor MacKenzie, seconded by Councillor Strowbridge:

RESOLVED that the open session meeting of the Growth Committee be adjourned.

MOTION CARRIED.

The open session meeting of the Growth Committee held on February 12, 2019 was adjourned at 2:00 p.m.

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Recording Secretary

A black and white photograph of a blurred crowd of people walking in a modern, brightly lit interior space, possibly a lobby or hallway. The image is overlaid with large, semi-transparent geometric shapes: a dark blue triangle on the left and a red triangle on the top right. The crowd is out of focus, emphasizing movement and a sense of a busy environment.

# **Growth Committee Presentation**

March 21, 2019



A blue-tinted, blurred photograph of a crowd of people walking in a modern, brightly lit interior space, possibly a shopping mall or office lobby. The people are out of focus, creating a sense of motion. The background shows large glass panels and structural elements of the building.

2018 KPIs



## 2018 Key Performance Indicators

2018 Strategic Focus	Targets	2018 4th Quarter Results
Potential Entrepreneurs	800	1,835
Start-Ups	25 Start-Ups	37 Start Ups
Existing Entrepreneurs	45 jobs	75 Jobs
Existing Business	550 jobs	Announced – 892 • Hired – Estimate is that 50% are filled
External Investors	250 jobs	Announced - 450 • Hired - 300



## VISION

Consistent, long-term economic growth for Greater Saint John region.



## AREAS OF FOCUS

Building on our regional strengths, we must focus on workforce development, entrepreneur development, business investment and innovation, and marketing Greater Saint John to grow the economy.



## ALIGNMENT IN ECONOMIC DEVELOPMENT

This is a plan to guide our efforts, but it is meant to be a galvanizing vision and set of goals that will impact multiple economic development organizations.



## ACTION

The intentional actions of the plan will drive measurable outcomes towards strategic goals.



## AREAS OF FOCUS

- 1 WORKFORCE DEVELOPMENT**  
Attract and retain talent to support the growth of our existing companies and attract new companies to our region.
- 2 ENTREPRENEUR DEVELOPMENT**  
Build the Saint John entrepreneurial ecosystem with a focus on scalable start-ups.
- 3 BUSINESS INVESTMENT & INNOVATION**  
Promote the value proposition for investment and support companies in being globally competitive.
- 4 MARKETING GREATER SAINT JOHN**  
Tell the Greater Saint John story to attract people, investment, and support the growth of our companies.



## STRATEGIC GOALS 2019 – 2021

### INCREASE IN EMPLOYMENT

**2.5% increase per year**  
(from 62,500\* to 67,305)

### INCREASE IN LABOUR FORCE

**2.5% increase per year**  
(from 66,600\* to 71,720)

### INCREASE IN GDP

**0.5% greater than provincial GDP**  
(average 1%)

### INCREASE IN CONSUMER CONFIDENCE

**by 1 index point per year**  
(average of 99.1)

\*Average of the Monthly Seasonally Adjusted Labour Force and Employment Numbers – by Statistics Canada. (2018)

## WORKFORCE DEVELOPMENT

The shrinking labour force across the region is arguably the most significant barrier to growth. When we solve this, it will mean more opportunities for companies in Greater Saint John to grow and attract new investment to the region.

We need to significantly increase the flow of people into the region, expand the labour force and provide the talent for industry and for new entrepreneurial ventures.

It is important to clearly define the role for Economic Development Greater Saint John as there are many organizations involved in workforce development. All our actions will be done in partnership with our collaborators.

### THREE-YEAR GOAL

Build an integrated community model that ensures Greater Saint John companies can attract and retain talent.

### YEAR ONE TARGET

Work with 30 companies to fill 350 stagnant jobs (posted for at least 90 days and still unfilled).

### COLLABORATORS

- PETL
- ACOA
- ONB
- UNBSJ
- NBCC-SJ
- NBIF
- MUNICIPALITIES
- SETTLEMENT
- SUPPORT AGENCIES
- TRAINING SECTOR
- INDUSTRY GROUPS
- TECHIMPACT

### KEY ACTIONS (2019-2021)

- Empower employers to adapt to new workforce realities and new methods of attracting and retaining talent.
- Increase the effectiveness of connecting employers to talent and talent to employment.
- Build the talent pipeline for jobs-on-offer and near-term industry needs.
- Support newcomers in accessing meaningful employment.
- Develop digital and innovation skills in our youth, connect them with the business community, and increase retention rates.
- Be the 'go-to' organization for insights and context on shifting workforce trends.
- Support UNBSJ/NBCC-SJ efforts to increase and retain their student population.
- Promote employment opportunities and benefits of living in Saint John and surrounding areas to newcomers, youth, graduates and potential residents.

## 2

## BUSINESS INVESTMENT AND INNOVATION

Greater Saint John needs to attract more business investment to create more sustainable growth. This investment can come in the form of new business ventures, the expansion of existing firms, and the attraction of national and international firms to our region. There needs to be a clear and compelling case for this investment. Businesses will not invest without the expectation of a good return on their investment. We need to recognize that global competition for this investment is more intense than ever before.

We also need a renewed and collaborative commitment to support innovation within the private and public sectors. It will mean increased productivity, driving new product and service development, encouraging more investment from outside our region.

### A. BUSINESS INVESTMENT

Economic Development Greater Saint John and its partners have an important role to play in framing the value proposition for investment, and in communicating that value proposition to potential investors locally, nationally, and internationally. Economic Development Greater Saint John and its partners also need to ensure our export-oriented companies can continue to grow in Saint John by addressing barriers and identifying new opportunities in our region.

#### THREE-YEAR GOAL

Working closely with ONB, the region will have secured significant investment in the Cybersecurity, Energy, Digital Health and Logistics sectors.

#### YEAR ONE TARGET

300 jobs created through investment attraction.

#### COLLABORATORS

- ONB
- ACOA
- MUNICIPALITIES
- SAINT JOHN ENERGY
- PORT SAINT JOHN
- SAINT JOHN AIRPORT
- DEVELOP SJ
- ATLANTICA CENTRE FOR ENERGY

#### KEY ACTIONS (2019-2021)

- Develop compelling promotional materials that highlight Greater Saint John's important sector opportunities and related competitive advantages, including our Foreign Trade Zone.
- Seek targeted investment opportunities where Greater Saint John has distinct competitive advantages & Economic Development Greater Saint John and partners can directly influence growth.
- Leverage the Foreign Trade Zone for new investment and expanded trade opportunities.
- Leverage our International head office base to attract investment and work to address key business barriers.
- Work with Port Saint John and Saint John Airport to improve market access for our companies.
- Work closely with ONB on internal investment opportunities and targeted external investment.

## B. INNOVATION

New Brunswick firms, educational institutions and governments need to be more innovative to better compete in the modern, highly competitive global economy. Innovation is an important contributor to economic development.

### THREE-YEAR GOAL

Public, private and non-profit organizations invested in development of an Innovation District in Uptown Saint John.

### YEAR ONE TARGET

Develop concept, test feasibility and secure partner buy-in for an Innovation District.

### COLLABORATORS

- UNBSJ
- NBCC-SJ
- ONB
- ACOA
- GNB
- RDC
- SAINT JOHN ENERGY
- ATLANTICA CENTRE FOR ENERGY
- NBIF
- TECHIMPACT
- CYBERNB
- HORIZON HEALTH
- INDUSTRY LEADERS
- MUNICIPALITIES

### KEY ACTIONS (2019-2021)

- Confirm and exploit the top research and development opportunities in our region (i.e. Additive Manufacturing, Industry 4.0, Digital Health, Energy, Logistics) to attract investment and drive innovation.
- Build the innovation ecosystem to support research and development and commercialization within selected opportunity areas:
  - Create an Innovation District in Uptown Saint John.

- Expand Provincial and regional research and development organizations to Greater Saint John.
- Leverage Saint John Energy as an important regional asset in developing innovative energy solutions.
- Identify and make the case for more university/college-based research and development in Greater Saint John institutions.
- Develop and attract start-ups and existing companies to the ecosystem.
- Attract investment.
- Work with CyberNB and TechImpact to identify areas where our local IT companies can innovate with industry.
- Provide leadership for companies and organizations to solve problems and develop solutions using data and connected technology.
- Provide opportunities to develop innovation skills within companies.
- Seek opportunities to support intrapreneurship within our larger companies to solve business challenges and create new growth opportunities.





### 3

## ENTREPRENEUR DEVELOPMENT

Having a strong entrepreneurial ecosystem is becoming increasingly important to economic development. This is especially important to Greater Saint John as it has experienced a below-average output of start-ups compared to its peers in Atlantic Canada. Building a mature local pipeline of entrepreneurs with exportable ideas will support an increase in the number and quality of start-ups. Economic Development Greater Saint John and its partners have built a strong foundation of programming and support services for entrepreneurs; however, a critical next step is enhancing our efforts by making meaningful connections and leveraging resources from within the broader Atlantic regional entrepreneurial ecosystem to support scale-ups.

### THREE-YEAR GOAL

A strong entrepreneurial pipeline, industry engagement and post-secondary partnerships driving a new level of growth in Saint John start-ups and scale-ups.

### YEAR ONE TARGET

Support the launch of 30 start-ups and 60 new jobs.

### COLLABORATORS

- PETL
- ACOA
- RDC
- UNB
- ONB
- NBCC
- CONNEXIONWORKS
- BRILLIANT LABS
- ANGLOPHONE-SOUTH SCHOOL DISTRICT
- TECHIMPACT
- NBIF

### KEY ACTIONS (2019-2021)

- Continue to deliver high-value programming and coaching to entrepreneurs in Greater Saint John.
- Grow our incubator for high potential businesses to collaborate and access resources for growth.
- Continue to provide small business financing and business skills training to new entrepreneurs.
- Continue to deliver experiential learning opportunities for youth to build entrepreneurial skills and a pipeline of future entrepreneurs.
- Partner with UNBSJ to build an entrepreneurship hub where students and faculty use applied research to support start-ups and growth of existing companies.
- Attract entrepreneurs with exportable ideas to launch and grow their start-ups here.
- Align efforts with Atlantic Canadian incubators and accelerators to ensure firms can access resources for scaling start-ups. We need a few to become the next generation of industry leaders in Greater Saint John.
- Refine and promote existing entrepreneurship programs (e.g. Venture Validation Program, Impact Loan, Tech Incubator, Kick Start Your Business, Entrepreneurial Pipeline).



- We are enhancing existing programs with a focus on start-ups that can scale to \$1 million in sales and 10+ employees.
- We are building a stronger entrepreneurial pipeline by working closely with our post-secondary institutions, by launching a new start-up internship program and growing the High School IDEA Centre.
- Our current Impact Loan portfolio includes \$980,000 in small business loans (of less than \$25,000 per) in the Saint John area.
- In 2019, we have secured an additional \$777,000 from ACOA. These funds are now available for new business and business expansion loans.



## 4

## MARKETING GREATER SAINT JOHN

More than at any point in our history, the success of the Greater Saint John economy is tied to global supply chains, investment flows and people migration. It is imperative that Greater Saint John is known both internally and externally as an excellent place to live, work, start a business, invest, attend school, and visit.

### THREE-YEAR GOAL

Cultivate a positive image of the community and its opportunities internally/externally, which leads to more people attracted to living & investing in the region.

### YEAR ONE TARGET

Collaborate with agencies/municipalities to create a shared marketing tool box, complete an economic development marketing plan for Greater Saint John and acquire resources to implement the campaign.

### COLLABORATORS

- UPTOWN SJ
- DISCOVER SJ
- DEVELOP SJ
- ONB
- PETL
- MUNICIPALITIES
- LOCAL MEDIA
- RESIDENTS

### KEY ACTIONS (2019-2021)

- Change the Greater Saint John narrative with authentic stories and examples to develop a positive regional image.
- Market the region using a mix of earned media, social media, and traditional media.
- Focus on local, regional, national and international markets:
  - Remind people of Greater Saint John attributes – leverage the mix of a strong urban core and the region's natural assets.
  - Reintroduce Greater Saint John as a major regional urban centre with strategic importance to the national economy. Promote Saint John's strengths and competitive advantages for business.
  - Partner with other levels of government to position Greater Saint John as a great place to live and invest with a bright future for ambitious people and companies.



EVERY SUCCESSFUL plan includes an evaluation phase, which should be built-in from the very beginning to help guide actions throughout the process of implementation. We have identified quarterly progress updates – in addition to our Annual Report – as our preferred tools for regularly reporting on the economic development plan's status. Various metrics will be examined and used to create these updates, such as:

### MACROECONOMIC METRICS

- Economic growth
- Labour market trends
- Municipal tax base

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### ACTIVITY-BASED METRICS

(Economic Development Greater Saint John and Partners)

- Newcomer attraction and retention
- International student attraction and retention
- Local firm expansions
- Business and investment attraction
- Entrepreneurship
- Research & development
- Marketing



## MOVING FORWARD

GREATER SAINT JOHN has many foundational strengths that can be leveraged to get back to a sustained level of economic growth and foster a positive future.

- A vibrant uptown urban core
- The head offices of multiple large multinational corporations
- A rapidly-growing IT cluster with three of the largest IT firms in Atlantic Canada
- A large insurance and back office cluster serving North America
- Strategic transportation infrastructure
- Energy infrastructure and support capabilities
- A demonstrated ability to attract talent
  - 12,500 living in Greater Saint John in 2016 that did not live here in 2011)
- A history of overcoming challenges

### A STRONG GREATER SAINT JOHN ECONOMY IS ONE WHERE:

- The region's strengths, assets, and attributes are being leveraged by local entrepreneurs and multinational companies to foster economic growth.
- Companies are adapting to highly competitive markets through product and service innovation.
- The talent pipeline supplies workers for industries across the labour market spectrum.
- People attracted to Greater Saint John are coming for economic opportunities (employment and entrepreneurial) aligned with their skills and interests.
- Significant effort is made to ensure newcomers are engaged and putting down roots in a welcoming community.
- A positive attitude is helping to strengthen the environment for investment and people attraction.



# ECONOMIC DEVELOPMENT

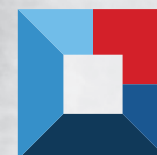
GREATER SAINT JOHN

40 King Street, Saint John, NB E2L 1G3  
(506) 658-2877 • [info@edgsj.com](mailto:info@edgsj.com)



# **ECONOMIC DEVELOPMENT**

PLAN • 2019-2021



## **ECONOMIC DEVELOPMENT**

GREATER SAINT JOHN



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# FRAMING OUR FUTURE

WE'VE WORKED DILIGENTLY over the past year examining how we work, what we could do better, and we've learned a lot.

The time is right for change – a new name and visual identity will help us move forward and better serve our communities; our new colour palette is inspired by the municipalities we represent; and the square in our logo represents our desire to frame our region's future differently.

Moving forward, all of our economic development efforts will flow through our areas of focus – designed to address our region's biggest challenges – which will be measured against strategic goals.

Greater accountability will be achieved through more frequent public reporting activities, which will also provide opportunity to course-correct if required.

Working together with our partners, municipalities and investors, we will help ensure jobs are created; we will help bring more people to our region; and we will ensure Greater Saint John becomes a more attractive place to do business. A full list of our partners – including the members of our Board – can be found on our new website: [www.EDGSJ.com](http://www.EDGSJ.com).

As you read further, refer to this plan's appendix for additional context surrounding the economic realities of Greater Saint John.

With the new strategic activities identified for implementation in this plan comes a need for new project-specific funding. A financial status quo would allow our agency to continue with the same work we've been doing for the past five years; new and important activities will need to be properly funded in order to see the light of day.

Everyone would like to see our region doing better. We strongly believe that this plan will help bring about the positive change needed for Greater Saint John to succeed.





## VISION

Consistent, long-term economic growth for Greater Saint John region.



## AREAS OF FOCUS

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### INCREASE IN CONSUMER CONFIDENCE

**by 1 index point per year**  
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\*Average of the Monthly Seasonally Adjusted Labour Force and Employment Numbers – by Statistics Canada. (2018)



# EXECUTIVE SUMMARY

**A silver bullet solution to Greater Saint John's economic reality does not exist. What does exist is a community of collaborative partners who want to drive tangible change for our community.**

WE EMBARKED on the process of creating a new economic development plan for Greater Saint John in the spring of 2018. Our research included meetings with a dozen community business leaders, and 10 focus groups. In total, more than 300 people were consulted during this initial project phase.

During this process it was determined that a re-brand was in order, which has resulted in our new more inclusive and mandate-specific name: Economic Development Greater Saint John.

Many of the community's business leaders were interviewed to gather input on challenges and opportunities, and how we can all work together to drive the economy forward. In addition to one-on-one interviews, there were multiple group sessions with agency staff, board members, local politicians, partner organizations and other industry leaders.

We also conducted research involving our region's history, population and immigration trends, labour market and industry trends, as well as economic data.

All of this research combined to form the foundation of our new economic development plan.

This plan will guide our agency's efforts and also provide a galvanizing vision for our community.

## COLLABORATION

A plan by Economic Development Greater Saint John on its own cannot effectively leverage the many organizations that are involved in our region's economic development activities.

To be successful, we will continue to align and collaborate among all of our partners including the City of Saint John, the towns of Grand Bay-Westfield, Rothesay and Quispamsis, and the Village of St. Martins. Engagement

of public and private sector leaders will help this plan to make a significant impact, which will be monitored and measured through the leadership of Economic Development Greater Saint John.

We've highlighted in this plan how key collaborations amongst organizations and municipalities in different areas of focus will ensure Greater Saint John moves forward towards a more prosperous future.

## HOW TO USE THIS PLAN

Economic Development Greater Saint John has restructured its everyday approach to operations through the development of four focus areas for all work that takes place within the agency.

- Workforce Development
- Business Investment and Innovation
- Entrepreneur Development
- Marketing Greater Saint John

With the aim of creating consistent, long-term economic growth for Greater Saint John, we have identified actions critical to improving Saint John's trajectory. Our four focus areas provide a streamlined approach to encapsulating and categorizing each of these actions, and approaching them via strategic, measurable goals.

This economic development plan is the starting point for a collaborative, targeted approach to reversing Greater Saint John's poor economic performance. For each of the four focus areas, a specific plan will be developed that identifies how each action will be completed. These upcoming plans will assign responsibilities, outline timelines, identify measurable goals and prepare for evaluation once goals are achieved.

A year from now, we encourage you to return to this plan to see how successful we were in our action plans for each area of focus. More importantly, do you sense a positive change in people's perceptions about the Greater Saint John area?

## HOW THIS PLAN IS DIFFERENT

A silver bullet solution to Greater Saint John's economic reality does not exist. What does exist is a community of collaborative partners who want to drive tangible change for our community.

This plan is different from previous documents, studies and initiatives in several ways; namely, in our resolve to collect better data and research, and maintain a clear focus on strategic goals with more easily understandable measurement and public reporting practices.

Economic Development Greater Saint John will lead this cause with our partners and ensure we take a position ahead of the curve when it comes to information of importance to our region. We will champion momentum, and ensure everyone remains connected and on-track between big wins.

Our focus on four key areas will allow us to attack the workforce gap, hone-in on key sectors, grow our culture of entrepreneurship and change the Greater Saint John narrative. We all want to see more jobs, more people working and a more attractive business environment.



## **AREAS OF FOCUS**

# 1

## WORKFORCE DEVELOPMENT

The shrinking labour force across the region is arguably the most significant barrier to growth. When we solve this, it will mean more opportunities for companies in Greater Saint John to grow and attract new investment to the region.

We need to significantly increase the flow of people into the region, expand the labour force and provide the talent for industry and for new entrepreneurial ventures.

It is important to clearly define the role for Economic Development Greater Saint John as there are many organizations involved in workforce development. All our actions will be done in partnership with our collaborators.

### THREE-YEAR GOAL

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### YEAR ONE TARGET

Work with 30 companies to fill 350 stagnant jobs (posted for at least 90 days and still unfilled).

### COLLABORATORS

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- TECHIMPACT

### KEY ACTIONS (2019-2021)

- Empower employers to adapt to new workforce realities and new methods of attracting and retaining talent.
- Increase the effectiveness of connecting employers to talent and talent to employment.
- Build the talent pipeline for jobs-on-offer and near-term industry needs.
- Support newcomers in accessing meaningful employment.
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We also need a renewed and collaborative commitment to support innovation within the private and public sectors. It will mean increased productivity, driving new product and service development, encouraging more investment from outside our region.

### A. BUSINESS INVESTMENT

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- Leverage Saint John Energy as an important regional asset in developing innovative energy solutions.
- Identify and make the case for more university/college-based research and development in Greater Saint John institutions.
- Develop and attract start-ups and existing companies to the ecosystem.
- Attract investment.
- Work with CyberNB and TechImpact to identify areas where our local IT companies can innovate with industry.
- Provide leadership for companies and organizations to solve problems and develop solutions using data and connected technology.
- Provide opportunities to develop innovation skills within companies.
- Seek opportunities to support intrapreneurship within our larger companies to solve business challenges and create new growth opportunities.





# 3

## ENTREPRENEUR DEVELOPMENT

Having a strong entrepreneurial ecosystem is becoming increasingly important to economic development. This is especially important to Greater Saint John as it has experienced a below-average output of start-ups compared to its peers in Atlantic Canada. Building a mature local pipeline of entrepreneurs with exportable ideas will support an increase in the number and quality of start-ups. Economic Development Greater Saint John and its partners have built a strong foundation of programming and support services for entrepreneurs; however, a critical next step is enhancing our efforts by making meaningful connections and leveraging resources from within the broader Atlantic regional entrepreneurial ecosystem to support scale-ups.

### THREE-YEAR GOAL

A strong entrepreneurial pipeline, industry engagement and post-secondary partnerships driving a new level of growth in Saint John start-ups and scale-ups.

### YEAR ONE TARGET

Support the launch of 30 start-ups and 60 new jobs.

### COLLABORATORS

- |                  |                    |
|------------------|--------------------|
| • PETL           | • BRILLIANT LABS   |
| • ACOA           | • ANGLOPHONE-SOUTH |
| • RDC            | SCHOOL DISTRICT    |
| • UNB            | • TECHIMPACT       |
| • ONB            | • NBIF             |
| • NBCC           |                    |
| • CONNEXIONWORKS |                    |

### KEY ACTIONS (2019-2021)

- Continue to deliver high-value programming and coaching to entrepreneurs in Greater Saint John.
- Grow our incubator for high potential businesses to collaborate and access resources for growth.
- Continue to provide small business financing and business skills training to new entrepreneurs.
- Continue to deliver experiential learning opportunities for youth to build entrepreneurial skills and a pipeline of future entrepreneurs.
- Partner with UNBSJ to build an entrepreneurship hub where students and faculty use applied research to support start-ups and growth of existing companies.
- Attract entrepreneurs with exportable ideas to launch and grow their start-ups here.
- Align efforts with Atlantic Canadian incubators and accelerators to ensure firms can access resources for scaling start-ups. We need a few to become the next generation of industry leaders in Greater Saint John.
- Refine and promote existing entrepreneurship programs (e.g. Venture Validation Program, Impact Loan, Tech Incubator, Kick Start Your Business, Entrepreneurial Pipeline).



## 4

# MARKETING GREATER SAINT JOHN

More than at any point in our history, the success of the Greater Saint John economy is tied to global supply chains, investment flows and people migration. It is imperative that Greater Saint John is known both internally and externally as an excellent place to live, work, start a business, invest, attend school, and visit.

### THREE-YEAR GOAL

Cultivate a positive image of the community and its opportunities internally/externally, which leads to more people attracted to living & investing in the region.

### YEAR ONE TARGET

Collaborate with agencies/municipalities to create a shared marketing tool box, complete an economic development marketing plan for Greater Saint John and acquire resources to implement the campaign.

### COLLABORATORS

- UPTOWN SJ
- DISCOVER SJ
- DEVELOP SJ
- ONB
- PETL
- MUNICIPALITIES
- LOCAL MEDIA
- RESIDENTS

### KEY ACTIONS (2019-2021)

- Change the Greater Saint John narrative with authentic stories and examples to develop a positive regional image.
- Market the region using a mix of earned media, social media, and traditional media.
- Focus on local, regional, national and international markets:
  - Remind people of Greater Saint John attributes – leverage the mix of a strong urban core and the region's natural assets.
  - Reintroduce Greater Saint John as a major regional urban centre with strategic importance to the national economy. Promote Saint John's strengths and competitive advantages for business.
  - Partner with other levels of government to position Greater Saint John as a great place to live and invest with a bright future for ambitious people and companies.



# EVALUATION

EVERY SUCCESSFUL plan includes an evaluation phase, which should be built-in from the very beginning to help guide actions throughout the process of implementation. We have identified quarterly progress updates – in addition to our Annual Report – as our preferred tools for regularly reporting on the economic development plan's status. Various metrics will be examined and used to create these updates, such as:

## MACROECONOMIC METRICS

- Economic growth
- Labour market trends
- Municipal tax base

## ACTIVITY-BASED METRICS (Economic Development Greater Saint John and Partners)

- Newcomer attraction and retention
- International student attraction and retention
- Local firm expansions
- Business and investment attraction
- Entrepreneurship
- Research & development
- Marketing



# MOVING FORWARD

GREATER SAINT JOHN has many foundational strengths that can be leveraged to get back to a sustained level of economic growth and foster a positive future.

- A vibrant uptown urban core
- The head offices of multiple large multinational corporations
- A rapidly-growing IT cluster with three of the largest IT firms in Atlantic Canada
- A large insurance and back office cluster serving North America
- Strategic transportation infrastructure
- Energy infrastructure and support capabilities
- A demonstrated ability to attract talent
  - 12,500 living in Greater Saint John in 2016 that did not live here in 2011)
- A history of overcoming challenges

## A STRONG GREATER SAINT JOHN ECONOMY IS ONE WHERE:

- The region's strengths, assets, and attributes are being leveraged by local entrepreneurs and multinational companies to foster economic growth.
- Companies are adapting to highly competitive markets through product and service innovation.
- The talent pipeline supplies workers for industries across the labour market spectrum.
- People attracted to Greater Saint John are coming for economic opportunities (employment and entrepreneurial) aligned with their skills and interests.
- Significant effort is made to ensure newcomers are engaged and putting down roots in a welcoming community.
- A positive attitude is helping to strengthen the environment for investment and people attraction.



## APPENDIX: ADDITIONAL CONTEXT

### OUR POPULATION PROBLEM

We need more people living and working in the Greater Saint John area.

Boosting the number of people attracted to, or retained in, Greater Saint John will be critical to establishing a workforce supporting economic growth in the years ahead. For the first time ever, in 2017, the number of deaths in Greater Saint John surpassed the number of births. This highlights the critical importance of increasing our region's population.

Although there are fewer people living in Greater Saint John than there were 25 years ago, the population has held fairly steady for the past decade, at approximately 128,540.

While the number of total residents has been consistent, the age distribution is shifting; the number of residents under the age of 20 in Greater Saint John has dropped by 15 per cent since 2001, and the number aged 60 and older has risen by 50 per cent. In other words, the size of the population that will be joining the workforce in the coming years is shrinking, and the population exiting the workforce is rising fast.

The Greater Saint John area was among only four large urban Canadian centres that saw a decrease in population under the age of 20 between 2001 and 2017. Growth in the number of people over age 60 is not the problem; it's the lack of young people in the population to provide balance and sustain the labour market in the years ahead. Local demographics could be the biggest barrier to economic growth moving forward.

### AS GOES GREATER SAINT JOHN, SO GOES NEW BRUNSWICK

Over the past two decades there are many examples of New Brunswick's economic performance mirroring that of Greater Saint John.

Between 1998 and 2008, Gross Domestic Product (GDP) growth in New Brunswick averaged 2.7 per cent per year. Based on estimates from the Conference Board of Canada, GDP growth in the Saint John Census Metropolitan Area (CMA) averaged 2.8 per cent during the same period. For more than a decade, the GDP in New Brunswick and in Greater Saint John grew at almost exactly the same rate.

Between 2008 and 2017, average annual GDP growth in the Greater Saint John area dropped to just 0.4 per cent. It was only 0.5 per cent across New Brunswick. Again, the economies of New Brunswick and Greater Saint John moved almost in parallel.

Another way to look at this is that 20 years ago, the Saint John CMA accounted for 19.7 per cent of New Brunswick's GDP. In 2017, it accounted for almost the same share, at 19.6 per cent.

Based on the last two decades of data, it is unlikely that New Brunswick will get back to robust GDP growth without a renewal of strong economic growth in Greater Saint John. The economic performance of all communities in New Brunswick matters. However, as an example, Greater Moncton's economy grew more than three times faster than the Greater Saint John economy between 2008 and 2017, but it wasn't enough to foster overall robust provincial economic growth.

Greater Saint John is too large and too important not to have its economic challenges addressed. If we want sustained economic growth for the province, then we need a strong Greater Saint John.

## EMPLOYMENT IN SAINT JOHN

All economies have industries that are in decline and those that are growing. Successful economies are those where the growing economies significantly outpace the declining industries.

The Greater Saint John economy has faced much more upheaval in recent years than most other urban economies in Canada. Consider Greater Saint John's ratio of net jobs lost in declining sectors versus net jobs gained in growing sectors.

Between 2006 and 2016, Saint John lost nearly 6,800 jobs in declining industries. During the same period, growing sectors added a net 7,225 jobs. This means that for every job lost, 1.1 jobs were gained in the Greater Saint John area.

**Table 2.1: Change in total employment between 2006 and 2016 – declining and growing sectors**

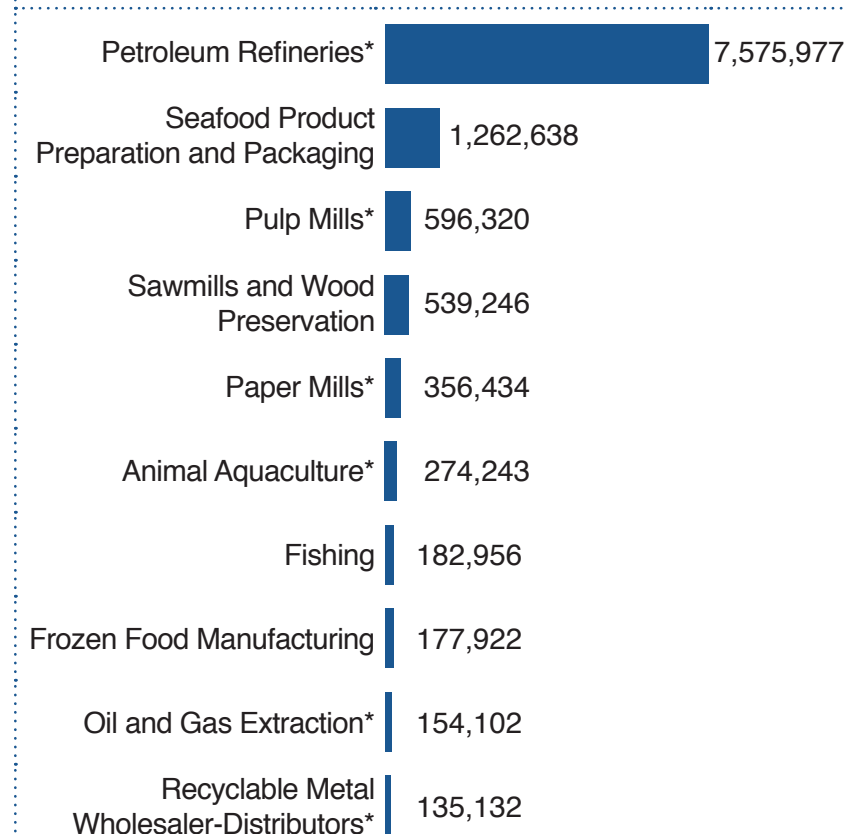
Urban Centre	Declining sectors: Net jobs lost	Growing sectors: Net jobs gained	Ratio of jobs gained to jobs lost
Saint John	6,745	7,225	1.1
St. John's	5,565	20,810	3.7
Charlottetown	1,615	6,305	3.9
Halifax	10,910	22,685	2.1
Moncton	3,415	11,155	3.3
Fredericton	2,870	8,875	3.1
Canada	734,270	2,145,335	2.9

Based on 3-digit NAICS industries.

Derived using Statistics Canada 2006 and 2016 Census labour market data.

The Greater Saint John economy is one of the most reliant on international export revenue than any urban centre in Canada. The following table shows the top 10 merchandise exports by detailed industry for New Brunswick in 2017. Six of these industries, including four of the top six by value, are located in Greater Saint John. This heavy reliance on export markets is both an advantage and a challenge for the economy.

**Figure 1.5 : Value of international exports from New Brunswick (\$000s) - 2017**



\* Concentrated in Saint John. Source: Statistics Canada.



The Greater Saint John economy has a very high concentration of employment in petroleum refining and wholesaling, paper manufacturing, utilities (mostly electricity), and a high concentration of employment in insurance and other back offices or contact centres, health care and telecommunications.

**Table 1.6: Industries with high employment concentration, Saint John CMA**

Industry (3-Digit NAICS):	LQ Value (CAN = 1.00)
412 Petroleum and petroleum products merchant wholesalers	13.88
324 Petroleum and coal products manufacturing	8.63
322 Paper manufacturing	4.26
221 Utilities	2.45
524 Insurance carriers and related activities	1.66
561 Administrative and support services	1.59
517 Telecommunications	1.55
622 Hospitals	1.53
417 Machinery, equipment and supplies merchant wholesalers	1.31
452 General merchandise stores	1.29
623 Nursing and residential care facilities	1.28
444 Building material and garden equipment and supplies	1.26
446 Health and personal care stores	1.25

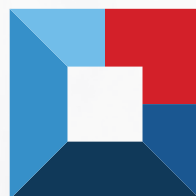
Despite the challenges in many trade-exposed industries, several new industries are emerging strong in our region.

- Insurance sector employment up 89 per cent between 2006 and 2016.
- Information Technology employment up 50 per cent.
- Architectural, engineering and related services employment up 21 per cent.
- Professional services overall up 16 per cent.
- Accommodation services employment up 11 per cent.

**Greater Saint John is too large and too important not to have its economic challenges addressed.**







# ECONOMIC DEVELOPMENT

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GREATER SAINT JOHN

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506 658 2877 ■ [info@edgsj.com](mailto:info@edgsj.com)



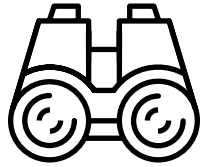
# **WORK PLAN**

2019

A blue-tinted photograph of a blurred crowd of people walking in a modern, brightly lit interior space, possibly a shopping mall or office lobby. The people are out of focus, creating a sense of motion. The floor is highly reflective, mirroring the figures above. The overall color scheme is a monochromatic blue.

# FRAMING OUR FUTURE





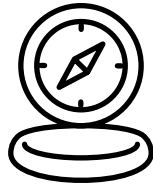
## VISION

Consistent, long-term economic growth for Greater Saint John region.



## AREAS OF FOCUS

Building on our regional strengths, we must focus on workforce development, entrepreneur development, business investment and innovation, and marketing Greater Saint John to grow the economy.



## ALIGNMENT IN ECONOMIC DEVELOPMENT

This is a plan to guide our efforts, but it is meant to be a galvanizing vision and set of goals that impact multiple economic development organizations.



## ACTION

The intentional actions of the plan will drive measurable outcomes towards strategic goals.



## **AREAS OF FOCUS**



# AREAS OF FOCUS

## 1 WORKFORCE DEVELOPMENT

Attract and retain talent to support the growth of our existing companies and attract new companies to our region.

## 2 ENTREPRENEUR DEVELOPMENT

Build the Saint John entrepreneurial ecosystem with a focus on scalable start-ups.

## 3 BUSINESS INVESTMENT & INNOVATION

Promote the value proposition for investment and support companies in being globally competitive.

## 4 MARKETING GREATER SAINT JOHN

Tell the Greater Saint John story to attract people, investment, and support the growth of our companies.

Our work plan identifies four areas of focus required to grow the regional economy and support the City of Saint John's growth agenda.

## STRATEGIC GOALS 2019 – 2021

### INCREASE IN EMPLOYMENT

**2.5% increase per year** (from 62,500\* to 67,305)

### INCREASE IN LABOUR FORCE

**2.5% increase per year** (from 66,600\* to 71,720)

### INCREASE IN GDP

**0.5% greater than provincial GDP**  
(average 1%)

### INCREASE IN CONSUMER CONFIDENCE

**by 1 index point per year** (average of 99.1)

\*Average of the Monthly Seasonally Adjusted Labour Force and Employment Numbers – by Statistics Canada. (2018)



# 1

## WORKFORCE DEVELOPMENT

### THREE-YEAR GOAL

Build an integrated community model that ensures Greater Saint John companies can attract and retain talent.

### YEAR ONE TARGET

Work with 30 companies to fill 350 stagnant jobs (posted for at least 90 days and still unfilled).

### KEY ACTIONS

- Pilot a multi-agency approach to filling unfilled jobs
- Work with targeted employers to increase their effectiveness and intentionality of recruitment, onboarding and retention efforts
- Identify and implement short-term workforce development initiatives and address challenges
- Promote employment opportunities & benefits of living in Saint John and surrounding areas to newcomers, youth, graduates and potential residents

### COLLABORATORS

PETL  
ACOA  
ONB  
UNB  
NBCC  
NBIF  
MUNICIPALITIES  
SETTLEMENT AGENCIES  
TECH IMPACT  
TRAINING SECTOR  
INDUSTRY GROUPS





## 2

# ENTREPRENEUR DEVELOPMENT

### THREE-YEAR GOAL

A strong entrepreneurial pipeline, industry engagement and post-secondary partnerships drive a new level of growth in Saint John start-ups and scale-ups.

### YEAR ONE TARGET

Support the launch of 30 start ups and 60 new jobs.

### KEY ACTIONS

- Enhance existing programs with a focus on start-ups that can scale to \$1 million in sales and 10+ employees
- Develop a best-in-class incubator by partnering more closely with post-secondary institutions, industry, and subject matter experts
- Increase the size of the start-up and expansion loan portfolio
- Build stronger entrepreneurial pipeline by working closely with our post-secondary institutions, by launching a new start-up internship program and growing the High School IDEA Centre

### COLLABORATORS

PETL  
ACOA  
RDC  
UNB  
NBCC  
CONNEXIONWORKS  
BRILLIANT LABS  
ANGLOPHONE-SOUTH SCHOOLDISTRICT  
TECHIMPACT  
NBIF



## 3

# BUSINESS INVESTMENT & INNOVATION

## BUSINESS INVESTMENT

### THREE-YEAR GOAL

Working closely with ONB, the region has secured significant investment in the Cybersecurity, Energy, Digital Health and Logistics sectors.

### YEAR ONE TARGET

300 jobs created through investment attraction.

### KEY ACTIONS

- Define project scope and secure funding for phase I of Innovation District

Work with UNB to have MBA program relocate to Uptown Saint John

Engage industry on innovation needs and investment opportunities

Conduct feasibility study for Logistics Park  
Lead and/or support regional opportunities in Cybersecurity, Energy, Digital Health and Logistics

Lead projects that drive innovation in Industry (Smart & Connected, Catalyst Innovation Program)

## INNOVATION

### THREE-YEAR GOAL

Public, private & non-profit invested in development of an Innovation District in Uptown Saint John.

### YEAR ONE TARGET

Develop concept, feasibility & secure partner buy-in for an Innovation District.

### COLLABORATORS

ACOA  
ONB  
OTHER FEDERAL/PROVINCIAL PARTNERS  
MUNICIPALITIES  
DEVELOP SJ  
SJ ENERGY  
SAINT JOHN ENERGY  
PORT SJ  
CYBER NB  
HORIZON HEALTH  
UNB  
NBCC  
INDUSTRY PARTNERS  
ATLANTICA CENTRE FOR ENERGY  
NBIF  
TECHIMPACT



## 4

# MARKETING THE GREATER SAINT JOHN STORY

### THREE-YEAR GOAL

Positive image of the community and its opportunities internally/externally which leads to more people attracted to living & investing in the region.

### YEAR ONE TARGET

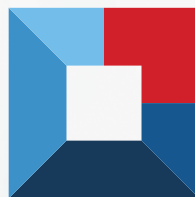
Collaborate with agencies/municipalities to create a shared marketing tool box, complete economic development marketing plan for Greater Saint John & acquire resources to implement the campaign.

### KEY ACTIONS

- Conduct research with our partners to inform the development of a marketing plan
- Access resources and expertise to develop and implement an internal and external marketing campaign
- Deliver consistent communications to community stakeholders on marketing, projects and programming related to areas of focus

### COLLABORATORS

MUNICIPALITIES  
DEVELOP SJ  
DISCOVER SJ  
ONB  
PETL  
UPTOWN SJ  
LOCAL MEDIA  
RESIDENTS



# ECONOMIC DEVELOPMENT

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GREATER SAINT JOHN

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(506) 658-2877 ■ [info@enterprisesj.com](mailto:info@enterprisesj.com)





**DEVELOP**  
SAINT JOHN

# DEVELOP SAINT JOHN

**2018 Year in Review - Growth Committee Presentation**

**March 21, 2019**



# Mission

---

We grow the tax base in Saint John by relentlessly creating and seizing strategic real estate opportunities and getting deals done.





# Strategic framework

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- Customer-centric
- Entrepreneurial leadership
- Business portfolio
- Rapid lab

Customer driven and business  
focused culture



# 2018 Corporate goals

---

- Tax base growth
  - \$75M target (with museum)
  - \$25M target (without museum)
- Return on investment
  - 2 to 1 target



# Three catalytic projects

---

1. New K-8 school in Southern Peninsula
  - Most innovative school design and programming
  - Strategic site selection for positive neighbourhood change
  - Strongest possible business case
2. Prime Fundy Quay development
  - Possible museum, hotel, high density residential, commercial and entertainment development
  - Sea wall & district energy
3. New Route 1 Interchange
  - Catalyst for private sector development at the Crossing, Tucker Park, Millidgeville, East Point and McAllister Drive retail, residential and commercial





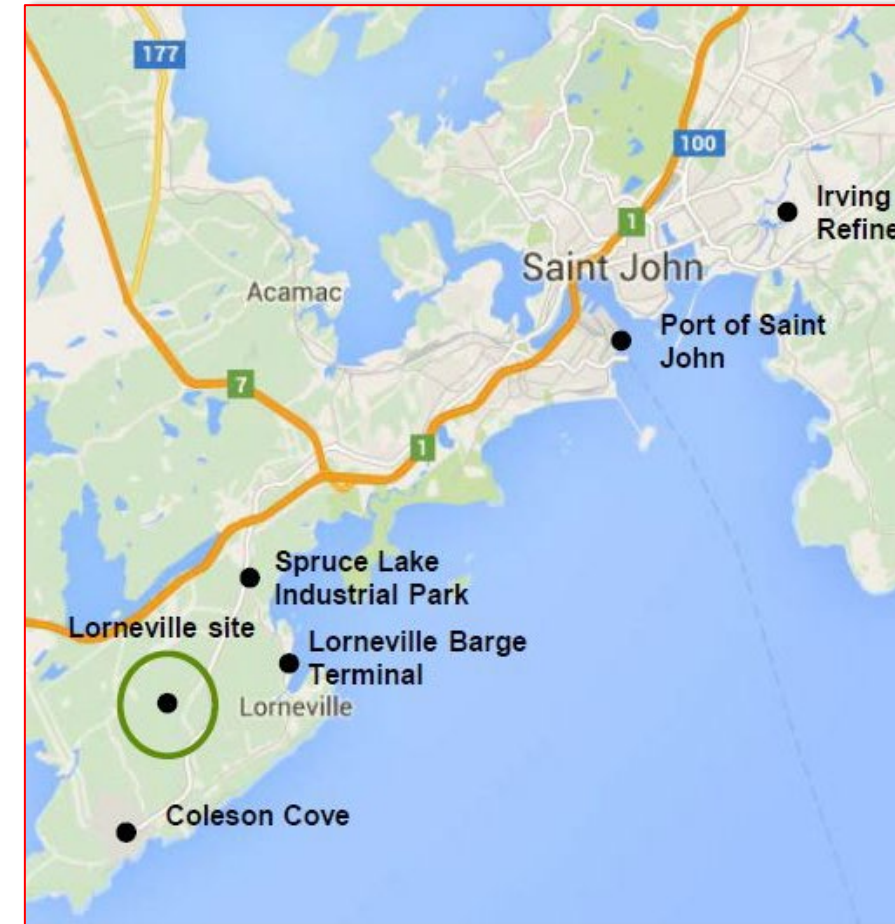
# Key foundational initiatives

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- Lorneville Industrial market sounding
- Residential market study
- Land inventory system
- Cost competitive analysis
- Affordable Neighbourhood Fund
- Customer service surveys



**DEVELOP**  
SAINT JOHN



# 2018 Project portfolio

---

- 55 active projects
- \$463.6M potential tax base growth
- 10 projects are being counted in the 2018 KPI results
- Criteria for inclusion





# DFO

- New Department of Fisheries and Oceans headquarters in McAllister Industrial Park at 175 McIlveen Drive





# Simpson Truck and Parts

---

- Sold 40 acre site in Spruce Lake Industrial Park in 2010 as part of their vision to centralize operations into one site
- This structure was completed in 2018



# Facilicorp

- Expansion of operations in Spruce Lake Industrial Park





# Irving/ Convenience/ Tim Hortons

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- New gas bar, convenience store and Tim Hortons at 30 Galbraith Place at the entrance of the Spruce Lake Industrial Park





# Dobson Group

---

- New car dealership construction at 550 Rothesay Ave.



# Cooke Aquaculture

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- Repurpose of former Synagogue at 76 Carleton St.



# Noel Residential Development

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- Phase 3: 50 unit residential development in Millidgeville on Noel Avenue
- Phase 4: Additional 42 units is a 2019 project





# St. James Street

- Repurpose of former Salvation Army Shelter at 36 St. James Street
- Phase I: 12 units
- Phase II: 8 units





# St. James Street Townhomes

- New construction of 4 townhomes and private residence on St. James Street



# City Hall

---

- Sale and reinvestment in City Hall tower including offices, shops and public/common spaces





# What our customers are saying



**DEVELOP**  
SAINT JOHN

*“There are so many to thank including Develop Saint John and the City of Saint John – staff, mayor and council for their support and commitment as we worked through the acquisition. This would not be possible if it were not for them.”*

Keith Brideau, Saint John Developer speaking about the acquisition of Saint John City Hall

*“Brian helped pave the way, literally! He helped me navigate a traffic study and gave me support for rezoning work. We’re really pleased with how quickly everything came together.”*

Barry Gallant, VP Finance, Murphy Group

*“We centralized our business operations into one site in the Spruce Lake Industrial Park. One of the best decisions we have made. Brian provided really good advice and support in selecting and acquiring the site and has always been helpful and supportive in the various applications and requirements we needed. Thanks for all the help!”*

Doug Simpson, Owner, Simpson Truck and Tractor Parts Ltd.



# What our customers are saying

*“The transaction [of 91 King] was complicated as the property carried some restrictive covenants that had been imposed years ago when the land was owned by the Anglican Church. Steve Carson and his team at Develop Saint John played a key role in interfacing with the church representatives to reach a successful conclusion.”*

Stephanie Turner. Senior Advisor,  
Partners Global Corporate Real Estate

*“Brian Irving supported our Department of Fisheries and Oceans Canada development in Saint John from site selection through to subdivision and sale. Even after the sale, we continued to work closely with Brian during the construction phase through to its operational stage. Brian's co-operation was instrumental to us in obtaining the project, and making it a very successful one.”*

Drew MacLean, South Willow  
Developments Ltd.

# 2018 Corporate goals & results



- Tax base
  - \$75M target (with museum)
  - \$25 M target (without museum)
  - Tax base result \$29.6M
- Return on investment
  - 2 to 1 target
  - ROI result 8.6 to 1 over 10 years
  - City's investment is recovered in year 2 (2020)



# 2019 Priorities

---

- Customer Service
  - Customer-driven development process improvement
  - Drive customer-focused culture change
- Entrepreneurial Leadership
  - Enhanced alignment of economic development including integrated place brand management
- Relentlessly sell Saint John development opportunities
  - Supporting regional developers
  - Engaging Atlantic Canadian developers and brokers to promote specific investment opportunities
- Proactively pursue three priority capital growth projects
  - Fundy Quay, School project, Highway 1 Interchange





# 2019 Corporate goals

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- Average annual tax base growth in Saint John \$25M
- Our target is to double that to \$50M
- ROI target: 3 to 1
  - Over a 10 year period







**DEVELOP**  
SAINT JOHN

GETTING DEALS DONE



## GROWTH COMMITTEE REPORT

Report Date	March 13, 2019
Meeting Date	March 21, 2019

His Worship Mayor Darling and Members of Growth Committee

***SUBJECT: One Stop Development Shop Customer Service Enhancement***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Growth Committee.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Jacqueline Hamilton Amy Poffenroth Phil Ouellette</i></b>	<b><i>Jacqueline Hamilton</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

Receive and file this update on planned customer service enhancements to the City's One Stop Development Shop, proposed as a priority deliverable for the City's Growth & Community Development Services in 2019.

### ***EXECUTIVE SUMMARY***

The purpose of this report is to update the Growth Committee on planned enhancements to the customer service experience provided by the City's One Stop Development Shop housed within Growth & Community Development Services. Accelerating growth of the City's tax base is critical to addressing Saint John's financial challenges and ensuring long term prosperity. The customer service provided by the City's One Stop Development shop is a key contributor to improve investor confidence and support tax base growth. Working together with DevelopSJ, the recommended customer service enhancement plan will be delivered as a priority City initiative in 2019, taking customer service to the next level and delivering a best in class solutions-oriented customer service model to drive smart growth.

### ***PREVIOUS RESOLUTION***

N/A

### ***STRATEGIC ALIGNMENT***

Common Council has adopted a set of Council Priorities: 2016-2020 and under the heading of "Growth and Prosperity," the following is stated: "Saint John is recognized by residents and businesses as a positive and supportive city. We

grow in a smart way and attract talent, innovation and opportunities so all people can thrive.” Accelerated growth is needed to address the financial challenges facing the City. Customer service excellence and the ease of development approvals is an important contributor to the City’s ability to attract investment and achieve tax based growth.

## **REPORT**

The purpose of this report is to update the Growth Committee on planned enhancements to the customer service experience provided by the City’s One Stop Development Shop housed within Growth & Community Development Services. Accelerating growth of the City’s tax base is critical to addressing Saint John’s financial challenges and ensuring long term prosperity. The customer service experience provided by the City’s One Stop Development shop is a key contributor to improve investor confidence and support tax base growth.

### ***Context: One Stop Development Shop Customer service Improvement***

Under Council’s direction, the City has demonstrated strong leadership in transforming its building and development approval services into a customer focused One Stop Development Shop. Key highlights the major improvements realized over the past five years, based upon significant client engagement include:

- One Stop Shop implemented transformational & structural change bringing staff under one roof
- Defined customer service role as “Facilitators vs Regulators” and implemented 40 plus service improvements to eliminate red tape and streamline approvals and value added services to our clients
- KPIs established that drive performance & efficiency
- Modernized suite of development bylaws adopted to support smart growth
- Initiation of Heritage Bylaw / Neighbourhood Plan to catalyze growth
- Developed a suite of incentives to support urban development and heritage reinvestment
- Completed (3) continuous improvement projects to improve efficiencies during the permit intake process, move to digital notification of planning applications, and enable a streamlined heritage approvals.
- New organization, DevelopSJ has been created to drive tax base growth and will play an important role in attracting and supporting investors working in collaboration with Growth & Community Development Services.

While the City has improved its service over the past five years, there continues to be challenges experienced by our clients navigating the City's One Stop Development Shop and potential areas of improvement:

- Customer resolution remains siloed, and customers are having an inconsistent experience. Escalation is not streamlined and accessing various parties.
- Lack of formalized customer feedback system to track customer satisfaction levels (beyond efficiency metrics).
- Development processes need to be clear and solutions oriented. The lack of clear expectations is causing frustration and costly resubmissions. In some cases, expectations may not always be reasonable.
- Perception is reality – negative experiences can undermine the City's reputation and investment attraction efforts.

Working together with DevelopSJ, the recommended customer service enhancement plan to be delivered as a priority City initiative in 2019 will take the customer service offered at the One Stop Development Shop to the next level and deliver a best in class solutions-oriented customer service model to drive smart growth.

#### ***2019 Work plan: One Stop Development Shop Customer Service Improvement***

Growth & Community Development Services have identified the need to proactively implement customer service improvements to continually improve the City's One Stop Development Shop and provide valued services to the City's development clients.

The recommended improvement plan will focus on three areas:

1. *Fostering a customer centric culture;*
2. *Removing barriers and incentivizing smart growth; and*
3. *Improving our processes to reduce red tape and costs.*

Some improvements can be actioned immediately as short term wins; others require policy or bylaw changes or more robust process improvement. Priorities will be established working collaboratively with DevelopSJ and our development clients and include the following customer service improvements for 2019:

1. Effective immediately, **introduce a Manager of Customer Service Operations for the One Stop Development Shop.** This role, originally conceived with the One Stop Development Shop model, will be front facing and charged with ensuring seamless customer service experience, providing a single point of contact for the customer to troubleshoot issues, facilitate solutions and roll out customer improvements. This position will work with a quick reaction team to resolve customer issues



& drive improvement. This position will be filled as a secondment opportunity within existing establishment.

2. **Deliver a program of customer service training** for front line staff to continue to build and strengthen competencies around customer service excellence and equip staff with skills needed to navigate the important roles of facilitating solutions.
3. In collaboration with DevelopSJ, host engagement sessions with our respective teams and **developer / client focus groups** to understand pain points for clients, yield and test ideas for improvement and set priorities in terms of implementing customer service process improvements.
4. Action short term customer service improvements including **up to 10 “just do it” initiatives** that will cut red tape and add value for clients. The identification of priorities will be based on client engagement feedback. Engagement sessions will be held with staff to identify “just do it” improvements that can be implemented to cut red tape or costs and add value for clients. The list will include improvements such as streamlining of heritage approvals to reduce timeframes for minor renovations and phased permits for site or infrastructure improvements to enable construction projects to move forward faster.
5. **Facilitate the adoption of the Neighbourhood Plan for the Central Peninsula and new Heritage Bylaw and related Zoning Bylaw amendments** that will be transformational in improving clarity and investor confidence, driving growth and removing unnecessary red tape or regulatory barriers to drive urban density and allow for more flexibility for development in heritage areas and clear guidelines for infill development creating more predictability for investors to unlock development potential for Central Peninsula. Implement enhanced incentive programs to build momentum with these changes.
6. **Deliver process improvements to enhance the planning and infrastructure processes** to ensure an efficient and effective process for clients. Focus will be to review these processes to remove barriers, improve predictability, and create new value added tools to achieve outcomes while reducing costs for industry.

The customer service enhancement plan for the One Stop Development Shop will be a priority initiative for Growth & Community Development Services in 2019. The next steps include updating Council at its March 25 meeting and moving forward the engagement sessions with Developers and clients to seek feedback on pain points and areas of improvement. Growth Committee and Council will be updated at key milestones in the delivery of this plan.

### ***SERVICE AND FINANCIAL OUTCOMES***

The intended outcomes of the City of Saint John's growth-related efforts and investments are to achieve new levels of employment, population and tax base growth. The plan will be resourced within the City's current operating budget for 2019.

### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

The customer service enhancement plan for the One Stop Development Shop has been designed to address previous feedback from clients; improvements will be delivered in partnership with DevelopSJ and staff throughout the organization involved in the development process. The plan will be prioritized on the basis of improvements that yield the maximum impact for our customers to drive growth outcomes.

### ***ATTACHMENTS***

Power Point Presentation: One Stop Development Shop Customer Service Enhancements



# One Stop Development Shop Customer Service Enhancements Growth & Community Development Services

March 21, 2019  
Growth Committee





# Presentation Outline

- Drivers for customer service improvement
- One Stop Development Shop – What we have achieved
- One Stop Development Shop – Areas of Improvement
- Customer Service enhancement plan – Next 90 days
- Customer Service enhancement plan – By end of 2019
- Recommendations & Next steps

# What are the drivers for improvement?

- Council Priorities related to Growth & Prosperity, Valued Service Delivery & Fiscal Responsibility
- The City is facing significant financial challenges: Population and tax base growth is stagnant, operating costs are outpacing operating revenues. Beginning in 2021, it is expected that the City will face a \$12M shortfall.
- Saint John needs more robust tax based growth to close the gap.
- Customer Service & Growth are interconnected. Providing excellence in service delivery to our clients contributes to our ability to attract investment.
- The City's One Stop Development shop is an economic development tool – but we need to continually improve our services to ensure a positive experience for our clients & a positive climate for investment

One Stop Development Shop – what we have achieved in the last 5 years

## One Stop for all Development approvals



*What began as a multi-year project to transform our service, is now core to our customer service role as facilitators of smart growth.*

# One Stop Development Shop – What are the areas of improvement?

- Our customers are not having a consistent experience. Resolution is not streamlined and is being escalated to various parties. When there are road blocks, we need to do better at facilitating solutions.
- Expectations for some processes are unclear causing frustration and costly resubmissions & expectations may not always be reasonable.
- Lack of formalized customer feedback system to track customer satisfaction (beyond efficiency metrics).
- Perception is reality – negative experiences can undermine City's investment attraction efforts.



# One Stop Development Shop – Where do we want to be?

- Knowledgeable team who embrace continuous improvement & reputation of delivering innovative growth plans.
- Opportunity to capitalize on growth momentum in the core and introduce improvements with City Hall move and website refresh.
- Working together, One Stop Development Shop & DevelopSJ, aspire to leverage our innovative partnership to **facilitate & champion growth** and
- Realize our vision to be **best in class at solutions-based customer centric service that drives smart growth**

# Plan for Customer Service Enhancement

Three focus areas for 2019 working collaboratively with DevelopSJ:

- **Fostering a customer centric culture**
- **Reducing barriers & incentivizing smart growth**
- **Improving processes to reduce red tape**

Many improvements will be actioned as short term wins, others requires policy or bylaw changes or more robust process improvements.

# Plan for Customer Service Enhancement

## Next 90 days:

1. **Introduce a Manager of Customer Service Operations for the One Stop Development Shop** as a single point of contact to enhance the customer experience, manage front line staff and work with a quick reaction team to resolve customer issues and drive service improvement. Achieved as a secondment within existing establishment.
2. **Deliver customer service training** to strengthen competencies and capacity to deliver solutions-oriented customer service excellence.
3. **Host engagement sessions with Developers/client groups** to understand pain points, identify & prioritize areas of improvement.
4. **Deliver up to 10 “just do it” improvements.** Potential improvements will be selected based on client feedback and include phasing of planning & infrastructure requirements, streamlining heritage approvals and new value added tools.

# Plan for Customer Service Enhancement

## By end of 2019:

5. **Facilitate adoption of Central Peninsula Neighbourhood Plan, new Heritage Bylaw & related Zoning Bylaw amendments** to remove barriers, drive transformational growth to unlock the development potential for the core. Accelerate incentive programs to build momentum.
6. **Deliver improvements to the planning and infrastructure processes** to ensure an efficient and effective process for clients. Focus will be cutting red tape, reducing barriers, improving predictability and creating new value added tools to achieve outcomes, while reducing costs of doing business.



# Recommendation & Next Steps

- Receive & file the report;
- Deliver Council presentation on March 25;
- Move forward with client engagement and deliver customer service enhancements that are responsive to client needs; and
- Provide regular updates to Growth Committee & Council at key milestones.

# Q & A



## GROWTH COMMITTEE REPORT

Report Date	March 15, 2019
Meeting Date	March 21, 2019

His Worship Mayor Don Darling and Members of the Growth Committee

***SUBJECT: Urban Development Incentive Grant and Beautification Grant Pilot Program Evaluation***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Andy Reid/Jodie Forgie</i></b>	<b><i>Jacqueline Hamilton</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

1. That Growth Committee receive and file the Urban Development Incentive and Urban Beautification Pilot Program Evaluation (2016-2018) presentation;
2. That Growth Committee adopt the amended Beautification Grant policy and recommend for approval to Common Council;
3. That Growth Committee authorize staff to proceed with amendments to the Urban Development Incentive Program for Common Council's consideration as outlined in this report.

### ***EXECUTIVE SUMMARY***

The Urban Development Incentive and Urban Beautification Pilot programs have stimulated reinvestment in the Central Peninsula (Uptown, South End, and Waterloo Village) since their implementation in 2016.

The Urban Development Incentive program focused on development of upper floors, vacant buildings, and vacant lots, while increasing tax base assessments and increasing residential density in otherwise underused spaces. A projected 71 new residential units will be created through the program. Awarded Development Incentive Grants constituted \$654,865 for 11 projects, resulting in an estimated \$7.3 million in private investment in the Central Peninsula. The program also resulted in spin-off benefits, which although harder to quantify, should also be highlighted. These included new business, cost reduction to the City lowered by reducing the number of vacant buildings monitored, and catalyzing interest and investment in the Central Peninsula.

The Urban Beautification program provided residents an incentive for the purpose of improving the appearance of the front of their properties and increasing the attractiveness of streetscapes. Awarded Beautification Grants constituted \$95,781 for 41 projects resulting in an estimated \$551,636 in private investment in the Central Peninsula.

### ***PREVIOUS RESOLUTION***

In late 2014, Council directed staff to pursue the development of an incentive program that offered a suite of options designed to increase private sector investment in residential development in the urban core area of the City.

On June 22, 2015, Council endorsed a recommendation for staff to research and develop an incentive program as a pilot project for the South End, Uptown, and Waterloo village neighbourhoods of the City, in addition to conducting an engagement process to solicit input from stakeholders and local developers.

On March 21, 2016, Council adopted the Urban Development Incentive Policy, a three year pilot which contained a suite of grants including: vacant buildings, infill, and upper floors residential grants, in addition to a beautification grant program for the Central Peninsula.

### ***STRATEGIC ALIGNMENT***

Common Council adopted a set of Priorities for 2016-2020. Under “Growth & Prosperity,” goals included driving development in accordance with PlanSJ that creates density required for efficient infrastructure and services. Under “Vibrant, Safe City,” goals included developing neighbourhoods through streetscape beautification.

### ***REPORT***

The Central Peninsula was selected as the pilot area for the Urban Development Incentive and Beautification Grant Programs. It was recognized that reinvestment in underutilized spaces in the City’s urban core would create the largest impact and generate the highest return on investment over other areas. This direction was anticipated through the adoption of the Municipal Plan, when Council directed the uptown area be given consideration for a package of incentives. The overarching growth goals of the Municipal Plan focus almost half of future growth in urban neighbourhood intensification areas, of which the Central Peninsula comprises a large share. Since the launch of the Central



Peninsula Neighbourhood planning process in 2016, the focus has continued to remain on the City's urban core.

## **BACKGROUND**

### Urban Development Incentives Program

The Urban Development Incentives Pilot Program was a policy operative between January 1<sup>st</sup>, 2016 and September 1<sup>st</sup>, 2018. It is now required to be renewed should new applications be accepted. The policy outlined three types of projects to help stimulate reinvestment in vacant buildings, vacant lots and vacant upper floors of mixed-use buildings. Each type of project was comprised of two main grant streams:

- (1) 5 year residential density grant of between 4.25% and 5.25% of construction costs up to a fixed amount of \$150,000; and,
- (2) Construction challenge/building permit grants paid upon completion of the project up to \$60,000.

The first stream is funded through a reserve where the incremental tax revenue from the properties will be allocated until the grant for the property is paid.

The program received an annual budget of \$170,000 intended to cover the first-come, first-serve costs of the second grant stream. This annual budget should continue to be approved along with the policy.

### Urban Beautification Grant Program

The Beautification Grant program was adopted as policy on March 21, 2016 and continues to be in effect. The program primarily incentivized property owners living on the peninsula to improve the facades and landscaping of their front yards to create an enhanced streetscape and public realm. A committee met monthly to award grants based on design criteria of materials and appearance. An approved grant provided 35% of the cost of eligible work up to a maximum of \$4,000, or \$6,000 on a corner lot.

The program received an annual budget of \$50,000 intended to cover the first-come, first-serve costs. This annual program budget is included in the City's 2019 operating budget. Because of the nature of the program, which consists of smaller scale, less costly renovations, no additional budget has been requested for 2019; the current envelope is sufficient.

### Other Grant Programs

There are additional grant opportunities for heritage and façade improvements that complemented the two Programs referenced in this report within the Central Peninsula. The City's Heritage Grant Program applies exclusively to Heritage Conservation Areas and offsets the higher cost of maintaining heritage properties while UptownSJ's Façade Grant Program applies to the Business

Improvement Area. These two grants offer complementary support towards façade upgrades across the central peninsula and it is recognized that heritage properties require unique treatment.

## ANALYSIS OF PROGRAMS

### Urban Development Incentives Grant Program

The Program exceeded the status quo targets for number of new residential units with a total of 71 projected new units, the majority being made up of apartment/condominium units. There were 11 projects in all, with 6 now completed and the remaining 5 anticipated to be completed by the end of 2019. Vacant and upper floor projects made up the majority of incentive grants as outlined in the table below, with only one infill project.

	<b>Vacant Building</b>	<b>Upper Floors</b>	<b>Infill</b>	<b>Total</b>
Number of Projects	7	3	1	11
Number of Projects Completed	2	3	1	6
Number of Units Created	32	36	3	71
Non-Market Housing Units	2	0	0	2
Estimated Construction Cost	\$4,510,672	\$2,340,300	\$450,000	\$7,300,723
Value of Grants for All Projects	\$399,994	\$226,428	\$28,433	\$654,865
Completed Projects New Annual Tax Revenue (estimated)	\$11,000	\$22,025	\$15,200	\$48,255

The overarching goal of the program was to create new residential units and stimulate private reinvestment. In addition to generating new tax revenue and increasing core neighbourhood density, the Program has created other benefits such as adding six floors of renovated commercial space.

The Program helped promote the City's built heritage, as evidenced by the fact that 4 out of 11 projects were located within a Heritage Conservation Area. The Program also succeeded in redeveloping properties challenged by vacancy. Finally, the Program succeeded in creating spin-off benefits and "buzz" around investment in the Central Peninsula. The Program helped to generate interest for investors.

<b>Principles of the Incentive Program</b>
Further promote built heritage
Increase core neighbourhood density
Promote broader housing opportunities
Support mixed-use neighbourhoods
Support green building design
Revitalize waterfront lands

At the time of the Program's initiation, Council set out the above principles. In evaluating program performance, it is notable that fewer projects contributed to three areas: further supporting green building design, revitalizing waterfront lands, and providing further assistance to non-market housing (Mixed-use neighbourhoods). Although there was only one project funded during the pilot that contributed to non-market housing to the Peninsula, future projects are anticipated for 2019.

In terms of financial performance, for the projects that have been completed to date, the payback period ranges between two and four years. The payback calculation was performed by comparing the grant amount to be paid compared to the estimated increase in property tax revenue generated. In addition to new tax revenue to date of approximately \$48,255, projects contributed \$59,246 in building permit revenue (an amount that should increase with successive phases of a number of projects) and new annual water and sewer revenue of approximately \$97,128.

#### Beautification Program

The beautification program was intended primarily for homeowners and landlords to create positive change in their neighbourhoods by improvements to facades and front yards of their properties. Overall, the program stimulated improvements to 41 properties, leveraging \$551,636 in investment, which represented \$95,781 in grants. Improvements were varied and included exterior painting, replacement of windows, doors, repair to entryways, repointing brick, and landscaping front yards. Looking forward, staff will be focusing on maintaining strong communication of the program and improving administrative functions to reduce residuals from the annually budgeted \$50,000. In 2019, Growth and Community Development staff will endeavor to greater align its Minimum Standards Program with the Beautification Grant. With the high proportion of older homes on the Central Peninsula that fall outside of a Heritage Conservation Area and do not have access to funding, the Program is an important means to improve housing stock and investor confidence.

## IMPROVEMENTS TO THE PROGRAMS

Amendments to the Urban Beautification Policy have been attached to this report (Attachment 3) and comprise the following:

1. Greater aligning of the eligibility boundary with the Central Peninsula Neighbourhood Plan (i.e. including City Road area). Should Council/Growth Committee seek to enlarge the budget envelope of the program to provide funding for an additional study area, staff propose returning back with a report to identify the secondary eligibility boundary area (e.g. Old North End). The Central Peninsula boundary is considered the primary area and extending the eligibility boundary to the Neighbourhood Plan area (minus transportation corridors), will assist with the Plan's implementation;
2. Introducing eligibility of exterior painting for side yard facades where there is a gap in the urban fabric;
3. Simplifying scoring system of projects, introducing administrative improvements, and better coordinating program with Heritage Conservation Grants (e.g. deadline for all work and receipts is now the same as Heritage, November 30<sup>th</sup> of each year).

Amendments to the Urban Development Incentives Program will be more extensive and staff plan to go to Council with a new policy subsequent to receiving feedback and endorsement from Growth Committee. Staff also plan on consulting partners such as DevelopSJ before finalizing policy amendments. Improvements will largely occur with respect to the following:

1. Calculation of grant amount will be based on a different formula than the current program, which ensures that the amount paid out will not be higher than the incremental revenue received from property tax revenue;
2. Calculation will be performed each year of payout, removing the predetermined schedule of payments;
3. Calculation will attribute more value to commercial than to residential;
4. Remove the \$150,000 cap to allow for larger projects to participate in the Program;
5. Lessen the administrative burden of the program;
6. Equalize payments for market and non-market housing projects.
7. Simplify the policy framework so that it is easier for investors to interpret and make decisions based upon.

## CONCLUSION

Continuing to support the Central Peninsula neighbourhoods through the Urban Beautification Program will continue to improve streetscapes and the public realm. Since the Urban Development Incentive Program was created there have



been a number of new policies and programs introduced. At the Municipal level, the City undertook the creation of the Central Peninsula Neighbourhood Plan, which is to be adopted in 2019. The principles of the Urban Development Incentive Program are much in line with the plan with respect to promoting heritage, increasing density in the core, revitalizing waterfront lands, and helping to create mixed-use neighbourhoods. Continuing to encourage development in the form of targeting underused spaces and aligning the Program with the goals of the Central Peninsula Neighbourhood Plan will be a key ingredient in the ongoing revitalization of the city's urban core.

### ***ATTACHMENTS***

Attachment 1 – Map of Grant Program Recipients 2016-2018

Attachment 2 – Urban Development Incentive and Urban Beautification Pilot Program Evaluation (2016-2018)

Attachment 3 – Beautification Grant Program Policy



# Growth Committee: Beautification and Development Incentives Programs

March 21, 2019



SAINT JOHN

# Outline

- Background
- Beautification Program Performance
- Development Incentives Program Performance
- Recommendations



# Background – The Central Peninsula

- .66% of land mass but 12.68% of taxes
  - Potential to further maximize tax revenue while driving density in the core





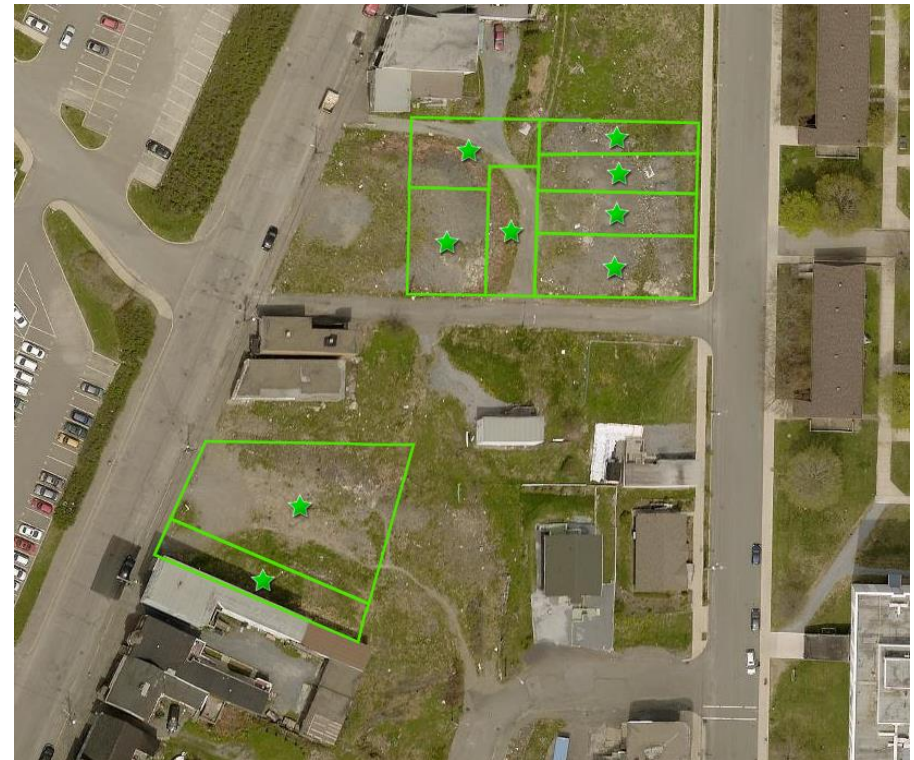
# Background – The Central Peninsula

- Estimated 280 vacant lots
  - Population growth in the Uptown but challenges remain at the top and bottom of peninsula (Waterloo Village/South End)



# Background – The Central Peninsula

- 31% of the dangerous and derelict building list is on the Central Peninsula (60 cases)
- Approximately 70 buildings assessed below \$70k
  - **Need for new housing stock for all levels of income/demographics**



# Background - Types of Projects



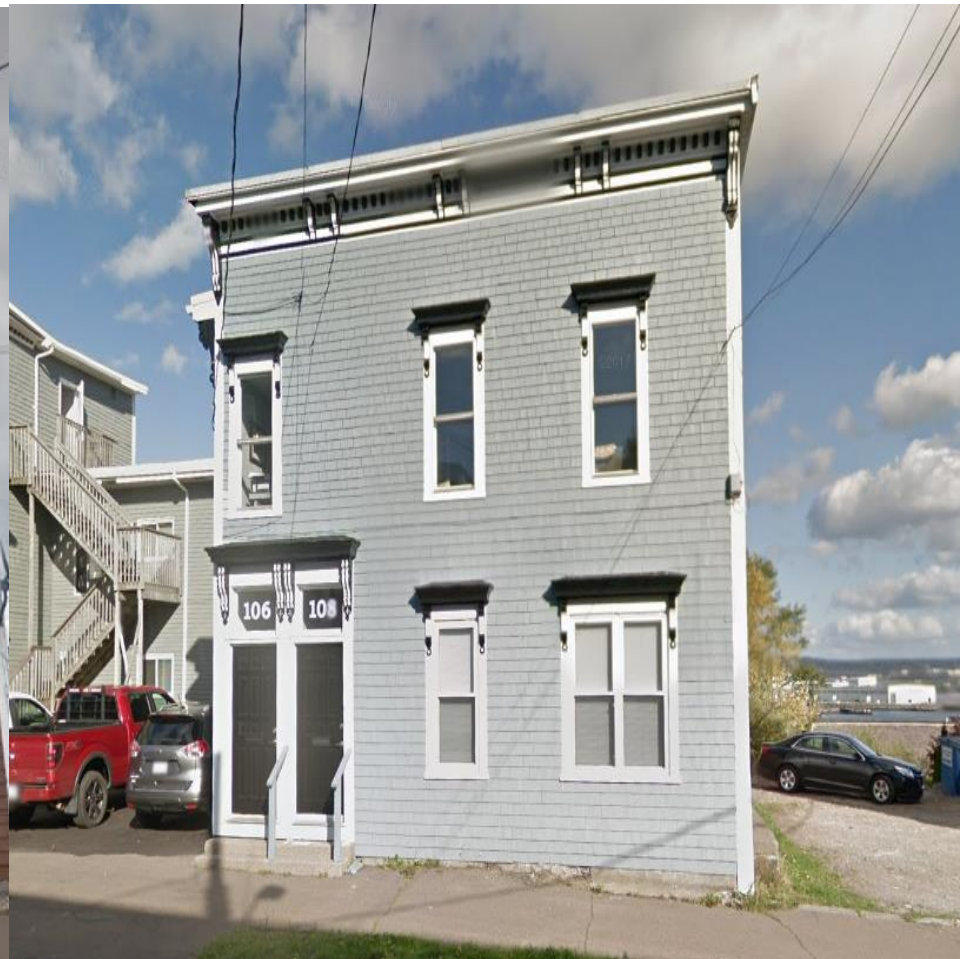
# Beautification Program Performance

<b>Number of projects:</b>	41
<b>Total amount paid out:</b>	\$95,781
<b>Total Investment Leveraged:</b>	\$551,636





# Beautification Program Performance





# Beautification Program Performance





# Beautification Program Performance



10



102



SAINT JOHN

# Beautification Program Performance



11



103



SAINT JOHN



# Beautification Program Performance



# Beautification Program Performance



13



105



SAINT JOHN



# Beautification Program Performance



14



106



SAINT JOHN

# Beautification Program Performance





# Urban Beautification Policy Amendments

- Increase eligibility to exterior painting of side yards under certain circumstances
- Align eligibility area to Central Peninsula Neighbourhood Plan
- Improve administration of program



# Program Performance – Development Incentives

<b>Projected Total # of Units:</b>	71
• Semi/townhouse:	3 / 71
• Apt/condo unit:	66 / 71
• Non-market housing:	2 / 71

<b>Total Number of Projects:</b>	11
• Vacant Building	7/11
• Upper Floors	3/11
• Vacant Lot	1/11

***6 Projects have been complete***



# 116 Prince William Street



Upper Floors  
Redevelopment Project:  
3 residential units  
2 commercial spaces

Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant  
Total: \$99,876

Completion Date:  
2017

Est. tax increase per year:  
\$10,000 - \$11,000

# 302-306 Prince William Street



## Infill Development Project: 3 townhouse units

Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant  
Total: \$28,443

Completion Date:  
2017

Est. tax increase per year:  
\$15,000 - \$15,200



# 135-139 Union Street



## Upper Floors Redevelopment Project:

1 residential unit  
1 commercial space

Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

Total: \$14,393

Completion Date:  
2018

Est. tax increase per year:  
\$2,500 - \$2,700

# 82 Germain Street



Upper Floors  
Redevelopment Project:  
3 residential units  
1 ground floor commercial  
space

Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant  
Total: \$27,366

Completion Date:

Fall 2018 – 2 units

Est. tax increase per year:  
\$4,400 - \$4,500



# 93-99 Germain Street



**Upper Floors  
Redevelopment Project:**  
8 residential units  
2 floors of commercial space

Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant  
Total: \$91,049

Completion Date:  
2017

Est. tax increase per year:  
\$14,800 - \$14,825

# 1 Charlotte Street



**Vacant Building  
Redevelopment Project:**  
2 residential units  
1 floor commercial

**Grant(s):**

Urban Residential Density Grant  
Construction Barriers Grant

**Projected Completion Date:**

**2019**



# Estimated Completion of Remainder of Projects

## 2019

- 16 Orange Street
  - Vacant Building Redevelopment Project
- 23-38 King Street
  - Upper Floors Redevelopment Project
- 86 Coburg Street
  - Vacant Building Redevelopment Project
- 36 St. James Street
  - Vacant Building Redevelopment Project
- 40 Exmouth Street
  - Vacant Building Redevelopment Project





## 16 Orange Street

Units:

1 residential unit



Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

Projected Completion Date:

2019 (estimated)





## 23-38 King Street

25 residential units



Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

2019 (estimated)



17-10



86 Coburg Street

3 residential units

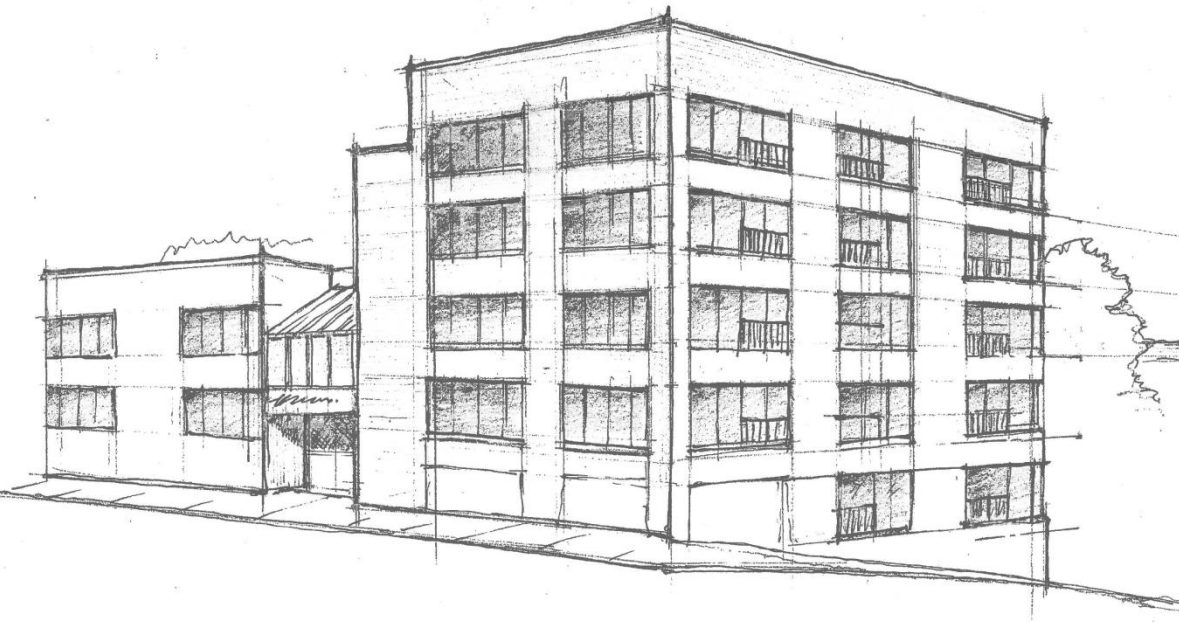


Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

2019 (estimated)





## 36 St. James Street

Units:

20 units



Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

Projected Completion Date:

2019 (estimated)



18-12



40 Exmouth Street

Units:

2 units



Grant(s):

Urban Residential Density Grant  
Construction Barriers Grant

Projected Completion Date:

2019 (estimated)



# Development Incentive Program

## Financial Performance

- Total investment leveraged: \$7,300,000
- Total grants committed: \$654,865
- Grants paid out to date: \$143,246
- Committed grants to be paid out: \$511,619





# Development Incentive Policy Amendment

Proposed Amendment	Impact
<b>Calculation of Grant Amount- Formula will be changed</b> <ul style="list-style-type: none"><li>• No longer based on construction costs</li><li>• Will be based on value of property after project complete</li><li>• Value of residential and commercial will be different (more weighting on commercial)</li></ul>	<ul style="list-style-type: none"><li>• Calculation will be performed each year of payout.</li><li>• Calculation will attribute more value to commercial then residential.</li><li>• Grant Agreement will not provide fixed payment schedule over the 5 years.</li><li>• Remove the \$150,000 cap for grant amounts that can be paid out.</li><li>• Minimize administrative burden of the program.</li><li>• Equalizing payments for market and non-market housing projects.</li></ul>
<b>Simplifying the policy</b>	<ul style="list-style-type: none"><li>• Easier for investors to understand and make decisions.</li></ul>

# What we hope to achieve

- Eliminate any risk to pay out more than city receives in incremental revenue
- Enable larger projects
- Simplify the policy for ease of understanding and streamline the application and payment processes
- Continue to catalyze growth, increase excitement in investment opportunities, and reduce carrying cost of vacant buildings




# Recommendation

- That Growth Committee receive and file the Urban Development Incentive and Urban Beautification Pilot Program Evaluation (2016-2018) presentation;
- That Growth Committee adopt the amended Urban Beautification Grant policy and recommend for approval to Common Council;
- That Growth Committee authorize staff to proceed with amendments to the Urban Development Incentive Program for Common Council's consideration as outlined in this report.





			
Urban Beautification Policy		Policy Category: Policy	
Policy No.: 16-77.2		Implementation Procedure No.:	
Approved or Last Reviewed Date: March 2019		Next Review Date: December 2020	
Area(s) this policy applies to: Financial incentives supporting development in the Central Peninsula		Owner Service: Growth and Community Development	
Related Policy(ies): Urban Development Incentives Policy			
<div>Revision History</div> <div>December 2017</div> <div>March 2019</div>			
Date Created: March 15, 2016	Senior Leadership Review Date:	Council Approval Date:	Contact: Commissioner of Growth and Community Development

# Urban Beautification Program

## Overview

The purpose of the Urban Beautification Program is to provide incentive for people living in the Central Peninsula to invest in the beautification of the façades of their homes, or the landscaping of their front yards. The Beautification Program is designed to create an enhanced public realm in the Uptown, South End, and Waterloo Village areas. Increased reinvestment in the facades and front yards of private properties will contribute to beautification of the entire Central Peninsula, creating a more desirable place to live.

### A. Qualifying Criteria:

- i. The project is located within the boundaries outlined in Schedule 1;
- ii. Individual apartment-style condominium units will not be eligible for a grant;
- iii. All work proposed as part of a Beautification Program application must be conducted on the first four storeys of the dwelling;
- iv. Where required, all work must have an approved building permit in order to receive funding.

### B. Eligible Work:

The following work will be eligible for a grant:

- i. The front or flankage façade of a building;
- ii. Exterior painting, including any entranceways, siding, trim, moldings, porches, decks or other features of the exterior of the main building;
- iii. Siding repair, or the replacement of any siding with new siding material;
- iv. The repointing of existing brick on the exterior of the main building;
- v. The repair and/or replacement of any architectural elements of the building that are original to the design of the building, or are similar to the architectural style of the building;
- vi. The replacement or installing of any exterior windows or doors
- vii. The replacement, renovation or installation of exterior front steps, handrails or walkways;
- viii. The installation of any landscaping details including, but not limited to, sod, shrubs, trees and plant beds; and
- ix. Notwithstanding section B(i), exterior painting to a side yard façade of a property may be eligible where: (i) the adjacent lot is a vacant or surface parking lot and has a frontage of at least 11 metres, or, (ii) the side yard is occupied by surface parking with a width of least 11 metres.
- x. Any additional work not identified below as ineligible work, which incorporates decorative elements and contributes to the beautification of the property.

### C. Ineligible Work:

The following work conducted to the subject property will not be eligible for a grant:

- i. The renovation of any interior spaces;
- ii. Work that has been started prior to the submission of an application;
- iii. The replacement or repair of the roof;
- iv. Any work done to a driveway or any other parking area;

- v. Any work done to an existing or proposed detached garage;
- vi. Any exterior Improvements done to backyards, or areas not visible from the street front;
- vii. Any work involving the installation of vinyl siding, or any siding that will result in the covering of brick;
- viii. Projects receiving any funding through the Urban Development Incentives Program are not eligible.

#### D. Program Guidelines

##### i. Structure:

- a. An approved grant will provide 35% of the cost of the eligible work completed to a
  - i. maximum of \$4,000;
  - ii. Where a grant application is for both a front and flankage building façade, an approved grant will provide 35% of the cost of eligible work completed to a maximum of \$6,000.
- b. Beautification Grants will be awarded to the applicants with the highest scores, as determined by the Application Evaluation Committee, until the funds have been exhausted;
  - i. Where a grant application is deducted points by the Application Evaluation Committee, the overall value of the grant shall be reduced from 35% of the cost of eligible work according to the following formula:
  - ii. *Reduced Grant* = 
$$\text{Cost of Eligible Work} * 35\% * \left(1 - \frac{\text{Total Points Deducted}}{\text{Total Points Awarded}}\right)$$
  - iii. Any work undertaken on the exterior of the building or property within the same year will be included as part of the application for the purposes of determining the project score.
- c. Any application that receives a score of zero or lower will not be eligible for a
  - i. Beautification Grant.

##### ii. Distribution of Funds:

- a. The distribution of funds for an approved project will occur after a final site inspection has been conducted and it has been determined by staff that the approved work has been completed;
- b. No project will receive more than the 35% of the submitted proposal;
- c. The applicant must submit all accompanying receipts necessary to provide proof of eligible expenses prior to November 30<sup>th</sup>.
- d. Where an applicant performs the required work for a Beautification Grant themselves, only the material costs will be eligible for reimbursement.
- e. Where work is performed by a company owned by the applicant, the City of Saint John may request formal documentation outlining both detailed material and labour costs for the project.

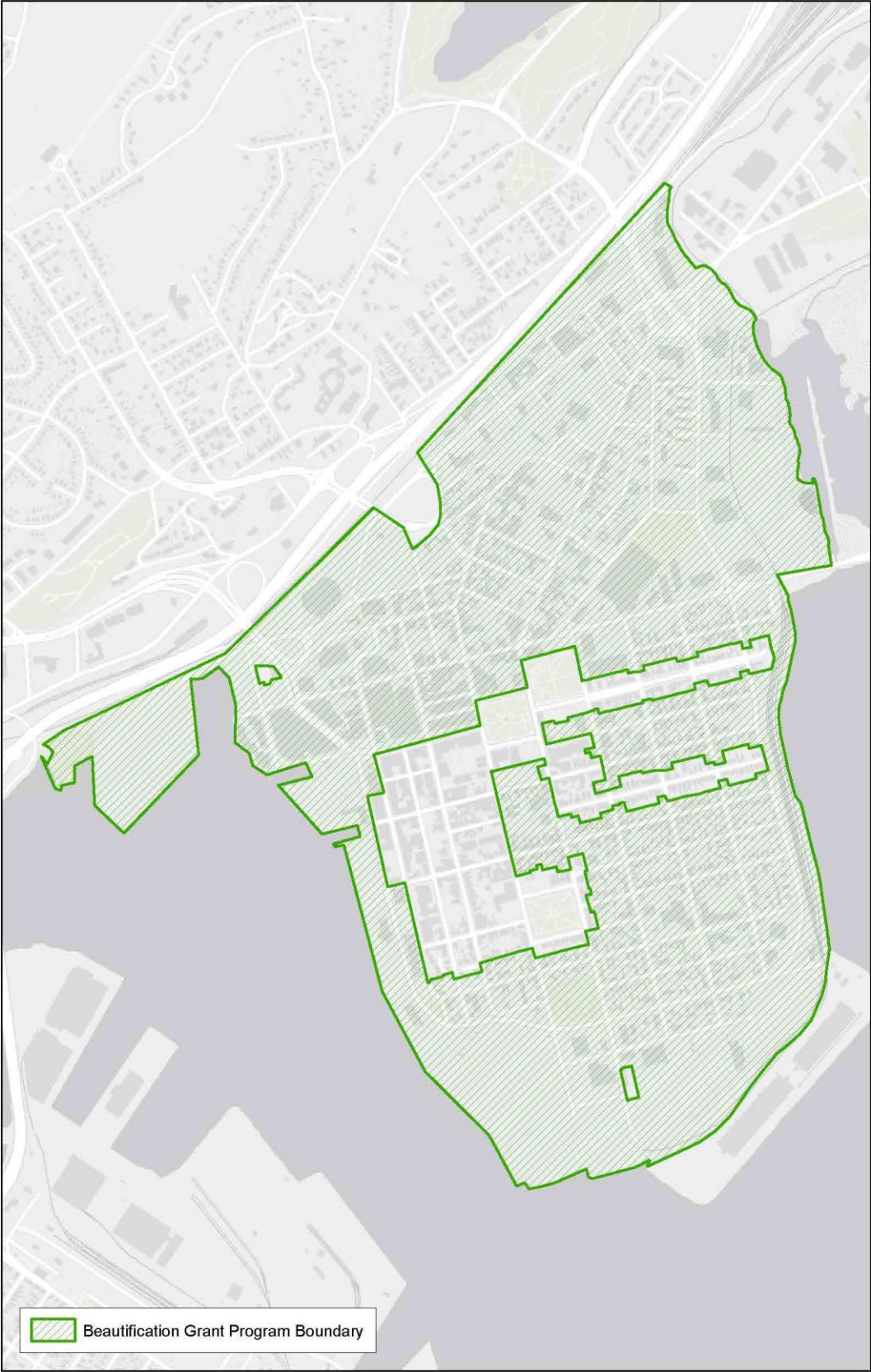
##### iii. Schedule:

- a. The effective date of the program is March 22, 2016;
- b. The Application Evaluation Committee will meet three times during a year, if required, for the purpose of reviewing and approving applications;
- c. The Application Evaluation Committee shall determine meeting dates, application deadlines, and any other necessary deadlines for the Program, subject to the approval of the Commissioner of Community Growth and Planning;



- d. Conditionally approved grants shall be incomplete and the applicant will not be
    - i. eligible for any funding if work has not commenced within one month of the approval date;
  - e. All work approved by the Committee for a Beautification Grant must be completed by
    - i. November 30;
    - ii. If the proposed work approved by the Committee for a Beautification Grant is not completed by November 30, the project will be deemed incomplete and the applicant will not be eligible to receive any funding.
- iv. Application Evaluation Committee:
- a. The role of the Application Evaluation Committee is to provide a technical evaluation of applications in the context of the Beautification Grant Score Card (Schedule 2).
  - b. The Application Evaluation Committee will consist of five technical staff members from one or more of the following City of Saint John Departments: Growth and Community Development, Finance and Administrative Service, and Communications;
  - c. The members of the Application Evaluation Committee will be determined by the Commissioner of Growth and Community Development;
  - d. The members of the Application Evaluation Committee may step down from their role on the Committee, or be replaced, subject to the approval of the Commissioner of Growth and Community Development.

Schedule 1 Beautification Grant Program Boundaries



## Schedule 2 Beautification Grant Score Card

High	Low	None	Negative
<b>Siding</b>			
<b>6 Points</b> Repairs or replaces 25% or more of the façade. Appropriate materials include: Fiber Cement; Masonry Work; Wood Siding; Shingle Siding.	<b>2 Points</b> Minor repair on 25% or less of the façade.	<b>0 Points</b> Not within scope of project.	<b>-14 Points</b> Proposes to use vinyl siding; proposes to cover exposed brick; undertakes work which creates an irregular pattern of cladding which is inconsistent with that of intact, traditional buildings along the same street.
<b>Painting</b>			
<b>4 Points</b> Painting greater than 25% of an eligible façade, with accentuation of architectural details.	<b>2 Points</b> Painting of greater than 25% of an eligible facade.	<b>0 Points</b> Not within scope of project.	<b>-5 Points</b> Painting and thereby maintaining an irregular pattern of cladding.
<b>Entryways</b>			
<b>3 Points</b> Restoring entryway using high quality materials. Restoration must include two of the following: restores original entryway; installs contextually appropriate door; installs contextually appropriate steps (including painted handrails).	<b>1 Point</b> Installs only one of the previous items.	<b>0 Points</b> Not within scope of project.	<b>-3 Points</b> Installs white and/or panel steel door with no windows.
<b>Architectural Details</b>			
<b>3 Points</b> Restores original architectural detailing to façade.	<b>1 Point</b> Installation or improvements to compatible architectural detail such as window trim, lintels, cornices, brackets and other similar features.	<b>0 Points</b> Not within scope of project.	<b>-3 Points</b> Removal or original detailing without replacement using high quality materials.
<b>Windows</b>			
<b>3 Points</b> Maintains or restores fenestration pattern using high quality materials such as wood or metal clad windows.	<b>1 Point</b> Use of contextually appropriate vinyl while maintaining fenestration, proportion, and style.	<b>0 Points</b> Not within scope of project.	<b>-10 Points</b> White vinyl windows and/or storm windows which do not maintain fenestration, proportion, and style; The removal of windows and disruption of traditional fenestration patterns.
<b>Landscaping</b>			
<b>1 Point</b> Shrubs; trees; perennial gardens; new grass; box planters.	Not applicable.	<b>0 Points</b> Not within scope of project.	<b>-2 Points</b> Removal of landscaping.
<b>Total score is out of 20.</b>			

Schedule 3: City of Saint John Urban Beautification Grant Application

(aussi disponible en français)

Applicant Information

Name of Applicant \_\_\_\_\_

Mailing Address of Applicant (with Postal Code) \_\_\_\_\_

Personal Telephone Number \_\_\_\_\_ Work Telephone Number \_\_\_\_\_

Fax Number \_\_\_\_\_ E-mail \_\_\_\_\_

Name of Property Owner (if different from applicant) \_\_\_\_\_

Mailing Address (with Postal Code) \_\_\_\_\_

Property Information

Location \_\_\_\_\_  
Civic # \_\_\_\_\_ Street \_\_\_\_\_ PID \_\_\_\_\_

NOTE: PROPERTIES LOCATED WITHIN HERITAGE CONSERVATION AREAS ARE INELIGIBLE.

If the applicant is NOT the owner, the Owner's signature or authorization (in writing) to submit this application is required.

Signature of Applicant \_\_\_\_\_ Signature of Owner \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_

Description of the Urban Beautification Incentive Application

Clearly describe work you intend to do in each of the applicable categories below:

SIDING, PAINTING, ENTRYWAY, ARCHITECTURAL DETAILING, WINDOW REPLACEMENT, LANDSCAPING

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Estimated Cost of Construction

Construction Cost Estimate	\$
----------------------------	----

Information Accompanying Application:

<input type="checkbox"/> Letter of Intent	<input type="checkbox"/> Cost Estimate
<input type="checkbox"/> Site Plan	<input type="checkbox"/> Building Elevations/Renderings
<input type="checkbox"/> Other _____	





### Schedule 3: City of Saint John Urban Beautification Grant Application

**Project Schedule:**

Estimated Project Start Date: \_\_\_\_\_

Estimated Project Completion Date\*: \_\_\_\_\_ \*All work must be complete and receipts submitted by November 30th of the same year.

**For Office Use Only**

Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_

Project Number: \_\_\_\_\_ Eligibility Confirmed: Yes ☐ No ☐

City Hall Building  
10th Floor - 15 Market Square  
Saint John, NB E2L 1E8  
[OneStop@saintjohn.ca](mailto:OneStop@saintjohn.ca)  
(506) 658-2911



## GROWTH COMMITTEE REPORT

Report Date	March 15, 2019
Meeting Date	March 21, 2019

His Worship Mayor Don Darling and Members of the Growth Committee

***SUBJECT: Heritage Grant Program Budget and Policy Adjustments***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Emma Sampson</i></b>	<b><i>Jacqueline Hamilton / Amy Poffenroth</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

Staff recommend that the Growth Committee adopt the following resolution for Common Council's consideration:

1. Common Council authorize the transfer of a maximum of \$80,000 from the Growth Reserve Fund to increase the 2019 Heritage Grant Program operating budget;
2. Common Council approve amendments to the Heritage Grant Program Policy as outlined in this report.

### ***EXECUTIVE SUMMARY***

The Heritage Grant Program has seen long-term success, particularly in the past year, in assisting property owners with maintenance and character-appropriate upgrades to their designated properties. The value of work linked to these projects, the Program's return on investment, property value increases and building permit fees on projects that may not have been otherwise carried out due to financial constraints, have contributed strongly to growth objectives outlined by the City of Saint John. With the majority of designated properties existing within the Uptown area, it is expected that the demand for financial assistance through the Heritage Grant Program will continue to increase; readily surpassing the \$80,000 initial budget in 2019 as it did in 2018. It is recommended, per the written request of the Heritage Development Board, that the Heritage Grant Program have its budget increased for the remainder of 2019. This report will describe options for the implementation of an increase, along with policy changes to the Program pending increase approval.

## **PREVIOUS RESOLUTION**

On September 10, 2018, Common Council adopted a motion in part transferring a one-time additional \$50,000 from the Growth Reserve Fund for increases to the Heritage Grant Program and Beautification Grant Program for the 2018 operating year.

## **STRATEGIC ALIGNMENT**

Common Council adopted a set of Priorities for 2016-2020. Under “Growth & Prosperity,” goals included the promotion of Saint John as a community to grow the residential tax base. Under “Vibrant, Safe City,” goals included developing neighbourhoods through the modernization of heritage preservation processes and through streetscape beautification.

## **REPORT**

### **CONTEXT**

The Heritage Development Board has requested of the Growth Committee an increase to the 2019 budget for the Heritage Grant Program to a maximum of \$200,000. It is anticipated, based on current application uptake, that the \$80,000 budget initially set will be met and surpassed before the summer: as of the date of this report, \$43,858 has been conditionally allocated (54.8% of the budget) to support \$479,630 in estimated value of work. Further, the Heritage Development Board and staff support lifting aluminum-clad wood windows from the list of ineligible work and materials in the Heritage Grant Program Policy, to be more consistent with the Board’s Heritage Permit approvals. It is anticipated that in making these windows eligible for reimbursement, there will be an increase in grant applications for that specific item and without additional funds, other projects may not be able to receive reimbursement.

### **BACKGROUND**

#### **Heritage Grant Program**

The Heritage Grant Program has run on an annual basis for over 25 years. The program primarily incentivizes designated heritage property owners throughout Saint John to maintain or to make improvements to their properties using appropriate materials and techniques. Previously administered through application review by the Heritage Development Board, the administration of the program has shifted fully to staff purview since 2014 for faster service delivery. The operational budget for the program is set annually by Common

Council, with mid-year increases given on occasion as needed and as available at Council's discretion.

Three categories of grants are available to applicants:

Grant	% Reimbursement	\$ Maximum
Maintenance Grant	25%	\$750 annually
Conservation Plan Grant	50%	\$1500, once
Conservation Grant (requires Conservation Plan)	25%/45%	\$7500 annually

Funds are conditionally allocated on a first-come, first-served basis and are open to repeat applicants. If the budget has been fully allocated, new applicants are placed on a wait-list for funds made available through incomplete or withdrawn projects.

#### Other Grant Programs

There are two additional grant opportunities for façade improvements to complement the Heritage Grant Program. The City's Beautification Grant Program is available for properties in the Central Peninsula that do not have a heritage designation, and UptownSJ's Façade Grant Program applies in tandem to the Heritage Grant Program, for qualifying properties in the Business Improvement Area. Adjacent to those grants available for façade improvements is the Urban Development Incentives Program, which is a three-program package available for development or redevelopment of vacant buildings, lots and upper floors of mixed-use buildings.

## ANALYSIS

### Heritage Grant Program

In 2018, the Program exceeded its initial annual budget of \$80,000 in conditional approvals by July. With the increased budget in September from the \$50,000 shared with the Beautification Grant Program through the Growth Reserve Fund, the Heritage Grant Program was able to successfully allocate an additional \$21,000 in paid out funds by November 30, the end of the program year, for an end-of-year total of \$101,750, leveraging \$381,000 of work. The 2018 program initially exceeded its \$105,000 budget, leaving \$6,800 on the waitlist pending end-of-year review, however final numbers saw 97% of the budget paid out.

There were 38 applications made for 42 grants, with 34 completed grants paid out. Three applications were withdrawn and six marked as incomplete. Of the completed projects, 20 were higher value Conservation Grants, 11 were lower value Maintenance Grants, and seven were for the acquisition of Conservation Plans.



2018	#	Complete		Withdrawn		Incomplete	
<b>Total Grants</b>	42	34	80%	3	7%	6	14%
<b>Maintenance</b>	11	6	55%	2	18%	3	27%
<b>Conservation Plan Grants</b>	7	7	100%	-	-	-	-
<b>Conservation Grants</b>	24	20	83%	1	4%	3	13%

The increase in reimbursed applications for Conservation Plan Grants is a key indicator for an increase in year-after-year applications for the higher value Conservation Grants. At present, 139 properties (23% of all designated properties) have Conservation Plans on file. Of the eleven grant applications made for the 2019 program to date, four are for Conservation Plan Grants, with the other seven for Conservation Grants. The propensity for property owners to undertake larger and longer-term projects is increased through having a Conservation Plan. This is reflected in the number of Conservation Grant applications, the total money paid out and the estimated value of work attached to these grants.

2018	\$\$ Paid Out	Est. Value of Work	ROI	% of Est. Value
<b>Total Grants</b>	\$101,746.88	\$381,012.13	\$3.75	-
<b>Maintenance</b>	\$4,275.13	\$32,517.39	\$7.61	8.5%
<b>Conservation Plan Grants</b>	\$8,973.75	\$21,000.00	\$2.34	5.5%
<b>Conservation Grants</b>	\$88,498.00	\$327,494.74	\$3.70	86%

As shown above, of the \$381,000 in estimated value of work for 2018, 86% of that was attached to Conservation Grants, for a total of \$327,500. Conservation Grants applications also tend to see a higher rate of successful completion, due to the technical necessity of the projects for building envelope maintenance; projects such as large-scale masonry repairs and siding and sheathing replacement.

#### Aluminum-Clad Wood Windows

At present, the only windows eligible for reimbursement through either Maintenance or Conservation Grants are wood windows. It is the opinion of staff and of the Heritage Development Board that the majority of products available for replacement wood windows are not of a suitable quality given the expense and the ocean climate, often with an underperforming lifespan. As such, it has been the practice in recent years of the Board to approve applications for the use of aluminum-clad wood products from a selection of vetted manufacturers and models, a list currently up to five different manufacturers.

The Board would like to be able to bring the Heritage Grant Policy in line with its current trend of approvals to support the following considerations:

- Windows are often one of the most expensive upgrades to a property;

- Property owners have expressed an unwillingness and/or an inability to undertake window replacements without financial support;
- Window upgrades have one of the largest impacts on the energy efficiency of a building, making funds available for other improvements;
- The Beautification Grant Program, which covers all non-heritage properties in the Central Peninsula, currently provides reimbursement for aluminum-clad windows.

The reimbursement proposed will follow the same grant structure – a percentage reimbursement up to a maximum dollar value, but will see a reduced percentage. This is currently proposed at 20% to a maximum pay-out of \$7,500. This would require a property owner to spend \$37,500 before tax on their windows to receive the maximum pay-out.

Based on the 11 permits issued for aluminum-clad windows in 2018, had each application spent \$37,500 or more, heritage grant expenditure would have been \$82,500, leveraging a value of work of \$412,500. The return on investment for this grant would be 5:1, with approximately \$5,200 in attached building permit fees. This is a higher return than is typically seen through the program, which last year had an ROI of 3.75:1. Wood window repairs and replacements will remain incentivized; the repair of existing wood windows would retain a 45% reimbursement and the replacement/installation of wood windows would see a 35% reimbursement.

Based on the extrapolated City expenditure from 2018 projects, staff would recommend that this item only be implemented with the approval of a maximum of \$80,000 increase to the 2019 Heritage Grant Budget as a one-year test program. Staff would also propose that this item be made available to all heritage property owners, not just those with conservation plans, to provide access and opportunity for those buildings that would benefit most strongly.

#### IMPROVEMENTS TO THE PROGRAM

Proposed amendments to the Heritage Grant Program Policy are dependent on an increased budget, but would include:

1. Eligibility for reimbursement of Board-approved aluminum-clad wood windows, with 2019 as a pilot year.
2. One-time retroactive grant upgrades for applicants who obtain a Conservation Plan in the current grant year and who received a Maintenance Grant for eligible work in the previous grant year, pending end-of-year available funds.
3. Clarity around eligibility for condominium strata.

## CONCLUSION

A key factor in the on-going success of the Heritage Conservation Program is the continued availability of the Heritage Grant Program and its ability to address key issues related to the health of the properties it benefits. The shift in attitudes toward conservation as demonstrated by the actions of the Heritage Development Board should be represented accordingly in the items the City is willing to incentivize, but should come in addition to, not in place of the current success of the Heritage Grant Program. This will only be possible through an increase in the annual operating budget for the program. Providing more options and opportunities for property owners will encourage growth on a broader scale, helping to further the trend of revitalization of the Central Peninsula and beyond.

## ***ATTACHMENTS***

Attachment 1 – Proposed Heritage Grant Program Policy 2019

Attachment 2 – Heritage Grant Program Budgets and Dispersals, 2014-2018

#### PROGRAM AIM

The *Heritage Grant Program* is an incentive program designed to encourage property owners to meet the spirit and intent of the *Saint John Heritage Conservation Areas By-Law*, as expressed in the *National Standards for Conservation of Historic Places in Canada* and Saint John's own series of *Practical Conservation Guidelines*. Heritage Grants are not construction subsidies; they are intended to assist owners to retain traditional materials and details of character-defining elements and, if necessary, replace them with new components, matching the original materials and profiles.

#### OBJECTIVES

Primary:

- To encourage retention of designated heritage buildings and their character-defining elements, including their materials and details;
- To maximize conservation of the character-defining elements of designated heritage buildings using an approach of: understanding, documenting, planning (for proposed use) and then intervening.

Secondary:

- To create employment opportunities for the citizens of Saint John;
- To discourage demolition of designated heritage buildings;
- To reduce waste and the impact on the environment by demonstrating that the greenest building is one that already exists;
- To encourage owners to undertake necessary but costly major conservation projects.

#### CATEGORIES OF GRANTS

1. **Heritage Maintenance Grant:** A grant available to any designated heritage property; also available to tenants for storefront signage. Covers 25% of approved costs, up to a maximum of \$750 annually.
2. **Heritage Window Grant:** A grant available to any designated heritage property. Covers the repair, the replacement or the reintroduction of windows based on the following percentages:
  - a) Repair of wood windows: 45% of approved costs to a maximum of \$7500 annually.
  - b) Replacement or Reintroduction of wood windows: 35% of approved costs to a maximum of \$7500 annually.
  - c) Replacement or Reintroduction of Heritage Development Board-approved aluminum-clad wood windows: 20% of approved costs to a maximum of \$7500 annually.
3. **Heritage Conservation Plan Grant:** A grant provided to offset the cost of retaining a design professional (architect or engineer) to prepare a Conservation Plan for designated heritage properties, enabling access to the Heritage Conservation Grants (below). A Conservation Plan provides the property owner with a phased plan to undertake required heritage/structural work. Covers 50% of costs, up to a maximum of \$1500.



4. **Heritage Conservation Grant:** A grant to support large conservation projects for properties which have a Conservation Plan in place. There are two levels of funding provided by the Conservation Grant, depending on the nature of the project:

- a) Minor funding: for **maintenance** work, as outlined in the Conservation Plan. Covers 25% of approved costs, up to a maximum of \$7500 annually.
- b) Major funding: for **restoration** work to original character-defining elements, and for major projects such as masonry or structural repair. Covers 45% of approved costs, up to a maximum of \$7500 annually.

5. **Upgrade Grant:** A one-time grant for property owners based on the following conditions:

- a) Work was undertaken in the previous calendar year and received a Heritage Maintenance Grant.
- b) In the active program year, the property owner has obtained a Conservation Plan. The previously reimbursed work is work detailed in the Conservation Plan.

The property owner may apply under this grant to have their Heritage Maintenance Grant reassessed as a Heritage Conservation Grant, with the difference in value paid out. These grant applications are waitlisted to November 30 and are paid out pending available end-of-year funds.

#### ELIGIBLE PROPERTIES

- Grants are awarded based on the Property Identification Number (PID) rather than per civic address. Each PID is eligible to receive **one grant per category per year**.
  - Notwithstanding the above, individual condominium PIDs are not eligible for grants, however condominium corporations may apply on behalf of their collective PIDs.
- Property must be a non-government owned designated heritage property located within one of the designated Saint John Heritage Conservation Areas. Refer to the *Saint John Heritage Conservation Areas By-Law* for a listing of properties. A copy of the By-Law can be found on the City's website, picked up in person at the Growth and Community Development Services office, or an official copy at the Common Clerk's office.
- Property must be covered by insurance.
- Property owner must be in good standing with the City of Saint John and shall not have unpaid property taxes.
- Property owner must not have any outstanding property-related by-law violations and/or building permit violations.

#### ELIGIBLE WORK & MATERIALS

- Projects must be to the exterior of the property and in accordance with the terms and conditions of a Heritage Permit.
- Projects must be completed prior to the Grant Summary Form deadline and grant funding for projects not completed by the end of the calendar year will be forfeited except in exceptional circumstances.

*Note: For appropriate materials and restoration approaches, please see the Practical Conservation Guidelines on the City's website, which can also be picked up in person at the Growth and Community Development Services offices.*

#### INELIGIBLE WORK & MATERIALS

- Contemporary materials such as but not limited to vinyl windows, steel doors, or vinyl siding.
- Work carried out prior to issuance of a Heritage Permit and, if required, Building Permits.

- Work related to landscaping, roof replacement, or infill construction.
- Owner-performed labour.
- Poor or defective work as identified by the Heritage Officer and/or Building Inspector.
- Reimbursement of City of Saint John Building Permit fees.

#### HERITAGE GRANT FUNDING APPLICATIONS

*Note: Application forms can be found on the City's website, or picked up in person at the Growth and Community Development Services office, 10th floor City Hall.*

- Before completing and submitting a Heritage Grant Funding Application form, applicants must first obtain a Heritage Permit and building permit (if required), and include these numbers on their Heritage Grant Funding Application form.
- The following must accompany the completed application form:
  - Heritage Permit number;
  - Building permit number (if required) for proposed work;
  - Recent photographs of all sides of the building and detailed photographs of area related to proposed work;
  - Start and end date for proposed project;
  - Signature of both the applicant and owner of the property (if different);
  - Those applying for a Heritage Conservation Grant must copy and attach page extracts from the Heritage Conservation Plan that relate to the proposed work to be funded;
  - Those applying for a Heritage Conservation Plan Grant must include the Heritage Conservation Plan;
  - Written project cost estimate.

#### REVIEW OF HERITAGE GRANT FUNDING APPLICATIONS FOR APPROVAL OR DENIAL

- Applications will be screened for basic eligibility as they are received (i.e. application package is complete and legible). Applicants will be notified promptly if their application is ineligible.
- Complete applications will be reviewed by Heritage Staff for the following:
  - Ensuring the Heritage Permit was approved;
  - If required, confirming building permit has been issued;
  - Reviewing project estimates and calculating amount of requested grant funding;
- Conditional approval will be awarded to applicants that meet the eligibility requirements. Conditional approval will be awarded in the sequence in which applications are submitted.
- Approval of a Heritage Grant Application conditionally approves the applicant for grant funding rather than guaranteeing it.
- Conditional approvals cannot exceed the Council-approved budgeted amount. If the grant requests exceed the budgeted amount, then any subsequent applicants will be placed on a waiting list in the sequence in which they applied. Applicants that are on the waiting list will submit the grant summary form upon completion of their project. Waiting list applicants will be notified by letter after the November 30 deadline about the status of their submission.

#### BUILDING INSPECTION

- A successful building inspection by Building & Inspections Services for the proposed work is required to receive grant funding (If a building permit is required).
- It is the responsibility of the grant applicant to notify the Building & Inspections Services of the project completion and arrange for inspection.
- The Building inspection should be arranged and completed prior to submission of the Grant Summary Form.

- The inspection must be completed by November 30. Allow two weeks for the inspection to be scheduled and completed.

#### HERITAGE OFFICER INSPECTION

- A successful inspection by a Heritage Officer of the City of Saint John is required to receive grant funding.
- It is the responsibility of the grant applicant to notify the Growth and Community Development Services that the project is complete and ready for inspection by the Heritage Officer.
- A Heritage inspection should be arranged and completed prior to submission of the Grant Summary Form as outlined below.
- The Heritage Officer will inspect and photograph the completed work to ensure that it shows good craftsmanship and complies with the Heritage Permit.
- The inspection must be completed by November 30. Allow two weeks for the inspection to be scheduled and completed.

#### GRANT SUMMARY FORM

- The Grant Summary Form is required to be completed and submitted once the project work related to the grant application is complete in order to receive grant funding.
- Grant Summary Forms are accepted throughout the year up until **November 30**.
- The Grant Summary Form should include the following information and attached documents:
  - Using the space provided, an itemized summary of the invoices and receipts that correspond to the work outlined in the Heritage Permit with the amounts stated pre-HST;
  - Legible photocopies of all invoices and receipts included in the summary with proof of payment;
  - Signature of the applicant, the legal owner of the property, and contractors who performed the project.
- Applicant must assert that a building inspection (if required) and heritage inspection have been requested and completed to the best of their knowledge.
- It is the responsibility of the applicant to ensure that the itemized summary is complete, accurate, and legible.
- Grant Summary Forms are reviewed when received and applicants will be notified through written communication within 60 days of submission whether the form is approved, with attached cheque, or whether it has been denied.

#### PAYMENT OR DENIAL OF GRANT FUNDING

- Whether the applicant receives grant funding depends on successful building and heritage inspections and a properly completed and approved Grant Summary Form.
- The City will release grant funding payments within 60 days after submission of the Grant Summary Form provided all requirements are met.
- Wait list applicants will be notified by letter after the November 30 deadline about the status of their submission.

#### **Heritage Services | Growth and Community Development Services**

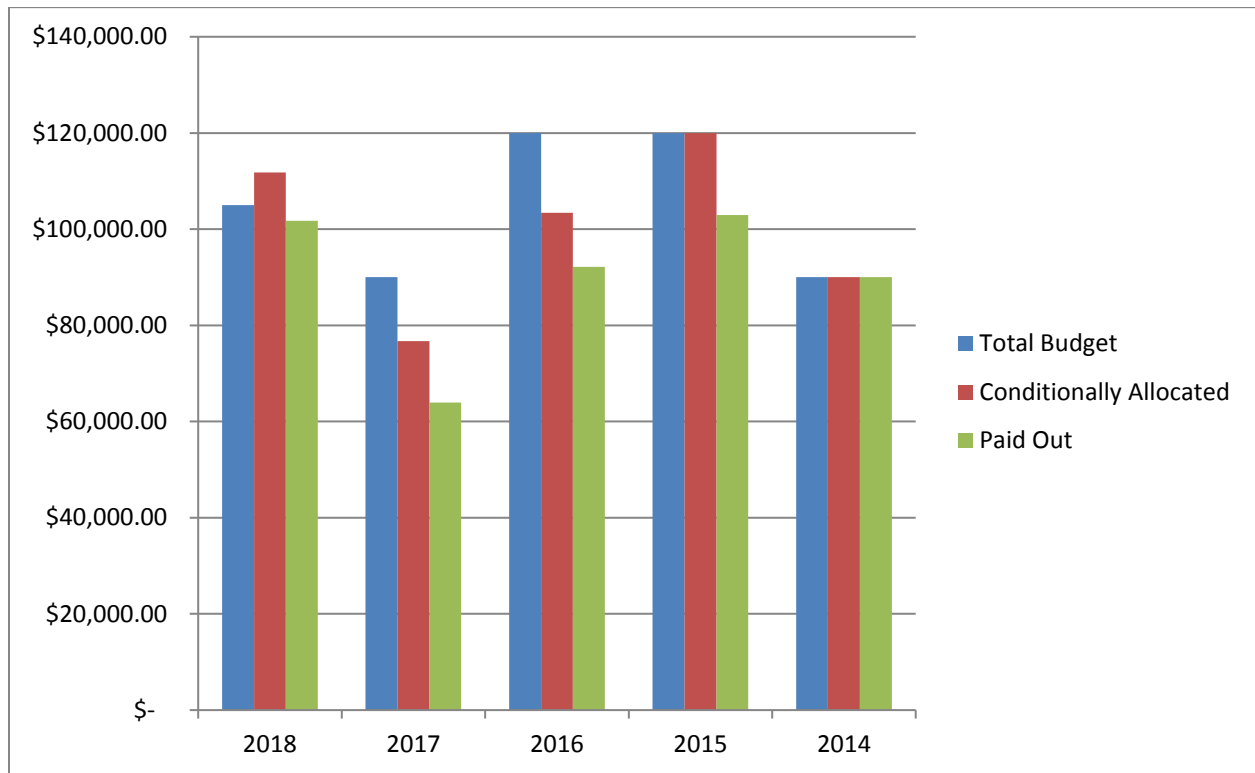
10<sup>th</sup> Floor, City Hall, P.O. Box 1971  
Saint John, New Brunswick  
E2L 4L1

If you have any questions or concerns Heritage Staff can be contacted at:

Phone: (506) 658-2835  
Fax: (506) 658-2837  
Email: [heritage@saintjohn.ca](mailto:heritage@saintjohn.ca)



## Heritage Grant Program Budgets and Dispersals, 2014-2018





## GROWTH COMMITTEE REPORT

M&C No.	# found on Sharepoint
Report Date	March 14, 2019
Meeting Date	March 21, 2019
Service Area	Growth and Community Development Services

His Worship Mayor Don Darling and Members of the Growth Committee

***SUBJECT: Growth Reserve Fund Request - Dangerous and Vacant Building Program***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Common Council.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Rachel Van Wart</i></b>	<b><i>Amy Poffenroth/ Jacqueline Hamilton</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

Staff recommend that the Growth Committee adopt the following resolution for Common Council's consideration:

Common Council authorizes the transfer of \$25,000 from the Growth Reserve Fund to support the enhanced Dangerous and Vacant Building Program for 2019.

### ***EXECUTIVE SUMMARY***

In 2017, the Dangerous and Vacant Building Program was included in the Roadmap for Smart Growth to help deliver tax-base growth within the City of Saint John by eliminating dangerous, vacant buildings that negatively impact property value and compromise the safety and quality of life of citizens. The accelerated Program resolved 80 cases in 2017.

In 2018, the Program's momentum continued with additional resources allocated to enhance the program's mandate which included a focused approach in the City's North End. In 2018, 83 cases were resolved.

The following report will provide a 2018 year-end Program update, in addition to providing 2019 targets given the same level of funding as 2018.

### **PREVIOUS RESOLUTION**

On September 10, 2018, Common Council adopted the following resolution:

“RESOLVED that as recommended by the City Manager in the submitted report, M&C2018- 256: Growth Reserve Fund Request Common Council authorizes the transfer of up to a maximum of \$200,000 from the Growth Reserve Fund towards Growth and Community Development Services to support the pursuit of growth - related activities.”

This investment included \$25,000 to deliver an additional 10 notices to comply under the Vacant and Dangerous Buildings Program in 2018 and continue efforts to encourage more repair and reoccupation of buildings.

### **STRATEGIC ALIGNMENT**

Enforcement of the *Saint John Unsightly Premises and Dangerous Buildings and Structures By-law* aligns with Council’s Vibrant, Safe City priority.

### **REPORT**

#### **2018 Dangerous and Vacant Building Program Results**

Aggressive, strategic targets, a temporary professional resource and a focused, streamlined approach were key components to the success of the enhanced Dangerous and Vacant Building Program in 2018. Public response to the accelerated Program continues to be extremely positive. The success of 2018 was made possible with the additional temporary resource allocated to the program from May – December. The extension funded by the Growth Reserve, allowed for the target number of Notices issued to increase from 25 to 35 and for the targets for demolitions and repairs to be exceeded.

The 2018 North End Focus area, which included 26 properties, saw significant results. A total of 10 buildings were demolished and 2 buildings were repaired and reoccupied. Focus in the North End will continue throughout 2019.

The table below details 2018 Program targets and year end results. A total of 83 cases were resolved in 2018, with 33 demolitions and 50 repaired and reoccupied buildings. The City completed 27 of the 33 demolitions.

<b>2018 Dangerous and Vacant Building Program</b>		
	Target	Result
Notices to Comply	35	32
Demolitions	30	33 (27 City Demolitions)
Repaired/ Reoccupied	45	50
<b>Total Closed Cases:</b>	75	83

## 2019 Dangerous and Vacant Building Program

The Program momentum of encouraging owners of vacant and dangerous properties to repair, reoccupy or demolish buildings will continue in 2019 with a target of 80 resolved cases. Targets have been adjusted to reflect anticipated challenges and case management predictions, which includes:

- Issuing 30 Notices to Comply, this is on par with 2018 at 32 Notices issued. Entry warrants will be required to inspect abandoned buildings or to gain entry into buildings with uncooperative owners. Active owners will also yield more discussion, negotiating and potential appeal hearings.
- Total of 30 demolitions. It is anticipated that fewer city demolitions will be required as the severity of conditions in the buildings at the top of the priority list are decreasing. Focus will remain on encouraging property owners to repair and reoccupy, in addition to encouraging owners to demolish derelict buildings themselves.
- 50 Repaired/ Reoccupied buildings. This volume is expected to remain steady with continued focus on encouraging repairs as opposed to demolishing, yielding tax-base growth. In addition, a number of buildings on the list have open building permits and are expected to be completed in 2019.

See the below table which reflects 2019 Targets for the Dangerous and Vacant Building Program.

2019 Dangerous and Vacant Building Program		
	2018 Results	2019 Target
Notices to Comply	32	30
Demolitions	33	30
Repaired/ Reoccupied	50	50
<b>Total Closed Cases:</b>	<b>83</b>	<b>80</b>

There are currently 190 vacant buildings on the City's monitoring list. In 2018, a high of 220 active cases was reported, with an average case load of approximately 200 in the past few years. Although it appears as minimal progress, the program is trending in the right direction with the quality of buildings on the list improving. It is anticipated that a pivot of program direction will be required in the near future; from the focus on enforcement and demolitions to encouraging and spurring re-investment and revitalization of communities.

## SERVICE AND FINANCIAL OUTCOMES

As included in this report, in addition to:

As per section 143(1) of the *Local Governance Act*, City staff submitted reimbursement packages to the Province of New Brunswick in December for 2018 demolition and unsightly clean-up bills left unpaid. In total, 22 properties

were submitted for reimbursement and all were approved by the Province, resulting in reimbursement in the amount of \$304,833.89, which will be paid to the City in the March transfer payments.

***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

N/A

***ATTACHMENTS***

N/A