



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Planning, Development and Recreation
Division: Economic Development
Report Number: 2020-325-Planning, Development and Recreation
Prepared By: Bob Peters, Division Manager
Meeting Date: June 22, 2020
Subject: Economic Development – Activity Report

Purpose

To provide Council with an update on the activities of the Economic Development Department for the first two quarters of 2020.

Recommendation

That Council receive Report 2020-325-Planning, Development and Recreation.

Strategic Priority Implications

Economic development activities support the City of Cornwall Strategic Plan and help to establish Cornwall as the progressive sustainable choice along the St. Lawrence River in Eastern Ontario.

The activities outlined in this report follow recommendations in the Cornwall Economic Development Strategic Plan, which was adopted in 2016.

Background / Discussion

Cornwall's economy began 2020 with positive signs of growth evident in a variety of sectors. Concerns over the COVID-19 coronavirus began to grow early in the year, culminating in business and construction disruptions in mid-March. On March 17, 2020, Ontario declared a state of emergency and resulting public



health directives meant that most businesses had to close their doors to the public. The Department quickly pivoted to increase its focus on supporting local businesses.

As all levels of government moved to develop support programs to assist local businesses, workers and residents, a key challenge in delivering accurate timely information was identified. A section of the *ChooseCornwall.ca* website was created to provide pandemic related information that would be of interest to local business owners.

Over 165 articles and dozens of resources have been posted in the COVID-19 Business News Digest to-date. The Department also helped convince the Province of Ontario to share a comprehensive guide to government supports – this document now sits at over 150 pages.

A direct email campaign was launched to deliver updates to local business and community leaders on a regular basis. The biweekly emails reach over 9,000 people and have been well received, with above average open rates.

As Ontario began to implement its reopening plan, Economic Development staff developed a *Business Reopening Toolkit* to help local businesses transition to the current situation. The toolkit includes a number of resources including a 6-page *Reopening Guidebook*, posters and graphic design files, factsheets and sector specific workplace safety protocols. The toolkit also includes a maximum occupancy calculator.

Activity on the *ChooseCornwall.ca* website saw a significant spike to 500% of previous levels during the first few weeks of the pandemic. Activity remains high and is currently running at about 64% over 2019 levels.

Over the past 3 months Department staff have collaborated with other City staff, regional EDOs, provincial and federal officials as well as local community organizations to respond to the unprecedented challenges of the pandemic. The following commentary provides some more detailed insights.

Small Business Emergency Support Loan

On April 29, 2020, City Council approved the Cornwall Small Business Emergency Support Loan program, which provides an interest-free loan of up to \$5,000 for qualifying businesses. The goal of the loan program is to provide support to offset the effects of the COVID-19 crisis, and at the same time,



provide assistance to local businesses as they work to transition to a more resilient business model.

The program was extensively marketed in a short period of time and received a very positive reaction from the business community. Over 100 applications have been processed over two intake periods, and 91% of the funds have been dispersed to-date. A final report will be provided to Council summarizing the program results.

Major Development and Employers

For the most part, Cornwall's largest employers have continued operations with minimal disruptions. Industrial vacancy rates in Cornwall continue to be very low, with available built space being very hard to find.

Walmart Logistics increased its complement by 200 people to manage its supply chain activities and bring much needed consumer and grocery goods to Canadians.

Work continues on a major expansion of the Loblaw / Shoppers Drug Mart Distribution Centre on Optimum Drive. The new construction will almost double the size of the original building, and the operator of the new space, Witron, has begun to recruit.

Leclerc Group, a leading North American manufacturer of cookies and snack products, has continued the installation of a second production line at its new facility in the Cornwall Business Park.

SigmaPoint is maintaining high production levels and is currently recruiting. New business will be coming to the Cornwall facility.

Laframboise Group has completed renovations to its new manufacturing complex on the former Locweld site on Vincent Massey Drive.

OPG continues to invest in rehabilitation and revitalization projects at the R.H. Saunders Generating Station, although the Visitor Centre is expected to remain closed until September at the earliest.

St. Lawrence College (SLC) has transitioned to alternative delivery methods to ensure its students were able to complete their semesters. SLC is expected to offer a hybrid of on-campus and remote learning experiences in the Fall and is anticipating that on-campus student populations will be 20-25% of traditional levels.



Commercial Retail and Office

Prior to the pandemic, there was a significant amount of vacant commercial and office space in Cornwall. Despite some positive activity (new stores for PetSmart, Kawartha Credit Union, Taco Bell, Ontario East Powersports, Cornwall Nissan and Uptown Kia), commercial landlords will be tasked over the next two years to attract tenants and repurpose existing buildings.

The retail mix in many communities, including Cornwall, will be challenged as national retailers shrink their physical store network. A growing number of businesses and government offices are also reconsidering their physical footprint and are offering their employees the chance to work remotely. This could have a negative impact on main street restaurants and retailers that have built their business to service office workers.

Cornwall Square reopened on June 12, 2020 with approximately half of the mall's tenants open.

In an effort to provide additional assistance to local small businesses, the Department supported and helped promote a small business gift certificate website as well as the Chamber of Commerce's Shop Local initiative. As of June 1, 2020, the *ShopCornwallandArea.ca* website had over 200 participating local businesses.

The Department also worked with SDG Economic Development as well as local municipal EDOs to survey local businesses with regards to the impact of the COVID-19 pandemic.

The Department has supported the development of a Virtual Farmer's Market in cooperation with SDG and Prescott Russell economic development and other community stakeholders.

In June 2020, Cornwall became a participating municipality in Digital Main Street's ShopHERE program, which seeks to help small independent businesses and artists develop online stores in just a matter of days. This program has recently received a \$57 million investment from senior levels of government.

Sector Specific Marketing Efforts

The Department markets to specific key sectors that align with the community's strengths. These efforts include shows for the commercial real estate industry as



well as sector-specific efforts in logistics, food processing, and advanced manufacturing.

The Department was able to participate in a food trade show prior to the pandemic. All other events and shows are either cancelled or on hold for 2020. The Department continues to work in partnership with regional, provincial, and federal officials to facilitate trade and attract foreign investment.

Resident Attraction

Work continues to attract new residents to Cornwall. Efforts are targeted to attracting young families and individuals that will augment the local workforce and meet the needs of local employers. The office works closely with groups involved with assisting newcomers to settle in Canada.

The Regional Immigration Pilot of the Ontario Immigrant Nominee Program has been put on hold by the Ministry of Economic Development Job Creation and Trade. Prior to March 15, 2020, Ministry staff were able to meet directly with a number of major employers and community stakeholders. Despite the hold, interest from potential candidates remains high.

The Department was able to exhibit at a number of university/college career fairs early in the new year in an effort to reach graduating students at a time when they are planning their careers. The status of the National Job Fair in Montreal normally scheduled in October is unclear.

The above efforts are normally supported by a number of publications that provide information to new residents. These include local magazines such as *Cornwall Living*, *Perch* and *Cornwall Tribute*. At the current time these publications are on hold.

As major employers continue to report problems in recruiting new people, residential attraction efforts will continue. The availability of housing is expected to remain relatively scarce over the short term.

The Department assists local companies in their recruitment efforts by posting job opportunities on the *ChooseCornwall.ca* job board. This section of the site has become very popular, and more and more companies are finding it very helpful in attracting quality candidates.

Tourism

During the first 10 weeks of 2020, there was a lot of optimism for continuing growth and development of the tourism sector in Cornwall.

The *2020 Cornwall Visitor Guide* was published in February. A key piece in Cornwall Tourism's marketing efforts, the guide is fully bilingual and includes information on festivals, accommodations, shopping, dining, attractions and more. A total of 40,000 copies have been printed and distribution of the magazine was just being rolled out when the orders limiting travel began to appear. The Visitor Guide is available online via the Tourism and other websites.

Cornwall Tourism participated in the 2020 Montreal Bicycle Show; Canada's largest consumer show dedicated exclusively to the world of bicycles provided a unique opportunity to speak directly with potential visitors about cycling in Cornwall. Two other planned shows in April – the Montreal Outdoor Adventure Show and the Fifty-Five Plus Lifestyle Show in Ottawa - were cancelled due to COVID-19. The 2020 Sport Events Congress, the annual conference for Canada's sport tourism industry, was also cancelled.

Cornwall hosted the 2020 Ontario Curling Championships in late January. The ice at the Cornwall Civic Complex was transformed into four curling sheets for the event and eighteen teams competed for the chance to represent Ontario at the national championships. The event was made possible thanks to a strong partnership with the Cornwall Curling Centre, with well over 100 volunteers assisting with various aspects of the event. The championships generated positive media exposure for Cornwall and helped to further solidify the city's position as a great host community for major sporting events and conferences.

Other major events planned for 2020, which typically attract a significant number of visitors, have been cancelled or postponed. These include:

- The Wonderful World of Whisky
- Beer Bourbon BBQ and Blues
- Cornwall Triathlon
- St. Lawrence Run
- Foodfest
- Shorty Jenkins Classic Bonspiel
- Apples and Art Studio Tour

Many local events make use of the Tourism Development Fund, which is supported by revenues from the Municipal Accommodation Tax and is overseen



by a separate, stand-alone entity, the Tourism Development Corporation of Cornwall (TDCC). The TDCC recently completed a review of the application process with a view to making it more efficient for applicants and officials alike. In light of COVID-19, the TDCC is continuing to accept applications for the fund and they will be reviewed and conditionally awarded subject to the event or project taking place.

Cornwall Tourism launched a new website at *CornwallTourism.com* in March 2020 which includes design upgrades to make the website more mobile-friendly and easier to navigate. Activity on the website is down 80%, reflecting the impact of COVID-19.

As noted above the COVID-19 pandemic has had a significant impact on the local tourism sector. This directly impacts event organizers, accommodation providers and local merchants and restaurants. The NAV CENTRE has been closed since mid-March.

During this unprecedented period, Tourism staff have been consulting frequently with local businesses, partner organizations and other stakeholders with a special focus on assisting the local business community wherever possible. It is anticipated that public health and safety directives will have a significant impact on the accommodations sector, leading to lower than expected MAT revenues.

The 2020 Tourism Marketing Plan has been revised to reflect the current reality and to align with current projections which suggest a slow recovery to previous tourism activity levels in Canada. Marketing efforts will be undertaken in a multi-staged approach – focusing first on the hyper-local/regional/domestic market and gradually extending outwards as appropriate.

Cornwall and the surrounding area has some exceptional tourism product offerings that are expected to be in high demand as the economy continues to reopen and people begin to move about more freely. The focus will be on safe, 'small-town' activities and experiences that can be enjoyed individually or in pairs or small groups. This includes outdoor adventure opportunities (cycling, fishing, golfing, camping, scuba diving), culinary tourism experiences (brewery and winery tours, a virtual farmers' market), day trips and the like. Cornwall Tourism is also working with local accommodation providers on creating some packaged overnight experiences based on some of these activities.

Cornwall Planning Programs Evaluation Group

Efforts to engage local property owners in improving their properties continue with the administration of community improvement plans, overseen by the Cornwall Planning Programs Evaluation Group (CPPEG).

CPPEG continues to review applications within the CIP's Policy Areas under three community improvement plans in place: Heart of the City CIP, Brownfields CIP and Renaissance Housing Rehabilitation Program.

Notable projects include:

- 165 Montreal Rd. – expansion of Medical Arts Pharmacy. This expansion into the adjacent building will provide handicap accessibility to the store and clinic.
- 134 Montreal Rd. – conversion of offices to 6 residential units.
- 213 Montreal Rd. – conversion of commercial to residential on the first floor.
- 47 Cumberland St. – new office for J.F. Markell Homes along with 3 residential units.
- 101-105 and 111-113 Pitt St. – renovations attracting new tenants, including Tilly's Eatery, Love and Lee, Happy Popcorn.
- 145 Pitt St. – welcoming new businesses to the downtown, The Kingslea and Balance Massage.
- 9 First St E. – new restaurant (Spicy Pearl) and new residential units.
- 42 First St E. – renovations to accommodate Simply Wellness.
- 711 Pitt St. – Miller Hughes Ford has purchased a portion of 780 Sydney St. to expand their footprint for new vehicles

The Renaissance Housing Rehabilitation Program has provided financial assistance to seven (7) residential redevelopment projects within the Renaissance Policy Area.

Under the Brownfield Program the southwest corner of Tenth St. E. and McConnell has been remediated. A Record of Site Condition has been issued and the property has started the development process for 4 residential fourplexes.

The owner of the property at 910 Montreal Road was negotiating a sale with an established developer of student accommodations when the pandemic struck. The deal has fallen through and the property owner is re-evaluating his options.



Cornwall Business Enterprise Centre

The Cornwall Business Enterprise Centre (CBEC) remains busy connecting with area entrepreneurs to discuss business planning, marketing, and financial forecasting.

Prior to March 15, 2020, the Centre was on pace to meet its annual average of 300+ consultations with entrepreneurs looking to start a business. Following the closure of the office, Centre staff have been busy providing information and advice by phone and email.

The Centre has successfully pivoted its popular seminar series to online webinars. The Spring series has included over 16 webinars, with most touching on COVID specific best practices. Participation levels in the webinars have been higher than normal.

The *Summer Company* program continues to operate, although at slightly reduced levels from previous years. Five students have been approved to operate this summer. Three of the businesses will operate online – vintage clothing sales, branded clothing sales, and computer sales with support. The remaining 2 businesses will be able to operate with COVID-19 distancing regulations – gravestone cleaning/flower arrangements and a handyman type service for outdoor projects.

The *Starter Company Plus program* is now operated on a cohort basis. The winter cohort saw 13 applicants receive a total of \$55,000 in grants. Businesses ranged from restaurants to the arts to retail operators. The spring application attracted 43 applicants, although several dropped out as the COVID-19 lockdown continued. Staff are currently working with 32 of the applicants to develop business plans and financial forecasts, with a Grant Panel review scheduled for mid-July. At that time a total of \$30,000 will be awarded.

CBEC launched a new website at BusinessEnterpriseCentre.ca on May 15, 2020. The new design has a fresh new look and provides for an improved user experience on mobile devices. The website has an enhanced area to promote news stories and special events such as webinars. Activity levels on the CBEC website are down 20% since the start of the COVID-19 Crisis.

Medical Recruitment/Scholarship:

The Medical Scholarship program continues to be promoted via ChooseCornwall.ca, the City website, social media, and sector specific career



fairs. Two scholarship recipients are expected to complete their studies in June 2020 and begin their family physician practice before December 2020. A new qualified scholarship candidate was confirmed for the 2020 year. She will complete her studies in 2022 and relocate to Cornwall to open her practice.

The Adopt a Medical Resident program continues in partnership with the Cornwall Community Hospital. A medical resident has been selected for the 2020 year.

Efforts to facilitate the recruitment of medical professionals to Cornwall continues as well. Two physicians have been recruited to Cornwall since January 2020, and three more are expected this year pending Medical Recruitment Agreements.

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Attachments:	
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This report and all of its attachments were approved and signed as outlined below:

Mark A. Boileau - Jun 16, 2020 - 4:47 PM

Tracey Bailey - Jun 16, 2020 - 6:02 PM

Maureen Adams - Jun 16, 2020 - 7:49 PM