

AC/
Windsor, Ontario, July 6, 2011

A meeting of the **Economic Development Standing Committee** is held this day commencing at 4:30 o'clock p.m. in Council Chambers there being present the following members:

Members Present

Councillor Dilkens, Chair (arrives at 4:40pm)
Councillor Sleiman
Councillor Valentinis
Councillor Payne
Councillor Marra

Members Absent

None

Also present are the following from Administration:

H. Reidel, Chief Administrative Officer
G. Wilkki, City Solicitor
T. Hunt, City Planner
J. Calhoun, Heritage Planner
M. Palanacki, Executive Director Operations
J. Guthrie, Deputy Treasurer, Taxation and Financial Projects
G. Atkinson, Planner III Economic Development
A. Sleziak, Customer Service Supervisor
A. Ciacelli, Council Assistant

Delegations:

Dr. Alfie Morgan
Jim Williams
Avril Farlarn
Joe Udzbinac

1. Call to Order

Councillor Payne assumes the position of chair temporarily as Councillor Dilkens has been delayed. He calls the meeting of the Economic Development Standing Committee to order at 4:30 o'clock p.m.

2. Disclosure of Pecuniary Interest and the General Nature Thereof

Councillor Marra discloses an interest and abstains from voting on Item 2 as his son is working with the research department of the University of Windsor.

Councillor Payne discloses an interest and abstains from voting on Item I due to his involvement in the BUHDAG application to quash certain By-laws related to the boarded up houses west of the Ambassador Bridge

3. **Requests for Deferrals, Referrals or Withdrawals**

None.

4. **Adoption of Minutes**

Moved by Councillor Sleiman, seconded by Councillor Valentinis
That the minutes of the meeting of the Economic Development Standing Committee held on June I, 2011
BE ADOPTED as presented.
Carried.

5. **Presentations & Delegations**

Small Business Advisory Panel Report No. 3 & No. 4

Dr. Alfie Morgan appears before the Economic Development Standing Committee to answer any questions concerning the Small Business Advisory Panel Report No. 3 & No. 4.

6. **Business Items**

Councillor Payne discloses an interest and abstains from voting on Item I due to his involvement in the BUHDAG application to quash certain By-laws related to the boarded up houses west of the Ambassador Bridge

Item 1 Proposed Partial Demolition, R.E. Holmes House, 2072 Willistead Crescent

Moved by Councillor Valentinis, seconded by Councillor Marra
EDSCS/11 That the report from the Heritage Planner entitled "Proposed Partial Demolition, R.E. Holmes House, 2072 Willistead Crescent **BE APPROVED.**
Carried.

Councillor Marra discloses an interest and abstains from voting on Item 2 as his son is working with the research department of the University of Windsor

Item 2 Application by Tessonics Holding Corp. for Financial Incentives Under the Economic Revitalization Community Improvement Plan.

Members of the Tessonics Holding Corp. provide information about the history, products and background of the organization including the type of medical and research work they provide currently, as well as their request for support to move into the downtown area specifically the Wyandotte and Ouellette location. They are planning extensive upgrades to the exterior and interior of this location.

Councillor Sleiman welcomes the group to the area and inquires as to the current size of facility that the firm occupies, and whether they are planning to add positions to their workforce as a result of this move.

Mr. Udzbina, Tessonics Holding Corp., states that their current facility is 3000 square feet, and they will be moving into a space that is approximately 8000 square feet. Tessonics Holding Corp. plans to add 10-20 workers to their workforce complement in the coming years.

Councillor Sleiman inquires as to the number of parking spaces requested, and whether they are for employees or customers.

Mr. Udzbina indicates they are requesting the parking spots due to future expansion possibilities and visits from customers as well as high level executives who may frequent the facility.

Councillor Payne requests some examples of the type of work that Tessonics Holding Corp. undertakes, in addition to whether this location will conduct research as well as manufacturing services.

Mr. Udzbina indicates that Tessonics Holding Corp. research and manufactures several types of products which provide customers with more time/cost saving alternatives including new ultrasound technology adapted to industrial applications. These products provide high level technology alternatives to current products that are available. Tessonics also provides support to the medical research and technology field, with several new products being introduced which will be manufactured at the new site.

Councillor Payne inquires as to the market area the company currently serves.

Mr. Udzbina indicates that Tessonics currently provide products/services anywhere where automotive parts are produced. They currently export to Mexico, Europe, United Kingdom, Japan, Brazil, China, and in the future will be including Korea and India as well.

Councillor Valentinis inquires as to the type and location of parking spots requested by the company and whether retrofitting or expansion of the building is in the current plans.

Mr. Udzbina indicates the company is impartial with the location of the spots but would prefer that they are close to the facility either in surface lots or a parking garage. He states that currently they will be retrofitting the existing building with future plans of expansion either into the parking lot or by adding levels to the existing building. Keeping in mind that their intention is not to diminish the current number of parking spaces that are available on site.

Councillor Valentinis inquires to administration the availability of parking spots in the area.

M. Palanacki, Executive Director, Operations states there is availability in most of the parking lots in the area, and that the number of parking spots requested by Tessonics can be accommodated in the City lots and surrounding garages.

Councillor Valentinis inquires whether administration is aware of the vacancy rate in the downtown area, due to the request in the report possibly setting a precedent with other firms requesting the vacancy rebate percentage.

J. Guthrie, indicates she doesn't have that information with her today but will provide it to the members.

T. Hunt indicates according to the retail urban metric study which was completed in 2009, the retail vacancy rate is just under 25% at the time, which doesn't include the office space.

Councillor Sleiman welcomes the addition to downtown and adds that the venture will support the six pillars, and diversify the area as indicated which will benefit the City as a whole.

Councillor Valentinis comments that although this venture would diversify the downtown area, creating a catalyst for the area, and the aspect of technology would be a great addition to the downtown, but will not support the motion at this time. He states that the precedent it might set regarding the parking spaces and the vacancy rebate as the base for calculating incentives. Councillor Valentinis adds he would like the request to be debated in full Council.

Moved by Councillor Sleiman, seconded by Councillor Payne

EDSC6/II That the request by Tessonics Holding Corp. under the Small Business Investment Grant Program **BE APPROVED** for 100% of the municipal portion of the tax increment for up to ten years pursuant to the City of Windsor Economic Revitalization Community Improvement Plan;

II. THAT the City staff **BE AUTHORIZED** to account for the vacancy tax rebate in the calculation of the base municipal taxes;

III. THAT the City Planner **BE AUTHORIZED** to approve any proposed building facade work at 597 Ouellette Avenue as a condition of the Small Business Investment Grant approval;

IV. THAT staff **BE DIRECTED** to prepare an agreement to implement the Small Business Investment Grant Program in accordance with all applicable policies, requirements, and provisions contained within the Economic Revitalization Community Improvement Plan to the satisfaction of the City Planner as to content, the City Solicitor as to legal form, and the CFO/City Treasurer as to financial implications;

V. THAT the CAO and City Clerk **BE AUTHORIZED** to sign the Small Business Investment Grant Agreement;

VI. THAT the request by Tessonics Holding Corp. for the provision of 25 off-site parking spaces within a municipal parking facility or lot in the vicinity of 597 Ouellette Avenue **BE APPROVED** for up to 10 years under the Small Business Investment Grant Program. Specifically, that 15 parking spaces be provided at the commencement of the approved Small Business Investment Grant Program and 10 additional spaces be provided upon demonstration by Tessonics Holding Corp., satisfactory to the City Planner and City Engineer, that future business expansion warrants the additional spaces; and

VII. THAT the CAO and City Clerk **BE AUTHORIZED** to sign the a lease agreement to provide up to 25 City-owned parking spaces at no cost to Tessonics Holding Corp., which is satisfactory to the Director of Operations as to content, the City Solicitor as to legal form, and the CFO/City Treasurer as to financial implications.

Carried.

Councillor Valentinis voting nay.

7. **COMMITTEE REPORTS**

Small Business Advisory Panel Report No. 3 of its meeting held February 8, 2011

Moved by Councillor Sleiman, seconded by Councillor Marra

EDSC7/11 That the comments provided by the Windsor Small Business Advisory Panel Progress Report to City Council dated January 27, 2011 **BE FORWARDED** to City Council for information purposes ***attached*** as Appendix "A" and further that the Mandate and Terms of Reference pertaining to the Windsor Small Business Advisory Panel **BE INCLUDED** for information purposes ***attached*** as Appendix "B".

Carried.

NOTE: Progress Report to City Council dated January 27, 2011 is ***attached*** as Appendix "A"

NOTE: Windsor Small Business Advisory Panel Mandate and Terms of Reference dated January 12, 2009 and Report of Small Business Coordinator dated November 24, 2010 is ***attached*** as Appendix "B"

Small Business Advisory Panel Report No. 4 of its meeting held February 8, 2011

Councillor Sleiman requests that the Small Business Advisory Committee meet quarterly as suggested by the report approved by Council regarding the ABC Governance Review, as several other committees have agreed to do.

Dr. Morgan, member of the Small Business Advisory Panel indicates due to rapidly changing economic times, and unpredictable economy relating to pressing issues, it may be necessary for the Small Business Advisory Panel to meet more often than the suggested quarterly period.

Councillor Sleiman comments that many other committees who wish to meet on their own more frequently instead of the quarterly norm, have the approval of Council to do so, although it wouldn't be supported by the Committee coordinator or other City staff. He also notes that although several other committees have requested to have support for monthly meetings, they have agreed to meet quarterly.

H. Reidel, Chief Administrative Officer indicates the Small Business Advisory Panel may continue to meet on their own informally, there will be no administrative support by the City provided during those meetings and therefore no recorded official document will exist. There wouldn't be any procedural formalities in effect since there is only one member of Council who sits on this advisory Committee. Whatever items/issues that are discussed during this informal meeting would need to be consolidated and formalized during a quarterly meeting of the Small Business Advisory Panel supported by City administration in order to move forward to the Economic Development Standing Committee.

Councillor Marra states that moving forward with the new Executive model there will be some unique circumstances which may exist and which may have merit and should be afforded the opportunity to have the administrative support that is required. This should be determined on a case by case basis, taking into consideration the type of issues being discussed including whether time constraints may be a concern.

Moved by Councillor Marra, seconded by Councillor Valentinis

EDSCS/11 That in view of the fact that the Small Business Advisory Panel meets regularly and discusses and reacts to the continuous change of the business scene, may it **BE RECOGNIZED** that it is appropriate to meet as frequently as deemed necessary;

Whereas, it is necessary to capture the issues facing small business in real time and prepare recommendations to City Council, so that City Council may also respond in real time;

The Committee proposes that it **BE SUPPORTED** to continue to meet once a month and **BE NOTED** that it is also involved in ongoing exchange with Administration and the small business community and in view of the Terms of Reference guiding this Panel, attached as Appendix c'A", it is not just an Advisory Panel capacity.

Carried.

Councillor Dilkens requests nominations for the position of Vice Chairperson of the Economic Development Standing Committee. Councillor Valentinis nominates Councillor Payne for the position of Vice Chairperson of the Economic Development Standing Committee.

Moved by Councillor Valentinis, seconded by Councillor Sleiman

That Councillor Payne **BE ELECTED** to the position of Vice Chairperson of the Economic Development Standing Committee.

Carried.

8. **ADJOURNMENT**

There being no further business the meeting is adjourned at 5:15 o'clock p.m.

CHAIRPERSON

IL **SECRETARIAT**