

DATE: April 13, 2026

REPORT NO: PD-07-2026

SUBJECT: **Recommendation Report**
Budget Amendment – Economic Development Plan

CONTACT: Gerrit Boerema, Director, Growth and Sustainability

OVERVIEW:

- In 2025 Administration applied for a grant to the Rural Ontario Development (ROD) Grant to create an economic development plan for the Township.
- The Provincial ROD program has replaced the Rural Economic Development (RED) program and provides cost-share funding that help rural communities with economic development related projects.
- The Township was successful in this program and has been awarded half of the project costs, up to a maximum of \$40,000.00
- In the Township’s 10 year capital forecast, an economic development plan was scheduled for 2027 with a total budget of \$85,000.00.
- To utilize the available funding, this project needs to start in 2026 and therefore a budget amendment is required to move the Economic Development Plan project (Project 175) from 2027 to 2026.
- As this grant will cover half of the costs, the Township costs will be a maximum of \$45,000.00.

RECOMMENDATION:

1. That Recommendation Report PD-07-2026 titled “Budget Amendment, Economic Development Plan”, dated April 13th, 2026, be received; and,
2. That Committee and Council approve a budget amendment to transfer up to \$45,000.00 from the Planning Reserve and from the Development Charge Reserve to fund the balance of the Economic Development Plan Project.

ALIGNMENT TO STRATEGIC PLAN:

Theme #

- **Champion Strategic and Responsible Growth**
- **Enrich our Strong Agricultural Legacy**

BACKGROUND:

In the Township's current 10 year capital plan, there are two projects related to the development of economic development strategies. In 2027 there is the Economic Development Master Plan – Industrial Park (Project 175) for budgeted at \$85,000, and in 2030 there is the Agricultural/Agri-tourism Opportunities, Climate Impact Assessment/Agricultural CIP Project (Project 1057) with a project budget of \$100,000.

The Township's Strategic Plan contains a number of key strategies which are related to the development of an Economic Development Strategy which include:

- readying the Township for Strategic growth,
- facilitate the development of urban and rural employment parks
- create strategies to support agricultural operations and growth, including value-added agricultural activities
- Undertake feasibility work for growth and innovation within the agricultural sector

In 2025 through Strong Mayor Directive 2025-04, the Mayor directed administration to establish a Mayoral Task Force to conduct preliminary research into an Economic Development Initiative for the Township, which to date has conducted a number of round-table sessions with local business.

CURRENT SITUATION:

In the fall of 2025, Administration applied under the Provincial Rural Ontario Development program for \$40,000 to help fund the creation of an Economic Development Strategy for the Township. The ROD Program replaces the former Rural Economic Development (RED) program and provides cost sharing for projects that help rural communities with the following:

- Address barriers and build capacity for economic development
- To attract, retain and expand businesses
- Attract and retain investment and jobs
- Strengthen regional partnerships and economic resilience
- Address workforce development challenges
- Transform community assets to drive economic development

The project that was applied for will cover both Economic Development strategies for both the Agricultural/Rural areas of the Township, as well as the settlement areas. This project will focus on attracting new employment uses to both the Smithville and Fulton Employment Parks, as well as advance new opportunities for agri-tourism and on-farm diversified uses in the agricultural area. This project will also offer ways to retain and grow existing businesses through reducing unnecessary red tape and streamlining approval processes.

The Township was successful in obtaining this cost share funding, however, this requires a

budget amendment to bring forward the Economic Development project from 2027 to 2026, as it is a requirement of the grant to start the project in 2026.

FINANCIAL IMPLICATIONS:

Administration is recommending to move the Economic Development Master Plan – Industrial Park (Project 175), budgeted at \$85,000 from 2027 to 2026. This project is currently funded through the planning reserve (\$46,750) and Development Charges (\$38,250).

The successful ROD grant will provide a savings to the Township of up to \$40,000, depending on the total cost of the project.

This will result in a required Budget amendment where \$45,000 is required from the Planning reserve and from the Development Charges Reserve. The Township has had discussions with our Development Charge consultant to determine the amount that will come from the Planning reserve versus the development charge reserve. Project 175 is currently funded 45% through DC's and 55% through the Planning Reserve. The resulting split, accounting for the DC's, would result in \$20,250 coming from DC funding and \$24,750 from the planning reserve.

INTER-DEPARTMENTAL COMMENTS:

This report has been reviewed by the Acting Director of Corporate Services and Deputy CFO. This report has also been reviewed by the Clerk/LLS Department, which has played an important role in securing this grant and advancing economic development related priorities.

CONCLUSION:

Administration is recommending that Committee and Council support a Budget Amendment to advance the Economic Development Plan project from 2027 to 2026, to utilize approved grant funding.

ATTACHMENTS:

1. Draft Terms of Reference for Economic Development Plan

Prepared & Submitted by:

Approved by:

Gerrit Boerema
Director, Growth and Sustainability

Truper McBride
CAO