

Subject: Economic Development Update Q3 and Q4

Report to: Planning and Economic Development Committee

Report date: Wednesday, February 5, 2025

Recommendations

1. That Report ED 1-2025 **BE RECEIVED** for information.

Key Facts

- The purpose of this report is to provide Regional Council with an update on the Division's activities for Q3 and Q4 of 2024.
- Economic Development continues to implement on the 10 Year Economic Development Strategy 2022-2032 (Inspire, Invest, Grow) ratified by Regional Council in 2022.
- Economic Development core activities include Investment Attraction; Strategic Marketing; Business and Economic Research and Analysis; Strategic Growth Services; Area Municipality (AM) and Sector Support; and Strategic Economic Initiatives.

Financial Considerations

The activities described in this report are within the Council approved 2024 Economic Development operating budget.

Analysis

Strategy 1: Investment Attraction

Niagara Economic Development (NED) targeted and proactive foreign direct investment lead generation strategy includes markets in United States (New York City / Boston / Chicago, Los Angeles), Greater Toronto Area (GTA) and Europe (Germany, Italy, France, Spain, Nordics, UK).

In the third and fourth quarters of 2024 the team has had meetings with 31 new businesses expressing interest in investing in Niagara Region and there were 15 new investment opportunities progressing through the sales pipeline.

Confirmed Investments

The official ground-breaking at the Asahi Kasei site in Port Colborne took place on November 14, 2024. The event celebrated the official start of construction for Asahi Kasei's \$1.56 Billion battery separator manufacturing facility in Port Colborne. Government officials from all levels of government were present including Premier Doug Ford, Minister François-Philippe Champagne, Minister Vic Fedeli, Minister Filomena Tassi and other local and regional delegates.

There have been additional companies that have confirmed investments in Niagara Region due to the efforts of Economic Development staff. An agriculture technology company will be locating to Niagara-on-the-Lake, investing \$2 Million and creating 25 jobs. A manufacturer of cable trays has invested \$5 Million in a 3-acre site, creating 10 new jobs, and an existing hydraulics company will be expanding in Welland creating 14 new jobs with a \$6.5 Million capital investment contributing to Niagara's growing industrial sector.

Foreign Direct Investment Prospecting International: Through the Hamilton-Niagara Partnership, staff hosted Global Startups and 15 international companies to learn about Niagara's tech ecosystem. Of the 15 companies participating, two have expressed specific interest in locating to Niagara Region.

Niagara Economic Development participated in Global Affairs Canada Investment and Innovation Roadshow to Italy and Spain. During the weeklong mission, Niagara Region met with 11 companies with expansion plans. The program also included events with local chambers of commerce and federal trade commission offices.

Niagara Economic Development also hosted the CEO of Invest in Canada in November for a tour of the region. This itinerary included stops at a large Niagara manufacturer and meetings with partners such as post secondary institutions and other private sector organizations showcasing Niagara's value proposition with our valued Federal Investment Attraction Agency partner.

Foreign Direct Investment Prospecting USA/ North America: Economic development staff continue to build relationships in the US market. Staff joined a reception with Mary Ng, Minister of Export Promotion, International Trade and Economic Development, in Buffalo NY. This event was an opportunity to connect with businesses and manufacturers in Western New York and promote trade.

During the third quarter economic development staff had a presence at the Site Selectors Guild Fall Forum held in Detroit Michigan. This event allowed staff to connect with site selectors from across USA and Canada. Five connections were made during this event.

Strategic Marketing: Q3 Update

Website Engagement: In Q3, Strategic Marketing focused on maintaining Niagara's visibility as a key business destination through its digital platforms. The Niagara region's website saw 21,317 visits, with 11,870 unique visitors and 210 returning visitors. The majority of traffic was from the United States, which contributed 7,808 visits, followed by Ireland with 252 visits, China with 161 visits, the United Kingdom with 117 visits, and Germany with 116 visits.

Social Media Engagement: Our social media presence continued to strengthen throughout Q3. The number of Facebook followers increased to 733, while Twitter/X followers rose to 645. LinkedIn demonstrated notable growth and interaction, achieving 3,522 followers, 3,130 reactions, 110 comments, and 40 reposts. These metrics highlight the positive engagement and reach of our content within the business professional community.

Email Marketing: Email marketing efforts during Q3 were effective, with a total of 2,029 emails sent to a targeted subscriber base of 624. These campaigns achieved a strong open rate of 54.5%, reflecting high interest and engagement among recipients.

Programmatic Campaign Performance: Our targeted programmatic advertising campaigns in Q3 were a crucial part of our strategy to drive awareness and engagement. Google ads generated 55,806 impressions and 5,801 clicks to NiagaraCanada.ca, achieving an impressive 10.39% clickthrough rate. Typically, a good click-through rate (CTR) for Google Ads is usually between 6% and 8%, but it depends on the industry. The average CTR for Google search ads across all industries is 6.11%.

LinkedIn ads complemented these efforts, resulting in 18,056 impressions and 273 clicks, further supporting the visibility and appeal of the Niagara region as a business hub.

These comprehensive marketing efforts have played an essential role in promoting Niagara as a top destination for business investment and aligning with the goals of the 10-Year Economic Development Strategy (Inspire, Invest, Grow).

Strategy 3: Business and Economic Research and Analysis

These initiatives focus on Niagara's economy through regional economic and business research and analysis and inform policy development and economic development initiatives. This work includes support to area municipalities with economic data, and support to businesses, investors, and other economic development partners in Niagara.

Research projects and collaborations for this period involved the Niagara Economic Update report, Wilson Foundation Project with Brock's Niagara Community Observatory, Niagara Active Economy update with Brock's Centre for Sport Capacity, Niagara Tourism Profile update, Niagara Agriculture Economic Action Plan, S&P Credit Rating Review, and the Value of the Visitor Economy in Niagara Falls report.

Research inquiries and responses to data and information requests involved 74 inquiries from a variety of organizations. These requests supported inquiries from Brock University, Niagara College, Niagara Region (Community Services, Planning, Finance, Public Health, Public Works), private businesses, prospective investors, the news media, and economic development partners (ex. Greater Niagara Chamber of Commerce, Tourism Partnership of Niagara, Niagara Industrial Association, HOPA Ports, local tourism organizations, and area municipalities).

Presentations and public outreach activities involved eight (8) presentations on economic-related information as requested by economic development partners.

Strategy 4: Strategic Growth Services

NED collaborates with internal departments and municipalities to enable and support new industrial and residential investment to grow communities across Niagara.

Strategic Sites: Since its launch earlier this year, the Niagara Signature Sites application has attracted substantial web traffic, demonstrating strong interest from investors and developers. The interactive map, originally designed to showcase key industrial and commercial sites across Niagara, has expanded to feature 12 sites, each spanning at least 50 acres. With these additions, the platform now highlights over 1,200 acres of Employment Area, providing comprehensive insights into the development potential of Niagara's prime properties. This growth underscores the strategic importance of the platform in positioning Niagara as a leading destination for industrial and commercial investment.

Industrial Use RDC Grant Program Applications: Niagara Region has approved three (3) Industrial Use Development Grant Applications. This has resulted in a total estimated 408 jobs being created or retained. These three (3) grants supported over \$1,560,550,000 in new construction value and capital expenditures and will create an additional 663,777 square feet of industrial space in the Niagara Region.

Gateway CIP Tax Increment Grant Program Applications: Niagara Region has approved one (1) Gateway CIP Tax Increment Grant Application. This investment may result in a total estimated 1,010 manufacturing jobs being created over three (3) phases of development. This application supported an estimated \$5,000,000,000 in new construction and capital expenditures and may create an additional 2,000,000 square feet of industrial space in the Niagara Region.

Electric Mobility Sector Development: The Electric Mobility Specialist, has actively strengthened Niagara's position as a growing hub for clean technology and electric vehicle (EV) manufacturing. Strategic meetings with key industry associations were held, including the Niagara Industrial Association and the Auto Parts Manufacturers Association of Canada, to discuss collaborative opportunities and promote Niagara's success in attracting EV companies. Additionally, support was given to innovative Niagara-based companies that are exploring ways to pivot their manufacturing to meet the demands of the EV supply chain. Extending outreach beyond the region, the Electric Mobility Specialist engaged with potential partners in the Hydrogen, Battery and Chemical industries, furthering Niagara's efforts to attract investment and innovation in the electric mobility sector.

Strategy 5: Local Area Municipality (LAM) Fund Administration

This year, a total of \$7,833.33 annually per municipality can be leveraged for projects that advance the defined priorities outlined in the Niagara Economic Development 10-Year Strategy (Inspire, Invest, Grow 2032).

These projects intend to support the municipalities of Niagara in furthering their plans to facilitate opportunities for creating jobs and growing the economy by developing strategies to expand business and investment. The fund also supports Business Retention and Expansion efforts through Buy Local campaigns.

Total Number of applications to date as of October 30th, 2024:

Municipality	Project Name	Funding Issued	Application Approval
City of Welland	Made in Welland Magazine	\$7,833.33	March 2024
Town of Fort Erie	Fort Erie Tourism Strategy	\$7,833.33	April 2024
City of Port Colborne	Digital Savings Pass	\$2,500	May 2024
City of St. Catharines	Large-Scale Marketing Activation	\$7,833.33	August 2024
City of Niagara Falls	Annual Report Business Publication	\$7,833.33	September 2024
City of Port Colborne	Electric Power Needs Assessment	\$4,000	October 2024
City of Port Colborne	Marine Career and Skilled Trades Fair	\$1,333.33	October 2024
Township of West Lincoln	Showcase Display at 2025 International Plowing Match	\$7,833.33	October 2024
Town of Lincoln	Harvest Hop – Jordan Village Improvement Project Grand Opening	\$7,833.33	October 2024

Total amount of LAM Funding committed to date as of October 30th, 2024: \$54,833.31

Strategy 6 – Strategic Initiatives:

Labourforce Coalition: This group has been formed to discuss how the region is meeting the demands of industry (business leaders and employers) and the workforce (employees, job seekers and learners) in this period of transformation. With that in mind a new Workforce Coalition has been launched in partnership with the Workforce Collective, post secondary institutions, school boards, employment agencies and community partners to collectively tackle the labour force gaps in hiring and retaining talent.

Customer Relationship Management System (CRM): In order to better track priority projects, the investment funnel, marketing activities, incentive applications and ensure succession and better reporting, Economic Development continues to utilize Microsoft Dynamics to ensure better service delivery.

Alternatives Reviewed

N/A

Relationship to Council Strategic Priorities

Economic development activities described in this report directly support two of Council's Growing Better Together 2023-2026 Strategic Priorities:

- **Effective Region** – By developing new and nurturing existing partnerships in industry we are able to leverage expertise and skill sets both internally and outside of the organization. By harnessing additional research and data inputs we are also able to develop a 2025 Work Plan that aligns with current market conditions.
- **Prosperous Region** – Niagara Economic Development continues to meet the challenge of branding Niagara globally through targeted marketing efforts, and facilitating new investment within the region in conjunction with our area partners by activating on specific tactics that bolster our position in the Investment Attraction space.

Other Pertinent Reports

[ED 9-2024 Economic Development Update Q1 & Q2](https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=900a3803-1a2c-4638-8898-e4257ed3a3e2&Agenda=Merged&lang=English&Item=13&Tab=attachments)

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Appendices

N/A