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**Subject:** Economic Development Quarterly Update

**Report to:** Planning and Economic Development Committee

**Report date:** Wednesday, August 11, 2021

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## **Recommendations**

1. That Report ED15-2021 **BE RECEIVED** for information.

## **Key Facts**

- Economic Development provided monthly COVID-19 Response and Business Continuity reports to Planning and Economic Development Committee (PEDC) from June 2020 until May 2021.
- Going forward we will revert to providing quarterly updates. The purpose of this report is to provide PEDC with an update on the Division's activities for the second quarter (Q2) of 2021.
- Economic Development activities continue to implement the Economic Recovery Plan and support the Economic Development Strategy and Action Plan approved by PEDC in March 2019.
- Economic Development functional activities include: Trade and Investment; Expedited Services for Business; Strategic Economic Initiatives and Strategic Marketing.

## **Financial Considerations**

The activities described in this report have are within the Council approved 2021 Economic Development operating budget.

## **Analysis**

Niagara Economic Development in collaboration with local businesses, industry associations, community stakeholders and post-secondary education institutions developed a five-year Strategic Action Plan 2019-2024. The Action Plan priorities are a result of extensive stakeholder engagement conducted throughout 2018. The success of Niagara Economic Development Strategic Action Plan is dependent upon meaningful partnerships and collaboration with our partners across Niagara.

Seven themes emerged from the development of the Economic Development Strategic Action Plan:

- Economic Development: Supporting Business Growth and Diversification across Niagara Region
- Employment Land Strategy: Identifying and Creating a Provincially Significant Employment Zone
- Marketing Niagara Region: Raising the Profile of Niagara as a Place to Live and Do Business
- Streamline Planning Processes: Expediting Approvals Process
- Increase Niagara's Competitiveness: Addressing Unnecessary Regulatory Burdens on Businesses
- Workforce: Meeting Current and Future Talent, Professional, Skilled Trades and Labour Needs
- Advocacy: Improving Transportation Infrastructure Ensuring Niagara Remains Competitive in Global Economy

Economic Development: Supporting Business Growth and Diversification across Niagara Region.

Niagara Economic Development provides on-going assistance to the local municipalities to support their economic development functions. This includes: the services of the Niagara Foreign Trade Zone Manager to engage companies in federal programs and encourage export activity; economic and business research and analysis; expedited development services; strategic economic initiatives; support to the local area municipalities without economic development offices on regionally significant projects; and sector support to tourism and agribusiness.

**Economic Development Officer** (Support for 4 (plus temporary support to Grimsby) Local Area Municipalities (LAM's) and sector support for tourism and agri-business.)

**Stakeholder meetings:** 15 meetings with stakeholders including:

Local Economic Development offices, OMAFRA, Venture Niagara, Niagara College, Brock University, and local entrepreneurship service providers.

**Agribusiness:** 21 meetings with stakeholders including:

- Direct outreach support to food processing businesses during Phase 1 Vaccine Implementation to schedule employees for first dose vaccinations.
- Stakeholder meetings to research and develop potential food processing education series to address issues.
- Attendance at Local Food Conference (virtually) addressing issues and examples of success, challenges and resilience in agri-business and agri-tourism.
- Engagement with viticulture stakeholders including Wine Growers Association, Ontario Craft Wineries (sponsorship at annual conference).
- Partnership with Grape Growers of Ontario in their Sustainability Project to allow local wineries to access a new and emerging market and educate consumers of the value of certified sustainable wines.
- Attendance at the OMAFRA Community Economic Development sessions to inform work of the rural Local Area Municipalities on programs and services.
- Engagement with Brock Research to support Research on Agri-Innovation and dissemination of resulting report.
- Golden Horseshoe Food and Farming Alliance (GHFFA) project advancement: working group meetings and strategic planning sessions with consultants to set future work plan.

**Tourism:** 47 meetings with multiple stakeholders including:

- Support, evaluation and outreach to facilitate the administration of the Tourism Adaptation and Recovery Fund and ongoing support to Project Management in working with funding recipients to ensure accuracy of reporting to the funder.
- Presentation to Niagara Circle Route and Transportation Committee to support tourism attraction of the cycling community.
- Niagara Gateway Information Centre reporting January – December 2020: traffic to the kiosk for the full year totaled 6,024 visitors. The Centre was closed from May 19, 2020 to August 3, 2020 and again after December 18, 2020 due to COVID restrictions. Volunteers donated more than 520 hours of time to the operations of the kiosk and more than 15,571 brochures were distributed. From April 1 to June 30, 2021, 29,708 total views on Google search have been documented;
- Additional meetings include: Niagara-on-the-Lake Tourism Task Force, Niagara Tourism Network, facilitation of West Niagara municipalities to support collaborative tourism development, and Tourism Industry Association of Ontario (TIAO) stakeholder meetings.

**Local Area Municipality Economic Development:** 51 meetings touching 10 local area municipalities:

- On-going support to 7 site selection opportunities and engagement with municipal planning applications.
- Ongoing advisory support to LAM staff on economic development initiatives;
- Strategic Advisory Council team meetings.
- Economic Response and Recovery calls (ERRT).
- Additional work includes Rural Economic Development grant writing and submission, moderation of West Niagara Town Hall, business retention and expansion support, West Lincoln Chamber Business Awards Committee, information sharing and outreach to Chambers, BIA's and DMO's, administration of Local Area Municipality fund application for economic development projects/initiatives, interview and onboarding assistance, support for Shop Local campaigns, outreach to businesses for COVID support.

**Information requests, referrals, and stakeholder engagement:** 190 inquiries and requests from businesses and stakeholders. Examples include support to business applications and reporting for Tourism Recovery and Adaptation Fund, grant programs and business support programs related to COVID, sector based programs, stakeholder introductions, sector research and referrals, as per Appendix 1.

**Manager, Economic Research & Analysis** (support to LAMs through research undertaken, support to Niagara Economic Development investment, trade and sector activities).

Research Projects:

- Niagara COVID-19 Business Impact Survey – Part 3 (completed)
- Niagara Active Economic Research Report with Brock University (in progress)
- Niagara Economic Update 2020 (completed)
- Niagara Trade and FDI Research Report (in progress)
- Niagara Economic Base Analysis for Economic Development Strategy (in progress)

Research Inquiries:

- Total: 66
- Brock University: 3
- Niagara College: 2

- Internal (Niagara Region): 28
- Businesses: 12
- Stakeholders (ex. Greater Niagara Chamber of Commerce, Niagara Industrial Association, Hamilton-Oshawa Port Authority, media, government, etc.): 9
- Local Area Municipalities: 12 (St. Catharines: 1, Grimsby: 3, Welland: 2, Thorold: 3, Fort Erie: 2, Niagara Falls: 1)

Public Engagement Presentations:

- GNCC Government Affairs Council (Economic Update presentation)
- Niagara Industrial Association (Economic Update presentation)
- South Niagara Chambers of Commerce (Economic Update presentation)
- Mastermind Business Group (Economic Update presentation)
- ERRT Task Force (Niagara COVID-19 Business Impact Survey presentation)
- GNCC Espresso Live (Niagara COVID-19 Business Impact Survey presentation)
- GNCC Women In Niagara Hackathon (labour force characteristics presentation)
- Niagara College Research & Innovation (Niagara COVID-19 Business Impact survey presentation)

**Niagara Foreign Trade Zone Coordinator** (export diversification for Niagara companies, outreach, marketing, implementation of the NFTZ strategy).

- Participation in the Trade Accelerator Program (TAP) regional session planning and promotion. Attended and facilitated 10 meetings to inform and recruit Niagara businesses for the program. Secured 3 participants for the regional session.
- 31 Foreign Trade Zone Inquiries focused on expedited processes for the importation of goods into Niagara, exportation of good and services from the Region including 21 follow up meetings with Trade related stakeholders to resolve inquiry and/or connect the client to available resources.
- Attended and participated in 6 Market Development & Research Opportunities Webinars
- 1 Three day trade conference – LATAM Start Ups w/ 37 One on One Client Meetings and three follow up business relocation / development opportunities.
- Business Development & Stakeholder meetings: 15 meetings with 9 different stakeholders including: Export Development Canada, Global Affairs Canada, Canada Revenue Agency, Ministry of Economic Development, Job Creation & Trade, Hamilton Oshawa Port Authority, local entrepreneurship service providers, area economic development departments, and consultants.

- The EDO completed a two month redeployment as an essential services emergency support worker in Linhaven Long Term Care home.
- The EDO participated in a temporary secondment as a Spanish translator to support the vaccination efforts at the Seymour Hannah location to help vaccinate over 3000 temporary migrant workers against the spread of Covid-19.

### **Manager, Trade and Investment:**

Throughout the second quarter of 2021 the position of Manager, Trade and Investment has remained vacant. However, Eric Chou has now been appointed to this position and will start on August 3<sup>rd</sup>. Eric joins us from the Scotiabank Convention Centre (SBCC) in Niagara Falls, where he was the International Accounts Director. His sales experience in bringing new business to Niagara will be valuable in his new role, as well as the relationships he has with local industry and academic staff in the Region. Representing the SBCC internationally he has developed an understanding of Niagara's assets and competitive advantage.

In the meantime the Manager, Business Development and Expedited Services has assumed the responsibilities. Over the second half of Q2 2021 the Economic Development Officer, Trade and Investment has played an integral role in ensuring the on-going activities of the Trade and Investment portfolio.

- On Wednesday, May 19, 2021 in partnership with the Hamilton Niagara Partnership a RFP was issued for: An Investigation of Potential Foreign Direct Investment [FDi] Markets in 6 Countries in the Americas – with Qualified Lead Generation. The submission deadline closed on Thursday, June 10, 2021 and attracted five bidders. The successful proponent will be selected in Q3 2021 and it is expected that the contract will be completed by Q4 2021.
- Over much of Q2 2021, the EDO-Trade & Investment updated the status of all of the leads listed on the CRM system and continued the FDi re-engagement strategy contacting over 75 previous established clients.
- Q2 2021 was dedicated to closing a Q3 & Q4 2020 FDi Qualified Leads contract with Research on Investment International (ROI). Ten qualified lead meetings were completed with the majority of the meetings coming from the Manufacturing and Agri-business sectors based in the Pacific Northwest U.S. (Washington and Oregon); the Pacific Southwest (California, Arizona, New Mexico and Texas); and the Southeast U.S. States of North & South Carolina, Georgia and Florida.
- Independent of the FDi lead generation contract, the Division received 10 additional investment leads that led to 17 follow up meetings examples include: program

information, financial assistance options, grant programs, stakeholder introductions, sector research and referrals.

### **Manager, Business Development and Expedited Services:**

- In Q2 2021 the Manager, Business Development and Expedited Services has received seven site selection requests by businesses and site selectors considering Niagara as a potential destination for investment. This resulted in scheduling a site tour of Niagara in Q3 2021 when pandemic restrictions have eased.
- As a result of these inquiries one referral to the Ontario Ministry of Economic Development, Job Creation, and Trade was made for more information on the South Western Ontario Development Fund.
- A gateway application for Abatement Technologies expansion in the Town of Fort Erie was approved. This will result in an estimated 190 jobs being either created or retained and a financial investment in excess of \$27 million. This is expected to be a phased project over 15 years that will result in the creation of 110,000 new square feet of manufacturing space.
- Beginning in Q2 2021 support has been provided in advisory services to the Town of Grimsby's Economic Development Strategy Advisory Council on the development of the Town's new Economic Development Strategy.
- To ensure that the Niagara Region is competitive in attracting new investment KPMG was retained to complete an assessment on specific Niagara Region Incentive programs. The findings helped inform the larger and on-going Grants and Incentives Review to assess the effectiveness of programs to meet Council's Strategic Priorities.
- Participated in two panel discussions to promote the Niagara Region.

### **Associate Director:**

#### **Economic Recovery Plan**

Work continues on the implementation of the Economic Recovery Plan. The actions not addressed to date are longer term and will be incorporated into the 10 Year Economic Development Strategy. Biweekly calls continue to the broad ERRT stakeholder group in collaboration with our colleagues in Public Health to ensure that businesses have the latest information on public health protocols, as per Appendix 1.

## **10 Year Economic Development Strategy**

Work has started on the longer-term economic development strategy under the guidance of the Strategy Advisory Council. The Council has representation from all the municipalities. A complete update on the strategy's progress will be provided in a separate report to PEDC in September.

## **Tourism Adaption and Recovery Fund**

Led by the project manager and supported by the EDO, work is ongoing to distribute federal funding grants to tourism dependant businesses in Niagara. At the time of writing this report, 160 purchase orders had been issued, 6 projects were completed and full payment made and 119 businesses have received partial payment pending the completion of their projects and final reports received. The administration also includes reporting to Fed Dev on the project's progress.

## **Canada Summer Games**

The development and coordination of the Niagara Region's 13 for 13 cultural event to be held on August 14<sup>th</sup> 2022 during the Canada Summer Games, working with the event organizer and in partnership with Destination Ontario.

Promotion of Canada Summer Games RFPs to local businesses.

Employment Land Strategy: Identifying and Creating Regionally Significant Employment Lands.
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Existing employment lands in Niagara, which are located throughout the Region, are generally smaller sites, which has limited the ability to create a truly regional employment area. Niagara Region Planning and Development, with support from Niagara Region Economic Development, is reviewing the opportunity to create a large provincially significant regional employment zone.

## **Manager, Business Development and Expedited Services:**

- In collaboration with Planning and Development Services the Manager, Business Development and Expedited participated in four meetings related to the identification



and creation of a Provincially Significant Employment Zone in Niagara. This resulted in a briefing note being drafted for a meeting with the Minister of Economic Development, Job Creation, and Trade at the Association of Municipalities of Ontario Conference and AGM.

#### Marketing Niagara Region: Raising the Profile of Niagara as a Place to Live and Do Business

The success of the Niagara Region, in terms of economic and population growth, is dependent on successfully marketing the Region to target audiences. There are two distinct marketing initiatives. The first initiative is aimed at foreign and domestic companies and promotes Niagara as a competitive location in which to do business. The second initiative is focused on attracting new and recent immigrants to Ontario, to the Region to increase the population and workforce and achieve long-term sustainable growth.

#### **Manager, Strategic Marketing:**

- In collaboration with Innovate Niagara and the Local Area Municipalities, a comprehensive digital and print marketing campaign was launched in the National Post to support and encourage residents to visit downtown storefronts.
- Updated Regional photography and videography are underway to create new assets to support FDI efforts and showcase Niagara's strategic advantages.
- Working in collaboration with Niagara Health, and Niagara Region Planning, Economic Development's Business Directory will be used to prepare for South Niagara Project's upcoming RFP process to encourage as much Niagara-based resourcing as possible.
- Together with Niagara Region Transportation and Communications divisions, Economic Development is aiding in the promotion of the new Niagara Regional Transit routes. This is in effort to support local businesses to attract consumers and also provide options for potential employees by offering consistent and reliable public transportation options to remote municipalities.

#### Streamline Planning Processes: Expediting Approvals Process

Niagara Region has been proactive in supporting business growth and economic prosperity. Niagara Economic Development will continue to identify and reduce barriers to facilitate new investment opportunities.

### **Manager, Business Development and Expedited Services:**

- In collaboration with Real Estate Services and the City of St. Catharines the Niagara Region has continued to receive inquiries about the surplus lands at 401A Lakeshore.
- The Manager, Business Development and Expedited Services was contacted by the City of Thorold to help resolve an issue resulting in delayed approvals regarding signage permits.

#### **Increase Niagara's Competitiveness: Addressing Unnecessary Regulatory Burdens on Businesses**

Niagara Economic Development supports the Province's initiative to reduce the regulatory burden on business. In Niagara, the development approval process is two-tiered and the complexity of planning policies can be challenging depending on the project. This may have the effect of increasing the difficulty of manufacturers and agribusiness to do business that affects Niagara's competitiveness.

### **Manager, Business Development and Expedited Services:**

- Over the course of Q2 2021 three requests were received from manufacturers in the Niagara Region looking for clarification and insight into COVID-19 restrictions and COVID-19 vaccination protocols. These requests were conveyed to Public Health for more information and the available information was conveyed to both businesses and the Niagara Industrial Association.
- To assist in the redevelopment of the former Police HQ on 68 Church Street, St. Catharines the Manager has worked closely with Corporate Services and Planning and Development Services. This has included participating in a Design Charrette to estimate potential development options and building massing. This support will result in fewer delays and expedited future planning approvals.

#### **Workforce: Meeting Current and Future Talent, Professional, Skilled Trades and Labour Needs**

Access to a talented, professional, skilled and educated workforce is increasingly a concern for businesses and essential to ensure the continued growth of the regional economy.

Niagara Economic Development recently convened a meeting with Niagara Workforce Planning Board, Niagara Industrial Association, Employment Agencies and Academia to discuss labour issues in Region.

#### **Economic Development Officer:**

Participation in the OTEC Tourism Skillsnet Regional Working Group. The group objectives are: I. Identify tourism workforce development priorities, challenges and opportunities in Niagara; II. Review a new industry-recognized, locally-customized, employment training for job seekers; III. Support planning of a regional coordination model that enables employers to: *a. Adapt and deploy available HR technology solution to access “right fit” talent b. Access training opportunities available for incumbent workers* and IV. Share best practices, resources, tools and research to inform tourism workforce development strategy and implementation in Niagara.

#### **Alternatives Reviewed**

None applicable.

#### **Relationship to Council Strategic Priorities**

Economic development activities described in this report directly support three of Council's 2019-2022 Strategic Priorities:

- Supporting Businesses and Economic Growth
- Responsible Growth and Infrastructure Planning
- Sustainable and Engaging Government

#### **Other Pertinent Reports**

ED 11-2020 COVID-19 Response and Business Continuity in Economic Development  
ED 12-2021 Economic Recovery Plan Update 4

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This report was prepared in consultation with all regional economic development staff.

**Appendices**

Appendix 1            Economic Development and Business Engagement

## **ECONOMIC DEVELOPMENT AND BUSINESS ENGAGEMENT**

Niagara Region Economic Development supports local businesses through regionally significant projects. As laid out in the current MOU with the Local Area Municipalities, those offices have responsibility for Business Retention and Expansion and are the point of contact for businesses in their individual municipalities. Our core mandate is investment attraction, external marketing, business development and expedited services and strategic economic initiatives.

However, throughout COVID-19, work has pivoted to be focused more on support to businesses locally where there was a need and it was appropriate for the work to be done at the regional level.

### **ECONOMIC RAPID RESPONSE TEAM (ERRT)**

The ERRT was announced by the Chair and the Mayors in March 2020. It is a collaboration between the Region and the Municipal Economic Development Offices but the work is carried out by the Regional Team on behalf of the group.

- Biweekly calls to a group of over 90 stakeholders, including economic development offices, chambers, industry associations, BIAs, DMOs, Small Business Enterprise Centres, Brock University, Niagara College, Niagara Workforce Planning Board and Employment groups. The regular attendance is 25-30 but the information is disseminated to the whole group. Working with Public Health, the objective is to inform businesses about COVID-19 protocols and provide an update on the Economic Recovery Plan.
- Support for municipal 'Buy Local' campaigns through marketing initiatives.
- Development of an online Business Directory to expand the local supply chain and opportunities for local businesses. It is currently being used by Niagara Health to source suppliers for the South Niagara Hospital. Also used to promote Canada Summer Games RFPs to local businesses.
- Niagara Canada website provides a portal for federal and provincial government information on funding and support for business.
- Together with Niagara Region Transportation and Communications Divisions, Economic Development is helping to promote the new Niagara Regional Transit routes. This is in effort to support local businesses not only to bring consumers but also provide options for potential employees by offering consistent and reliable public transportation options to our more remote municipalities.
- In collaboration with Innovate Niagara and the Local Area Municipalities, a comprehensive digital and print marketing campaign was launched in the National Post to support and encourage residents to visit downtown storefronts in the region.

## **TOURISM ADAPTION AND RECOVERY FUND**

The ERRT, led by Niagara Economic Development, stepped in at the request of the federal government to administer funding support to tourism-dependant businesses in Niagara. The fund of \$2 million is being distributed through an application and evaluation process with reporting mechanisms in place, to over 160 businesses. This is providing much needed support to the tourism sector, helping to keep businesses open and able to conform to public health protocols through the pandemic.

## **RESEARCH AND ANALYSIS**

Economic updates are provided semi-annually, in the spring and the fall. They coincide with regional data becoming available.

Reports:

- Niagara COVID-19 Business Impact Survey - Part 1 (April 14, 2020)
- Niagara COVID-19 Business Impact Survey - Part 2 (June 22, 2020)
- Niagara COVID-19 Business Impact Survey - Part 3 (June 16, 2021)
- Niagara Economic Update (May 13, 2020)
- COVID-19 Impact on Investment and Development in Niagara (October 14, 2020)
- Niagara Economic Update (November 9, 2020)
- Niagara Economic Update (April 14, 2021)

Presentations/Engagements:

- Interview: Niagara Business Impact Survey results with Tim Denis on 610am (April 15, 2020)
- Interview: Business Impact Survey with Gord Howard, Niagara Dailies (April 15, 2020)
- Presentation: Transport Canada/McMaster Institute of Transportation and Logistics on COVID-19 impacts on trade and logistics sector in Niagara (June 17, 2021)
- Interview: Niagara COVID-19 Business Impact Survey – Part 2 with Matt Holmes on 610am (June 24, 2020)
- Presentation: Brock University/Niagara Community Observatory Policy Brief regarding Transportation and Logistics Sector in Niagara (July 7, 2020)
- Interview: COVID-19 Impacts on Investment and Development in Niagara with Tim Denis (October 15, 2021)

- Presentation: Manufacturing update for Hamil Group of Companies (Dec. 3, 2021)
- Presentation: Niagara Economic and Manufacturing Update for Niagara Industrial Association (March 18, 2021)
- Presentation: Niagara Economic Update for South Niagara Chambers of Commerce (March 30, 2021)
- Presentation: Niagara Economic Update for GNCC Government Affairs Council (April 16, 2021)
- Presentation: COVID-19 Business Impact Survey – Part 3 results for South Niagara Chambers of Commerce podcast (May 14, 2021)
- Presentation: Niagara Economic Update for Mastermind Business Group (May 19, 2021)
- Presentation: COVID-19 Business Impact Survey results for ERRT Task Force (Niagara COVID-19 Business Impact Survey – Part 3 presentation (May 19, 2021)
- Presentation: COVID-19 Business Impact Survey – Part 3 for GNCC Espresso Live webinar (June 9, 2021)
- Presentation: COVID-19 Impacts on Women Employment in Niagara for GNCC Women In Niagara Hackathon (June 15, 2021)
- Presentation: COVID-19 Business Impact Survey for Niagara College Research & Innovation division (June 9, 2021)
- Economic Development Overview presentations to Brock University Senior Management and Niagara College focussed on partnerships and collaboration.
- Workshop on supporting local businesses with the South Niagara Chamber of Commerce.
- Supporting Grimsby on a new Economic Development Strategy

#### **SECTOR SUPPORT (AGRIBUSINESS AND TOURISM)**

Sector support is ongoing, below are some examples of recent outreach.

- Direct outreach to food processing businesses during Phase 1 of the Vaccine Implementation program to arrange appointments.
- Tourism Adaption and Recovery Fund (described above).

#### **EXPORTING SUPPORT THROUGH THE NIAGARA FOREIGN TRADE ZONE (NFTZ)**

- Providing direct outreach to the Regional trade community by connecting Niagara's businesses to Trade Incentives and Programs offered by the Regional, Provincial & Federal Governments including: Trade Accelerator Program, Export Development's Global Connections Program, Global Affairs Canada Trade

Commissioners Service, Ontario Ministry of Economic Development, and Job Creation and Trade's Foreign Service Program.

### **NIAGARA'S WORK FORCE**

Working with employment groups, Niagara Economic Development is aware of labour market issues and supports programs and funding applications to address them.

- Niagara Economic Development recently convened a meeting with Niagara Workforce Planning Board, Niagara Industrial Association, Employment Agencies and Academia to better understand labour issues in Region.