



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Richard AI, Clerk/Manager of IT
DATE: 08/08/2017
SUBJECT: Rural Economic Development Program Application for Hotel Feasibility Study
ATTACHMENTS: RED4-8059 Letter of Approval, Insurance Requirements Sample, NH RED Information

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receives the August 8th, 2017 report of the Clerk/Manager of IT regarding conditional approval of the Rural Economic Development program application for a Hotel Feasibility Study in Blyth, for information purposes;

AND FURTHER THAT the Clerk be directed to prepare an authorizing by-law to sign a Contribution Agreement with the Province of Ontario, to be included for signing at a future Council Meeting once said agreement is received.

EXECUTIVE SUMMARY

Blyth's recognition as a tourist destination continues to grow however accommodations to support large numbers of visitors can sometimes pose a challenge for the area. Earlier this year, Council endorsed the submission of an application to the Rural Economic Development (RED) program for funding to be used for a hotel feasibility study in Blyth.

DISCUSSION

Staff recently received notice from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) indicating that this funding application has been conditionally approved.

A letter outlining details of the conditional approval indicates that OMAFRA will contribute 50% funding to this project which equates to \$7,500.00 of the total \$15,000.00 project estimate. The remaining 50% (\$7,500.00) is split two ways with 25% (\$3,750.00) to be contributed by the Blyth BIA and 25% (\$3,750.00) to be contributed by the Township of North Huron.

Funds to support the Township's contribution to this project were approved by Council in the 2017 Budget and allocated in the Economic Development Department Budget.

The Blyth BIA held a meeting on August 2nd, 2017 during which the BIA's contribution to the study was discussed. Members of the Blyth BIA Board of Management passed a resolution confirming their contribution to the project as well.

The letter of approval indicates that after staff have reviewed the items in table 1 to 4, revising as necessary, the letter is then to be returned to OMAFRA to proceed with the completion of a Contribution Agreement. A by-law to authorize the signing of the Contribution Agreement will be required however at this time it is unclear when the agreement will be received. In an effort to streamline the process and ensure that strict timelines can be met, it is recommended that Council

authorize the Clerk to draft an authorizing by-law to be presented for signing at the next available Council meeting after the agreement documentation is received.

FINANCIAL IMPACT

This project has been calculated at cost of \$15,000.00. The Township's contribution requirement of 25% of that cost equates to \$3,750.00.

The funds necessary to support the Township's contribution of \$3,750.00 to this project were approved by Council in the 2017 Budget and allocated in the Economic Development Department Budget.

FUTURE CONSIDERATIONS

The intention of this study is to review current accommodation options and identify the need for additional options to support tourism in Blyth as it continues to grow as a destination. Ultimately this study should provide all parties involved with an assessment of the demand for, and feasibility of, hotel accommodations in Blyth.

If there is a need for hotel accommodations identified by this study, the study itself could serve as a crucial tool in attracting a provider of this service to Blyth, potentially creating jobs and adding to the economic prosperity of the area.

RELATIONSHIP TO STRATEGIC PLAN

Goal# 1 – Our community is attractive and welcoming to new businesses and residents.

Goal# 4 – Our administration is fiscally responsible and strives for operational excellence.



Richard Al, Clerk/Manager of IT



Larry McGregor,
Interim CAO/Director of Public Works