



Staff Report for Committee of the Whole Meeting

Date of Meeting: May 22, 2018

Report Number: SRCAO.18.08

Department: Office of the Chief Administrative Officer

Division: Strategic Initiatives

Subject: **SRCAO.18.08 Lease Extension - Richmond Hill
Center for Hi-Tech Business Development**

Purpose:

The purpose of this report is to request Council's approval for a three month extension to the lease for the Richmond Hill Center for Hi-Tech Business Development (RHCBDB) located in the Town's Municipal Offices at 225 East Beaver Creek Road.

Recommendations:

- a) That report SRCAO.18.08 be received by Council;
- b) That the Chief Administrative Officer be authorized to make arrangements with The Richmond Hill Center for Hi-Tech Business Development to extend their lease of the premises located at 225 East Beaver Creek Road, Richmond Hill, Suites 288A and 288B, for nominal consideration or below fair market value and to enter into and execute any necessary agreement or other document relating to such arrangement as set out in SRCAO.18.08.

Contact Person:

Brenda Osler, Coordinator Economic Development Programs, extension 5483.

Report Approval:

Submitted by: Gwen Manderson, Director of Strategic Initiatives

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

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Background:

At the February 15, 2017 Economic Development Task Force, Council considered staff report SRCAO.17.03. This report provided an update to the Israel business mission, requested financial support for The Richmond Hill Center for Hi-Tech Business Development (RHCBD) and requested that staff determine whether vacant Town owned space was available for use by the RHCBD for a period of up to one year.

The February 15, 2017 Economic Development Task Force recommendations were considered by Committee of the Whole on March 21, 2017 and approved by Council on March 27, 2017.

The Town has been providing office space to RHCBD on the second floor of the Town's offices at 225 East Beaver Creek Road since June 1, 2017 at no cost to the RHCBD. The lease expires on May 31, 2018. The RHCBD has found new office space that will be available as of September 1, 2018. The RHCBD has therefore requested an extension to the lease until August 31, 2018 to assist with the timing of the move in to the alternate space.

The RHCBD has been successful in attracting foreign companies to set up operations in Richmond Hill, as well as providing opportunities for existing companies to work with foreign businesses, thus expanding their operations. Since becoming operational last June, the RHCBD has attracted eight international companies to Richmond Hill with three more expected in the second half of 2018. These companies have thus far created five jobs (in addition to the owners), with three more positions expected to be created shortly. The RHCBD has also assisted several local companies to expand their presence internationally, and to enter into strategic partnerships which results in the hiring of additional staff at their Richmond Hill offices.

By providing the RHCBD with more time to find alternative office space, they will be able to continue to attract foreign companies to Richmond Hill and service their existing clients without a service interruption.

Financial/Staffing/Other Implications:

There are no financial, staffing or other implications associated with SRCAO.18.08.

Relationship to the Strategic Plan:

One of the goals of the Town's Strategic Plan is to have better choice in Richmond Hill for working and doing business. The Town's support of the creation of The Richmond Hill Center for Business Development furthers the Town's international economic alliances thus bringing more opportunities for business attraction or expansion to Richmond Hill. Expansion of existing businesses or the addition of new businesses to Richmond Hill creates additional employment opportunities for Richmond Hill residents.

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Conclusion:

The Richmond Hill Center for Hi-Tech Business Development has been successful in attracting foreign companies to set up an office in Richmond Hill, resulting in the hiring of local staff, and in connecting existing Richmond Hill companies to international opportunities thus improving their businesses. Providing the Center with more time to find appropriate office space will allow the Center to continue to serve their clients until new office space is found. Continued investment and business attraction are key to maintaining a competitive advantage and the prosperity currently enjoyed by the Town. The Richmond Hill Center for Hi-Tech Business Development is contributing towards this goal.

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Report Approval Details

Document Title:	SRCAO.18.08 - Lease Extension - Richmond Hill Center for Hi-Tech Business Development.docx
Attachments:	
Final Approval Date:	May 8, 2018

This report and all of its attachments were approved and signed as outlined below:

Neil Garbe - May 8, 2018 - 2:56 PM