
Subject: Q2 Economic Development Quarterly Update Report

Report to: Planning and Economic Development Committee

Report date: Wednesday, July 10, 2019

Recommendations

That this report **BE RECEIVED** by the Planning and Economic Development Committee (PEDC) for information.

Key Facts

- Economic Development provides quarterly updates to the PEDC. The purpose of this report is to provide the PEDC with an update on the department's activities for the second quarter (Q2) 2019.
- Economic Development activities support the Economic Development Strategy and Action Plan approved by PEDC in March 2019.
- Economic Development functional activities: Trade and Investment; Expedited Services for Business; Strategic Economic Initiatives and Strategic Marketing Initiatives, are grouped under the seven themes of the Strategy.

Financial Considerations

The activities described in this report have been accommodated within the approved 2019 Economic Development Department budget.

Analysis

Niagara Economic Development, in collaboration with local businesses, industry associations, community stakeholders, and post-secondary education institutions, has developed a five-year strategic action plan. The action plan is based on the extensive stakeholder engagement that was conducted throughout 2018. The success of Niagara Economic Development's Strategic Action Plan can only be achieved through 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

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- 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 and support to the local area municipalities without economic development offices on regionally significant projects.

Economic Development Officer (support for tourism, agriculture, succession planning and Local Area Municipalities (LAMs)).

Stakeholder meetings: 26 meetings with 26 stakeholders

- Examples include: Global Skills Strategy, Immigration, Refugees and Citizenship Canada; Super-Commuters Labour Mobility Initiative; meeting with the Ambassador of Moldova to discuss Niagara region economy; meeting with Canadian Consulate offices in Niagara border-states.

Agri-business: 15 meetings with 11 stakeholders including:

- OMAFRA Canadian Agriculture Partnership program info session and Community Economic Development 101 session.
- Agriculture presentation to Golden Horseshoe Food and Farming Alliance (GHFFA) board.
- Presentations to Niagara Region APAC on the Economic Development Strategy and the GHFFA Agri-business Asset Map.
- GHFFA project advancement: assisting with data refresh on the Agriculture Asset Map; kickoff meeting with for the Long Term Care Home local procurement project.

Tourism: 22 meetings with 14 stakeholders including:

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- RFP for Niagara's Airports' Feasibility and Future Business Modelling has been released.
 - Brock University's Sports Tourism Report – two public open houses hosted at Niagara Region offices in April for the public to contribute to the report.
 - Canada Summer Games – State of the Games forum held with 77 people attending representing all 12 municipalities.
 - Niagara District Airport meeting with Southern Ontario Airport Network through Toronto Pearson.
 - Meetings with Metrolinx and the Alcohol and Gaming Commission of Ontario to advance a pilot project special to Niagara.
 - Niagara Gateway Information Centre Q1 2019: 6519 visitors in the kiosk and more than 120 buses signing in with guests.

LAM development: 27 meetings touching eight local area municipalities:

- Four existing business site visits and four site selection inquiries/assistance requests. Work includes representation in Foreign Direct Investment consulate missions, development charge questions, business expansion assistance, Economic Development strategy planning.

Research and information requests: 73 requests from businesses and stakeholders, examples include hiring assistance programs, data requests and partnership referrals.

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

Research Projects:

- National Trade Corridors Fund - Expression of Interest
- Agribusiness Policy Brief and Event (with Brock University)
- Niagara Economic Update
- Industry 4.0 Study (with Niagara College Research & Innovation)
- Niagara Industrial Supply Chain Study (with Transport Canada and McMaster Institute for Transportation & Logistics) (in progress)
- Information and Communications Technology Policy Brief (with Brock University) (in progress)
- Niagara Trade Overview (in progress)

Research Inquiries

- Total: 79
- Brock University: 4
- Niagara College: 3
- Internal (Niagara Region): 17
- Businesses: 16
- Stakeholders (ex. GNCC, NIA, Hamilton Port Authority, media, etc.): 22
- Local Area Municipalities: Total 16 (St. Catharines: 4; Grimsby: 1; Port Colborne: 1; Niagara Falls: 3; Fort Erie: 4; Lincoln: 1; Pelham: 1; NOTL: 1)

Niagara Foreign Trade Zone Manager (export diversification for Niagara companies, outreach, marketing, implementation of the FTZ strategy)

The Niagara Foreign Trade Zone (NFTZ) point currently serves 78 clients. To date, in total, 180 firms and 20 institutions have been contacted from a database of 400 firms. NFTZ clients/prospects are mainly from the agribusiness, manufacturing, and logistics sectors. Customized export related services include assistance with entering into new markets, identifying specific incentives, export-related financing and risk mitigation.

NFTZ Strategy

- NDCPi Board approved the NFTZ Strategy and budget, which focuses on promoting the NFTZ point to clients, government and international trade centres. Implementation of the Strategy is now underway.
- Business Retention and Expansion support is given by providing firms with the information and relevant contacts needed through a 'single contact point' and support was provided to the Region's FDI investment missions.

Business Outreach Program

- The second series of six NFTZ Seminars kicked off at the City Hall in St. Catharines, on May 29th. This was a collaboration with the Economic Development Office and NFTZ geared towards building awareness of FTZ services to potential new clients from across Niagara. Representatives from Canada Border Services Agency, Canada Revenue Agency and the St. Lawrence Seaway presented. Thirteen companies attended the seminar.
- Niagara Industrial Association Showcase, May 15th: NFTZ had a trade booth at the daylong networking event, which focused on advancing the interests of Niagara's industrial sector.
- Team Niagara met with representatives from the Polish, Hungarian, German, Netherlands and British Consulates in Toronto, at the end of April, to introduce the Niagara region and discuss opportunities to work together. Subsequently, Polish and Hungarian officials attended the NFTZ seminar on May 29th and presented to Niagara companies on export opportunities.

Hamilton-Niagara Partnership:

- NFTZ manager visited Cleveland with Hamilton Niagara Partnership representatives and met with five prospective investors, who are interested in visiting the region.

Inward Missions

- Latvian businesses visited the Niagara region on June 3rd. Two companies were from agribusiness and five companies were from engineering and fabrication companies. They were exploring business opportunities and strategic partnerships with Niagara companies.
- Czech business delegates visited the Region on May 29th and a joint trade and investment presentation was given to the group.

Networking Connects

- NFTZ has joined the Association of International Customs Brokers.

Collaborative Taskforces

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- The second NFTZ Task Force Meeting was held on April 9th. Task force members include representatives from Federal, Provincial, Regional Agencies and the Private sector. Thirty-five representatives attended the meeting.
 - Hamilton Niagara Transport Coordination: initiated through MP Vance Badawey's office, with a focus on Niagara-Hamilton (Southwestern Ontario). This economic cluster is an integral part of Transport Corridors and Canadian Transportation Logistics Strategy.
 - Transport Canada Forum: NFTZ manager moderated a session on 'Diversifying and Leveraging Exports through e-commerce' with a panel of local exporters comprehending their opportunities and challenges. Other sessions involved Transport Canada's issues on infrastructure, policies, and data.

Manager, Business Development and Expedited Services (Incentives Review, research impact of Development Charges on economic development)

- Site Selection Support: eight site selection requests were received. This included requests from the Province of Ontario, Toronto-based realtors, and private investors.
- The results from these inquiries included requests for additional information and two site tours.
- Three Industrial Development Charge Grant applications were approved. This program supported \$3.4 million in new investment and the creation of 18 new jobs this quarter.
- Through the Gateway Economic Zone & Centre CIP Incentives Program Niagara Region received three new applications. Two legal agreements for previously approved applications were created and distributed.
- As part of the on-going incentive review at Niagara Region participated in three inter-departmental meetings.
- Attended the grand opening of a company that relocated from the GTA to Niagara region, as part of Niagara Economic Development's newly created

Employment Land Strategy: Identifying and Creating Regionally Significant Employment Lands.

Aftercare Program.

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 (Support the Regional Employment Lands Study and act on recommendations, provide input into the MR/OP, Site Finder, Premier Sites)

- Participated in two meetings with staff from Planning and Development Services to review drafts of Niagara Region's draft Employment Lands Strategy Background Report.
- Participated in three meetings with staff at the City of Niagara Falls to develop new and innovative ways of using Niagara Site Finder. This included adding additional data layers and proactively engaging local commercial and industrial brokers in one-on-one meetings.
- Attended two meetings with local stakeholders regarding the potential development of lands managed by St. Lawrence Seaway Management Company.

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, Trade and Investment (Identify FDI target markets and sectors, lead investment missions with partners, lead generation, organize and participate in inward missions.)

- Continued to concentrate Foreign Direct Investment [FDI] missions in the three priority geographic markets, the United States, the United Kingdom and Europe, given their 85%+ contributions to Ontario's FDI over the past 12 years. The sectors of focus were expanded from just agri-business to any value-added processing activities, which are essentially green and in the category of 'latest growth trends'.
- Participated in lead generation meetings with 12 companies in the United Kingdom; 21 companies in Europe and 19 [based on two separate missions] companies in the U.S., for a total of 52 meetings in the Second Quarter of 2019.
- Provided support, along with the Manager, Foreign Trade Zone Point, to an incoming mission of business people, trade commissioners and senators from the Czech Republic.
- Now involved in active follow-up with the companies involved in the 52 meetings, identified above.

Manager, Strategic Marketing (Implementation of marketing plan to target audiences as a location for business and investment and to attract immigrants, Niagara Ambassador program, communications/PR campaign to promote Niagara's business and investment successes, implementation of a CRM system.)

Key Marketing Results

- Marketing plan on track for Q1 and Q2 deliverables.
- Niagara Economic Development e-newsletter launched in May. Open rates are strong at 55%, and there is consistent engagement in the first two issues with clickthroughs of content at 65%. Since the launch, e-newsletter subscriber rates have increased by 23%.
- Niagara Ambassador Program launched in May, with 45 sign ups in the first month. Ambassador updates have had an immediate impact on sharing news. Updates that have gone out through the network have increased social media engagement and clickthroughs 5-fold. For comparison, link clicks prior the program ranged from 10-50 clicks depending on content. Posts shared through the Ambassador network have clicks ranging from 100-130.
- Content plan has increased Q2 website traffic 42% over Q1 traffic. Content has been organic (unpaid) and included the development and sharing of key reports and information (Strategy Summary, Economic Update, Agriculture Profile, Manufacturing Profile, Niagara Foreign Trade Zone Seminars, etc.), blog posts and news items. These items, plus the e-newsletter and Ambassador Program, have increased social media content and sharing.

Marketing Projects

- CRM system updates to be complete by end of June, with team training and implementation starting in July.
- Welcome Niagara Canada website updates are proceeding, with the immigration microsite being built out to increase accessibility and usability to newcomer audiences.
- Audit and updates of existing brochures, marketing materials, and Niagara Canada website have commenced.
- Planning underway for digital advertising and sponsored content placements in Q3 and Q4.

Media & Thought Leadership

- Niagara Economic Update launched. Media coverage included article in the St. Catharines Standard on May 8th and 10-minute interview on CKTB 610 on May 9th.
- Ambassador Program launched. Media coverage included articles in the St. Catharines Standard on May 9th, Thorold News on May 10th, and a 5 minute interview on CKTB on May 10th.
- CKTB610 Radio Roundtable sponsored on Friday May 31st, with Regional speakers for three 10-minute segments, and two 10-minute roundtables.

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 new private sector investment.

Manager, Business Development and Expedited Services (expedite approval processes working with the LAMs and Regional departments, host a workshop to identify and address barriers to industrial and commercial development.)

- Provided additional support to three clients to expedite approval processes with two local area municipalities and resolved an inter-departmental issue at Niagara Region.

Increasing Niagara's Competitiveness: Addressing Unnecessary Regulatory Burdens on Business.

Niagara Economic Development supports the Province's initiative to reduce the regulatory burden on business. In Niagara, development is regulated by a number of different bodies and complex policies. This has the effect of increasing the difficulty of manufacturers and agribusiness to do business that affects Niagara's competitiveness.

Economic Development Officer

- Irrigation update was presented at April's Agricultural Policy Action Committee meeting with a recommendation coming to PEDC from the committee.

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.

Manager, Strategic Marketing (Promote Niagara as destination for skilled immigrants, working with the LIP)

- Welcome Niagara Canada website updates are proceeding, with the immigration microsite being built out to increase accessibility and usability to newcomer audiences
- Planning underway for digital advertising and sponsored content placements in Q3 and Q4

Manager of Business Development and Expedited Services

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- Participated on a panel discussion for the Niagara Catholic District School Board's "Pathways" event to speak about Niagara's economy, the local labour market, and the skills that employers are looking for.

Acting Director

- Meeting and support for Skills Advantage Ontario program with a focus on the steel industry.

Advocacy: Improving Transportation Infrastructure Ensuring Niagara Remains Competitive in a Global Economy

Key infrastructure investments are required to increase Niagara's competitiveness and support business in the region as well as facilitate trade.

Acting Director with support from Manager, Research and Analysis and Economic Development Officer

- Support to Public Works Department to submit an Expression Of Interest to the National Trade Corridor Fund to initiate work on the East/West Corridor.
- Support to ensure access to broadband through the Niagara region
- Support to the manufacturing sector in regards to lowering electricity costs for large power users.
- Ongoing meetings with the Hamilton Port Authority and the St. Lawrence Seaway Management Corporation.

Alternatives Reviewed

None applicable.

Other Pertinent Reports

ED 1-2019 Economic Development Overview
ED 2-2019 Economic Development Strategy

Prepared by:

Valerie Kuhns
Acting, Director
Economic Development

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

Appendices

None applicable.

This report was prepared in consultation with and reviewed by Valerie Kuhns.