

Staff Report 2023-0510

Meeting Date: September 12, 2023

Subject: Caledon Chamber of Commerce Partnership Strategy

Submitted By: Amanda St. John, Manager, Business Attraction and Investment

RECOMMENDATION

That the Caledon Chamber of Commerce Partnership Strategy be adopted;

That staff be directed to enter into a lease agreement with the Caledon Chamber of Commerce for dedicated use of Humber River Centre office space;

That Council waive the portion of office space lease fees outlined in Staff Report 2023-0510 to support the Caledon Chamber of Commerce's re-establishment in the community;

That staff be directed to undertake a Service Level Agreement with the Caledon Chamber of Commerce to contribute to the delivery of business services at the Humber River Centre; and

That the Director, Community Services be authorized to execute the lease agreement and Service Level Agreement with the Caledon Chamber of Commerce.

REPORT HIGHLIGHTS

- The Caledon Chamber of Commerce re-launched in 2021 and is actively working to re-establish its business support service offering in the Caledon community.
- The Town of Caledon Economic Development Strategy identifies the need to support an entrepreneurial and small business economy as a key priority for long-term economic growth.
- The Town of Caledon's approved Strategic Plan 2023 – 2035 includes the creation of a business services hub at the Humber River Centre to support Community Vitality and Livability.
- Staff recommend initiating a partnership strategy with the Caledon Chamber of Commerce to support the re-establishment of the organization and undertake joint business support service delivery at the Humber River Centre.
- The purpose of this report is to seek Council approval of financial impacts associated with undertaking partnership strategy initiatives, including the Humber River Centre Lease Agreement and Chamber Service Level Agreement.

DISCUSSION

Background

The Caledon Chamber of Commerce is an important community partner in Caledon's ecosystem of economic development service providers. The Chamber was re-established in 2021, and provides business support services, networking opportunities, and undertakes advocacy efforts on behalf of the business community. This service delivery



addresses a gap in the existing ecosystem and complements Town-led services and initiatives identified in the Economic Development Strategy and the Corporate Strategic Plan in support of long-term economic growth.

The Chamber of Commerce is a not-for-profit organization, led by a dedicated group of local volunteers. As the organization is in early stages of rebuilding, funding is limited and financial constraints have been identified as a barrier for growth by the Chamber and an area requiring Town support.

Humber River Centre

The Town of Caledon's Strategic Plan identifies the creation of a business services hub at the Humber River Centre to support the growth of a thriving local economy. This aligns with priorities identified in the Economic Development Strategy to support the growth of an entrepreneurial and small business economy to generate knowledge-based employment and key sector cluster development.

The vision for the facility includes creating access to local business support services offered by ecosystem partners in collaboration with the Business Attraction and Investment Division. This will include landing space for new companies to start and grow in the community through a network of specialized community partner supports.

Facility renovations are planned for completion in early September 2023, with a facility opening planned for mid-October in celebration of Small Business Week. The total gross floor area of the building is approximately 10,000 square feet, which includes approximately 5,000 square feet of programming and activation space split between the ground floor gathering space and the second floor business services hub

Chamber of Commerce Partnership Strategy

A Caledon Chamber of Commerce Partnership Strategy has been developed to support the Chamber's re-establishment in the community and formalize a joint approach to service delivery at the Humber River Centre for the benefit of the local economy. This will comprise a two-year lease agreement for dedicated office space and a separate Service Level Agreement to define business service commitments executed by the Chamber and supported through the Economic Development approved CBiz Expense budget.

Chamber of Commerce Office Space at the Humber River Centre

Ground floor office space allocated to the Caledon Chamber of Commerce will total approximately 250 square feet. The office will include dedicated key access from the main lobby and exterior of the building and will be furnished by the Town of Caledon. Office lease rates will include facility utilities and wi-fi access and will not include computer hardware or related office technology devices.

Staff propose the Town enter into a two-year lease agreement for the use of dedicated office space and include a graduated fee structure to accommodate identified Chamber financial constraints. Staff recommend Council waive a portion of the per square-foot lease

rate annually to support the organization as it builds membership and expands in organizational capacity over the next two years.

Proposed per square foot lease rates have been developed in collaboration with Realty Services staff and are based on a review of comparables in Downtown Bolton. The estimated per square foot lease rate is consistent with not-for-profit rates approved in the Town of Caledon 2023 User Fees By-law.

Graduated Fee Structure

Year	Per sq. ft. lease rate	Portion of fees waived	Total sq.ft. lease rate	Chamber Annual Lease	Lease Revenue Waived
1	\$30	50%	\$15	\$3,750	\$3,750
2	\$30	25%	\$22.50	\$5,625	\$1,875

Service Delivery Agreement: Business Support Services

The Partnership Strategy will also include a Service Level Agreement (SLA) to formalize joint business support service delivery at the Humber River Centre. The SLA will leverage Town approved Economic Development budget and Chamber resources to deliver high quality support services, trainings, and events to meet the needs of the local business community.

Staff will provide an update on defined service level commitments, key deliverables formalized through the SLA, and major partnership strategy outcomes through the Annual Economic Development Report to Council. It is recommended that an annual total of up to \$10,000 be allocated to the SLA through the approved Economic Development operating budget. Annual SLA budget totals will reflect a formalized plan for joint service delivery between the Town and Chamber.

FINANCIAL IMPLICATIONS

Financial impacts of the Partnership Strategy total approximately \$30,625 over two calendar years and include foregone office lease revenue and operational costs of \$10,625 as well as an expense of a maximum of \$20,000 from Economic Development budget allocation assigned to the Service Level Agreement.

Office Lease Impacts

The waived lease revenue along with facility operational costs total \$10,625. Estimated Humber River Centre operating costs total approximately \$100,000 per year and exclude long-term capital maintenance costs. Financial impacts summarized below are calculated to reflect 250 square feet of office space to be utilized by the Chamber:

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Cost	Year	Financial impact
Facility operational costs (250 sq.ft.)	1	\$2,500
	2	\$2,500
Waived lease revenue	1	\$3,750
	2	\$1,875
Total		\$10,625

Service Level Agreement Impacts

The two-year Service Level Agreement also includes an allocation of up to \$10,000 from the Town's approved Economic Development CBiz budget to the Caledon Chamber of Commerce each year.

COUNCIL WORK PLAN

Community Vitality and Livability
Service Excellence and Accountability

ATTACHMENTS

None