



City of
Peterborough

To: Members of the Peterborough Regional Liaison Committee

From: Richard Freymond
Commissioner of Corporate and Legislative Services

Meeting Date: October 14, 2021

Subject: Report CLSFSPRLC21-001
Peterborough & Kawartha Economic Development (PKED)
Draft 2022 Budget and 2022 Business Plan

Purpose

A report to inform the Peterborough Regional Liaison Committee that the draft 2022 Budget and Business Plan of Peterborough and the Kawarthas Economic Development will be reviewed on Thursday, October 14, 2021.

Recommendations

That the Peterborough Regional Liaison Committee approve the recommendations outlined in report CLSFSPRLC21-001, dated October 14, 2021, of the Commissioner of Corporate and Legislative Services, as follows:

- a) That the presentation to the October 14, 2021 Peterborough Regional Liaison Committee by Peterborough & the Kawarthas Economic Development, be received; and
- b) That the Peterborough Regional Liaison Committee endorse the draft 2022 Peterborough & Kawartha Economic Development Budget, as set out in Appendix A to report CLSFSPRLC21-001, together with the accompanying 2022 Business Plan as set out in Appendix B and recommend to City and County Council for consideration during their respective 2022 Budget discussions.

Budget and Financial Implications

The annual net costs to undertake Core Economic Development Activities is allocated to the City and County based upon their proportionate share of total combined permanent population, as established by the latest available official census. The City's share is 58.62% (2021 – 58.62%) and County 41.38% (2021 – 41.38%).

Overall, the requested municipal share of expenses that represents core funding has increased 1.5% from 2021 levels. For the City \$1,014,775 (\$999,778 in 2021) and for the County \$716,332 (\$705,746 in 2021).

The Municipal Accommodation Tax is collected from the transient accommodation providers in the City. The revenue generated by the MAT is shared equally between PKED and the City. It is anticipated that 2022 revenue for MAT will increase, but due to the uncertainty caused by the pandemic, the revenue estimate for 2022 has been held at a conservative amount of \$350,000 (\$175,000 City, \$175,000 PKED). PKED will continue to explore additional funding opportunities to leverage the core and MAT funding received to deliver Tourism programming.

In addition, PKED receives provincial funding to operate the Small Business Advisory Centre which includes core funding as well as funding for the Summer Company and Starter Company Plus programming. In 2022 this amount is unchanged at \$210,385.

The unpredictability of additional external funding programs through the province and federal governments has put some PKED programs at risk. Over the course of the last five years, PKED has secured, on average, an additional \$200,000 each year to supplement core funding. It is anticipated that funding can be secured for 2022 programming. For the 2022 budget a new line called "Offsetting Revenue" has been added to reflect additional revenue needed to complete the proposed programming. Projects have been identified that will advance should PKED be successful in obtaining additional revenue. If no additional funding source is secured, those projects will be deferred.

Funding requests for Sustainable Peterborough are in the amount of \$40,000 from each of the City and County.

Background

PKED staff will be available at the October 14, 2021 Peterborough Regional Liaison Committee to answer questions the Committee members may have.

Funding received by PKED is used for:

- Commercial Rent
- Staffing
- Promoting the destination for visitation and investment
- Business Development including business retention and expansion as well as investment attraction activities.

- Business Advisory Centre Services for entrepreneurship
- Tourism, including destination development, product development and visitor services Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachments:

Appendix A - Draft 2022 Budget for PKED
Appendix B - 2022 Business Plan