
Subject: Q3 Economic Development Quarterly Update

Report to: Planning and Economic Development Committee

Report date: Wednesday, October 9, 2019

Recommendation

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 third quarter (Q3) 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 council approved 2019 Economic Development operating 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
- 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: 10 meetings with 7 stakeholders including:

- Global Skills Strategy; Venture Niagara; Niagara Workforce Planning Board; CoStar

Agri-business: 12 meetings with 7 stakeholders including:

- Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) Rural Economic Development information session and Agri-Innovate Places to Grow Program session.
- Working with Cannabis regulatory bodies on potential Niagara presentation.
- Partnership and promotion meetings on the Niagara College Canadian Food and Wine Institute (CFWI) Food and Beverage Summit.
- Golden Horseshoe Food and Farming Alliance (GHFFA) project advancement: working group meetings, and secondary meetings for the Long Term Care Home local procurement project.

Tourism: 29 meetings with 14 stakeholders including:

- 6 RFPs released and promoted for Niagara 2021 Canada Summer Games business opportunities. RFPs included: printing services, social media, promotional products, modular pool, and project management services.
- Brock University's Sports Tourism Report – final report presented at PEDC and currently engaging stakeholders on the final report for feedback.

- Niagara Airports Feasibility and Future Business Modelling Study: RFP was awarded, onsite inspections and stakeholder engagements have been completed.
- Additional meetings include: sport tourism bid planning discussions, Canada Summer Games programming requests, 5 scenic trails, Ministry of Tourism, Culture and Sport, ferry services, etc.
- Niagara Gateway Information Centre Q2 2019: 13,269 visitors in the kiosk between April and June. Up more than 4500 visitors than the same period in 2018.
- The Gateway was approved for \$36,500 in funding through the Canada Summer Jobs program to hire 6 summer students for the centre.
- The Niagara Gateway Information Centre is a finalist in the 2019 Ontario Tourism Awards of Excellence.

LAM development: 28 meetings touching eight local area municipalities:

- Assisted in and led the advancement of 6 site selection opportunities. Work includes private sector development charge questions, business expansion assistance, Economic Development strategy planning, Rural Economic Development application support, Local Area Municipality fund application assistance, meetings with new staff.

Research and information requests: 127 requests from businesses and stakeholders, examples include hiring assistance programs, sector information, data requests, stakeholder introductions, 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 (completed)
- Industry 4.0 Study with Niagara College (completed)
- Exploring Goods Movement and Export Diversification for Niagara Region Firms (in progress)
- Niagara Community Observatory: Information and Communications Technology (ICT) Policy Brief (in progress)
- Niagara Trade Profile (in progress)
- Niagara Tourism Profile (in progress)
- Transportation Data Portal Pilot Program with Transport Canada (in progress)

Research Inquiries:

- Total: 61
- Brock University: 6
- Niagara College: 2

- Internal (Niagara Region): 18
- Businesses: 17
- Stakeholders (ex. GNCC, NIA, Hamilton-Oshawa Port Authority, news media, etc.): 12
- Local Area Municipalities: 6 (St. Catharines: 3; Lincoln: 1; Fort Erie: 1; Niagara Falls: 1)

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

- NFTZ added 18 clients to its Q2 list and is now servicing 96 clients, from the Agribusiness, Manufacturing, and Logistics sectors.
- Businesses receive regular updates on the FTZ programs and client-specific support through our task force agencies.
- Conducted three seminars in Q3 at the City Hall, St. Catharines, Niagara Falls and the Regional Headquarters, as an integral part of our NFTZ Seminar Series 2 for 2019. The sessions were informative and were presented by Canada Border Service Agency, Canada Revenue Agency, Trade Centre representatives, Export Development Canada and St. Lawrence Seaway Management. A total of 43 Niagara firms attended the seminars.
- Presented NFTZ services to local institutions: Spark Niagara and two banks: BMO, RBC.
- Participated in 3 networking events, including the Niagara Business Achievements Award, Poland National Day and the Peruvian National Day.
- NFTZ manager with Team Niagara and Hamilton representatives attended the Toronto Global Economic Forum. Connected with Latin American Ambassadors during the events and invited them to the Region.
- Presented our services during Peru Virtual Fair, introduced our Region's competitive advantages as a location for investment including the FTZ point designation.
- Hosted an Indian delegation of 14 businesses and the Indo Canadian Chamber of Commerce at Niagara Region. There were formal presentations on trade and investment as well as B2B networking with Niagara companies. In the afternoon the delegation toured the Brock LINC facility and met with entrepreneurs.
- Promoted NFTZ news and client testimonials through the Region's e-newsletter.
- Updates were provided to the Director, Economic Development and the CEO, Niagara Development Corridor Partnership Inc. (NDCPi) through bi-monthly meetings, participating in NDCPi meetings and important updates to Team Niagara representatives' for their timely support and participation.
- Q4: planning for NFTZ task force meeting; 3 FTZ seminars, networking events and conferences.

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

- Site Selection Support: A total of nine site selection requests were received. This included leads directly related to the work done by the Manager of Trade and Investment, inbound inquiries through the Niagara Canada website, and direct inquiries from private investors.
- Facilitated a site tour for a foreign manufacturer considering expansion in the North American market. They had short-listed Niagara due its strategic location and proximity to key markets.
- Two Industrial Development Charge Grant applications were approved. This program has supported \$2.9 million in new investment and the creation of 30 jobs this quarter.
- Niagara Region has received three new applications to the Niagara Gateway Economic Zone & Centre Community Improvement Plan. This has attracted an estimated \$19 million in new investment; upon project completion will create an estimated 55 new jobs; and support the retention of 32 existing jobs.

As part of the on-going Regional incentive review the Manager of Business Development & Expedited Services participated in six inter-departmental meetings.

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

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.)

- Collaborated with Niagara Region Planning and Development on the creation of a Niagara Employment Areas Strategy. This included two workshops with community and industry stakeholders and the revision of draft strategy materials.
- Engaged the Niagara Association of Realtors on potential partnership opportunities that include the re-launch of Niagara Site Finder as a tool for industrial-commercial realtors and brokers.
- As part of the re-launch of Niagara Site Finder, two local Commercial and Industrial have begun using the site to test its updated capabilities.

- Niagara Premier Sites website and property inventory was shared with local economic development offices and community partners.

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.)

- The 3rd Quarter was dedicated to adopting the new Index CRM system, utilizing the 'qualified leads' generated under the Trade & Investment platform as the "beta test" for the NED Team. In summary, this initial loading of active leads yielded the following data banks: 30 leads from the U.S. Great Lakes States; 47 leads from the United Kingdom; 45 leads from Europe; and, 23 leads from Mexico [the latter Mexican leads were generated by the Hamilton-Niagara Partnership; but the Manager, Trade and Investment, NED, was the only participant in the Mexican lead meetings on behalf of the Partnership]. In addition, although the priority has always been to place more than half of NED's FDI efforts on the U.S., the challenges of finding a top quality lead generation firm in the U.S. resulted in a 12-month time delay [compared to the U.K. and Europe] generating "qualified" leads. This gap will be much reduced by a new U.S. lead generation mission in Q4.
- The balance of Q3 was dedicated to refining the Index CRM system as an effective client status and follow-up management tool. By the end of Q3, the Trade & Investment Manager was on top of the entire roster of leads and active follow-up was ongoing.
- September witnessed the participation of the Trade & Investment Manager in the fifth consecutive Toronto Global Forum of the Americas, accompanied for the first time ever in 2019, by the Regional Chair, for part of the program.
- The Manager, Trade & Investment represented the Regional Chair at an event held at Old Fort Erie by the Niagara Branch of the Friends of Cuba Association, conveying greetings and gifts on behalf of the Chair and Council to the Cuban Ambassador to Canada, Her Excellency Joesfina de la C. Vidal Ferreiro; her husband, Jose Anselmo Lopez Perera, Minister Counsellor; and the Consul

General of Cuba to Toronto, Ms. Tania Lopez Larroque, along with 5 of her Consular staff.

- In Q3, the Trade & Investment program selected a company from an RFP competition to generate 20 'qualified leads' in the U.S. Great Lakes States, to be finished in time for TEAM Niagara representatives to hold face-to-face meetings with the 20 shortlisted companies in Q4.
- In addition, the Trade & Investment program released an RFP for 'A Comprehensive Review of Current Foreign Direct Investment Trends as they Impact Niagara Region and Ontario'. This project is planned to be finished before the end of Q4 and will inform strategy for 2020.

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 Q3 and Q4 deliverables
- Website traffic over the summer months has remained steady with the increased traffic from Q2. This is positive news, as website traffic tends to drop in the summer months.
- Niagara Economic Development e-newsletter engagement is strong, though a slight decrease from Q2, which is expected due to summer vacations and reduced email delivery and readership. Open rates averaged at 45%, with click through rates averaging 55%. E-newsletter subscriber rates have increased by 75% since the e-newsletter's launch.
- Ambassador Program engagement and social media engagement continues with steady results compared to Q2.

Marketing Projects

- Customer Relationship Management (CRM) system updates were complete in June, with team training and launch in July. Regular maintenance for data integrity, bugs and technical fixes are ongoing.
- Marketing support for Hamilton-Niagara Partnership included event support for the Toronto Global Forum of the Americas (September 4-6), and the development of a video jointly promoting both regions.
- Advertising for business attraction is launching in September, including sponsored content and digital advertising. The first sponsored content piece to launch is with Postmedia (National Post, Financial Post and affiliated publications) on September 23. Additional pieces in the Globe & Mail and Macleans Magazine will follow in the fall.
- Advertising for resident attraction, including sponsored content and digital advertising, will launch in Q4. Placements will include National Post, Today's Parent and Toronto Life.

- Advertising for immigrant attraction, including sponsored content and digital advertising will launch in Q4. Placements will include the National Post, Canadian Immigrant, and other multicultural publications.
- Updates to the business attraction website are underway, with the launch of the Premier Sites section of the website expected by September 30.
- Updates to immigrant attraction website will launch by September 30, with the immigration microsite being built out to increase accessibility and usability to newcomer audiences.
- Updates to resident attraction website are in planning, with updates expected to launch in Q4.
- Updates to existing print and digital marketing collateral is underway. Key brochure and design updates have been identified, with project completion estimated in Q4.

Media & Thought Leadership

- Manager of Economic Research & Analysis interviewed for July 10 Niagara This Week article on jobs in the cannabis sector in Niagara.
- Manager of Economic Research & Analysis interviewed for September 5th issue of the Lake Report, on the growth and economic impact of cannabis in Niagara.
- Niagara ranked prominently in national rankings, including Macleans “List of Canada’s Best Communities” (August), and local businesses highlighted in Canadian Business’ “Startup 50” and “Growth 500” rankings (September).

Manager, Business Development and Expedited Services

- On Saturday, September 7th participated in the Toronto Franchise Expo in collaboration with a local developer and realtor to promote Niagara to investors and developers based in the Greater Toronto Area.
- Collaborated with Durham and Niagara region industry stakeholders and the CISO Forum Organizing Committee to raise Niagara’s profile as a community open to ICT firms and investment at CISO Forum Canada from August 22nd to August 23rd, in Niagara Falls.

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.)

- Worked directly with the City of Niagara Falls and a local business to resolve issues around the calculation of development charges that would have had a direct impact on the viability of the business.
- Met with the owner of a property in West Lincoln to address zoning restrictions and environmental constraints that are preventing new business investment in Niagara.

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.

- Manager, Business Development and Expedited Services participated in two conference calls with Niagara Region Planning and Development and the Ontario Ministry of Municipal Affairs and Housing regarding changes to the Greater Golden Horse Show Growth Plan and the creation of Provincially Significant Employment Zones.

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 will launch by September 30, with the immigration microsite being built out to increase accessibility and usability to newcomer audiences
- Advertising for immigrant attraction, including sponsored content and digital advertising will launch in Q4. Placements will include the National Post, Canadian Immigrant, and other multicultural publications.

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.

- 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.

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 1-2019 Economic Development Overview
ED 2-2019 Economic Development Strategy
ED 4-2019 Q1 Economic Development Quarterly Update Report
ED 8-2019 Q2 Economic Development Quarterly Update Report

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