

Request for Decision

Title	Villeneuve Landing Network Business Development and Jobs Creation Centre – Request for Funding Approval
Proposed Motion	That Council approve \$131,090 from the General Operating Reserve for construction and furnishing, and \$36,500 annually for 2023-2027 from tax revenue for leasing costs of the Villeneuve Landing Network Business Development and Jobs Creation Centre at the Villeneuve Airport.
Administrative Recommendation	That Council approve funding to move forward with the development of the Villeneuve Landing Network Business Development and Jobs Creation Centre.
Previous Council / Committee Direction	<p><u>June 14, 2022 Regular Council Meeting</u> Motion 238/2022: That Council authorize Option 1 of the confidential Request for Decision of item 6.2 of the June 14, 2022 Council Meeting Agenda.</p> <p><u>May 24, 2022 Regular Council Meeting</u> Motion 209/22: That Council direct Administration to take action as provided in Option 3 of the confidential Request for Decision of item 6.2 of the May 24, 2022 Regular Council Meeting Agenda.</p> <p><u>December 14, 2021 Regular Council Meeting</u> Motion 564/21: That Council direct Administration to take action as provided in the confidential Request for Decision of item D.17 of the December 14, 2021 Council Meeting Agenda.</p> <p><u>September 14, 2021 Regular Council Meeting:</u> Motion 469/21: That Council direct Administration to take action as recommended in the confidential Request for Decision of item D.10 of the September 14, 2021 Council Meeting Agenda.</p> <p><u>August 24, 2021 Regular Council Meeting:</u> Motion 427/21: That Council direct Administration to take action as indicated in the confidential Request for Decision of item D.5 of the August 24, 2021 Council Meeting Agenda.</p>

March 9, 2021 Regular Council Meeting:

Motion 144/21: That Council authorize Administration to issue an Expression of Interest (EOI) for private building owners to offer mid-term leased space at the Villeneuve Airport, for the purpose of supporting new business in the municipality and inclusive of approximately 6,000 square feet to be improved for investor meeting space, coordination of municipal services to the airport, public events, basic office requirements, business incubation tenant sub-lease area, and complementary furnishings and design; that Council authorize Administration to review the results of the Expression of Interest (EOI) for mid-term leased space at the Villeneuve Airport and report back to Council on the potential location(s) and consideration of a subsequent procurement process to secure a location and confirm the capital and operating cost structure, provincial grant allocation, and ongoing municipal budget requirement; and that the Request for Decision of item D.12 of the March 9, 2021 Council meeting agenda remain confidential in accordance with section 24 (advice from officials) and section 25 (disclosure harmful to economic or other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

Report Background Information

- Administration applied for and received a **\$285,000** grant from the Municipal Stimulus Program under a “Villeneuve Landing Network Business Development and Jobs Creation Centre” application. The grant must be expended by December 31, 2022.
- In March 2021, Council directed Administration to issue an Expression of Interest (EOI) for private building owners to offer mid-term leased space at the Villeneuve Airport for the purposes of:
 - Supporting new business in the municipality;
 - Providing for investor meeting space and coordination of municipal services to the airport;
 - Space to hold public events; and/or
 - Business incubation tenant sub-lease space.
- The EOI was issued, and there was one response received from Energy Efficient Homes, which owns space at the Villeneuve Airport.
- Administration has worked with the owner of the space on the development of an agreed upon concept design. The proposed space will include a boardroom and two office spaces for Sturgeon County, with the remainder of the space being available for subleasing opportunities in support of business incubation.
- The intent of the location is to develop a business innovation centre, where potential investors could meet with elected officials and Sturgeon County staff to discuss potential opportunities as proposed in the Villeneuve Airport Area Master Plan (VAAMP).
- Due to rising construction prices, proposed renovations are now estimated at \$450,000 based on completed engineering drawings. As

such, the MSP grant will not cover the full cost of renovations to the proposed location.

- The landlord has indicated that they are willing to absorb 50% of the construction costs (beyond the MSP Grant) on a 5-year lease.

Cost Summary – 5 Year Lease

Item	Grant Allocation	Landlord Contribution	County Contribution	Total Project Costs
TOTAL COSTS	*\$285,000	*\$91,091	\$313,590	\$689,681

Notes:

- The landlord contribution of \$91,091 is a 50% split of additional costs (\$182,000) above the grant funding required to complete construction.
- Additional furnishing costs (e.g., tables, desks, chairs, AV equipment) are estimated at \$40,000.
- Annual lease costs are anticipated at \$60,500 plus triple net operating costs of \$28,800 for a total of \$89,300. After sub-leasing considerations, an annual net cost of \$36,500 plus electrical, incidentals and internet is anticipated.

External Communication

The public will be aware of this matter through coverage of the Council meeting.

Relevant Policy/Legislation/Practices:

- Municipal Stimulus Program criteria
- Sturgeon County Procurement Policy

Implication of Administrative Recommendation

Strategic Alignment:

Planned Growth and Prosperity - A strong presence at Villeneuve Airport will support growth and focus on the airport activities and investment potential of surrounding lands.

Financial:

The County will provide \$131,090 towards construction and furnishing from the General Operating reserve. The 2023-2027 annual lease costs in the amount of \$36,500 would be tax funded.

Alternatives Considered

Council could choose not to proceed with the Villeneuve Landing Network Business Development and Jobs Creation Centre.

Implications of Alternatives

Strategic Alignment

The County would not have a presence at Villeneuve Airport to support economic development initiatives and business incubation.

Financial

The County would likely not be able to take advantage of the \$285,000 Municipal Stimulus Program grant.

Follow up Action	<ol style="list-style-type: none">1. Finalize and sign a 5-year lease agreement (COO Office, Q3 2022).2. Liaise with landlord throughout construction (Fleet and Facility Services, Q3, 2022).3. Move furnishings into space upon completion of construction (Fleet and Facility Services, Q4, 2022).
Attachment(s)	None.
Report Reviewed by:	Tim Osborne, Corporate Operations Advisor Scott MacDougall, Chief Operating Officer – COO Reegan McCullough, County Commissioner – CAO

Strategic Alignment Checklist

Vision: *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

Guiding Principles: Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>