



SUBJECT: Advancing a Municipal Development Corporation

TO: Community Planning, Regulation & Mobility Cttee.

FROM: City Manager's Office

Report Number: CM-29-20

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: October 6, 2020

Date to Council: October 19, 2020

Recommendation:

Receive and file Appendix A of city manager's office report CM-29-20 - report of urbanMetrics - Burlington MDC Review & Strategic Real Estate Analysis (distributed under separate cover); and

With respect to Appendix B of city manager's office report CM-29-20 - report on Strategic Land Priorities and Business Model Framework Options:

Direct the City Manager to proceed as follows to affirm and enable the City of Burlington's focus on strategic lands related to the following key priorities:

- maximize business development opportunities and advance future economic growth and job creation.
 - implement major city building projects that enhance the quality of life for all citizens.
 - deliver increased supply of affordable housing through proactive long-term strategies and innovative partnerships.
1. Establish in principle a new corporate structure for a Burlington Lands Partnership (BLP) including consideration and approval by City Council of a comprehensive terms of reference, governance and decision-making framework, operating model including financial plan, 2021/2022 Proposed Business Plan including strategic goals and key performance indicators and communications plan.
 2. Include for consideration by Council in the proposed 2021 Operating Budgets a detailed business case for a one-time funding provision of \$250,000 to support

the Year 1 operation of the Burlington Lands Partnership including, but not limited to, external service due diligence service providers (e.g. Strategic Land economic analysis, professional services – architectural/urban design, engineering, legal, financial/fiscal impact etc.). Proposed one-time BLP Funding for 2022 to be considered based on future consideration of status report in Q4 2021 with separate business case as required.

3. Report back to Council, in Q3 2022, with a status update on the Burlington Lands Partnership including overall Business Plan performance, detailed financial report including both operating and capital budget related and recommendations for future consideration Strategic Land management options; and

Direct the City Manager to engage further with the Burlington Economic Development Corporation and key City staff in the development of the Burlington Lands Partnership Terms of Reference and the Proposed 2021/2022 Business Plan and report back for Council consideration and approval in December 2020.

PURPOSE:

Vision to Focus Alignment:

- Increase economic prosperity and community responsive city growth
- Support sustainable infrastructure and a resilient environment

This report serves primarily as a transmittal report bringing to Committee the following:

Appendix A – Burlington Municipal Development Corporation (MDC) Review & Strategic Real Estate Analysis by urbanMetrics

Appendix B – City Manager PPT report on Strategic Land Priorities and Business Model Framework Options

Background and Discussion:

Council approved 2018-2022 Burlington's Plan from Vision to Focus.

Contained within this plan is Focus Area 1: Increasing Economic Prosperity and Community Responsive Growth.

Key Actions: Work with Burlington Economic Development Corporation to create and implement strategies to focus on:

1. Creating jobs and achieving long term economic vision for the City of Burlington
2. Reducing commercial and industrial office vacancies and reducing barriers in attracting Businesses
 - Developing attraction and retention strategies for knowledge-based/technology-intensive industries
 - Developing and implement a Retail Strategy
 - Supporting small business and tech incubators
 - Assess the use of one or more Community Improvement Plans including options for incentive programs for business development
 - Remove constraints on availability of employment lands
 - Develop a plan to activate key parcels of vacant employment lands and facilitate vacant employment lands being shovel ready

In addition to the above approved Council direction in Vision to Focus the following Mayor's Report was approved at Council July 15, 2019 MO-04-19 containing the following recommendations:

1. Authorize the issuance of a Request for Proposal to an upset limit of \$100,000 from Strategic Planning Reserve Fund to review and report back to council by December 2019 a. on the efficiency, effectiveness and optimal structure of the Burlington Economic Development Corporation and TechPlace in achieving the city's business attraction and retention goals, including but not limited to bringing BEDC in-house under the City Manager; and b. Review the opportunities and optimal structure of a Municipal Development Corporation in achieving the city's business attraction and retention goals; incorporate any changes in economic development functions arising from the provincial Regional Review, the results of which are expected in November 2019; and
2. Authorize the Mayor and City Manager to form a steering committee to develop the terms of reference, oversee the work of the consultant(s) and engage council and the BEDC/TechPlace staff & board in the process, with representation on the steering committee from: Mayor's Office, City Manager's office, Capital Works, Planning, Legal, and Finance departments, BEDC/TechPlace staff & board, Regional Economic Development department, Ward 5 Councillor appointee on BEDC Board, Ward 1 Councillor, co-chair of Red Tape Red Carpet initiative.
3. Include this strategic initiative in the Council Workplan as a priority time-dated action item under the City Manager.

Strategy/process

An RFP was awarded December 2019 to MDB Insights led by the Executive Vice-President Lauren Millier and to urbanMetrics with Partner Rowan Faludi. The consultant worked through a Steering Committee to complete the work outlined in the RFP and also engaged the Board of Directors for BEDC and City staff.

The consultant's report has been presented to the project Steering Committee and is attached as Appendix A to report CM-29-20.

A workshop facilitated by the urbanMetrics was held on July 14, 2020 with Council, the Burlington Leadership Team, BEDC and key city staff. The following key points of agreement resulted from the workshop and were used by urbanMetrics in preparing their final report.

Key Points of Agreement:

- Burlington needs to expand its strategic real estate capacity and/or capabilities
- A dedicated real estate entity would be beneficial for Burlington
- The MDC needs to be flexible enough to address multiple issues

Based on the workshop outcomes and notwithstanding the significant work completed on the merits of an MDC, following the July 14th workshop, Council did direct the City Manager to present a report on feasible options for moving forward at this time with a business model framework for the pursuing and managing strategic land opportunities. Appendix B provides the City Managers report in a presentation format for consideration and approval by Committee. The options and recommendations outlined in this transmittal report are extracted directly from Appendix B

Options Considered

Business Model Framework Options

1. *New Municipal Development Corporation (MDC)*
2. *New Burlington Lands Partnership (BLP)*
3. Internal COB Strategic Lands Project Team
4. Hybrid: Build strategic land management capacity and expertise and re-consider need for MDC in 2 years

Please see Appendix B for the details of each of the above options considered.

Financial Matters:

Total Financial Impact

Staff will prepare for Council's consideration as part of the proposed 2021 Operating Budgets, a detailed business case for a one-time funding provision of \$250,000 related to the recommended option – Establishment of the new Burlington Land Partnership structure.

Climate Implications

Not Applicable

Engagement Matters:

The project Steering committee was made up of Council Members, the Mayor, BEDC Board Chair, BEDC Executive Director, City Manager and City Manager staff. In addition to this City Staff, TechPlace Staff, Council and BEDC Board members and Burlington Businesses participated in consultations, interviews, workshops and various other project engagement.

Conclusion:

Staff recommend the adoption of the recommendations contained within city manager's office report CM-29-20.

Respectfully submitted,

Tim Commisso

City Manager

Ext. 7608

Appendices:

- A. Burlington MDC Review & Strategic Real Estate Analysis by urbanMetrics (to be distributed under sperate cover)
- B. City Manager Report – Advancing a Municipal Development Corporation Strategic Land Priorities and Business Model Framework Options

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council.