
Subject: Q4 Economic Development Quarterly Update and Annual Strategic Action Plan Report Card

Report to: Planning and Economic Development Committee

Report date: Wednesday, January 15, 2020

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 Committee with an update on the department's activities for the fourth quarter (Q4) 2019.
- Economic Development activities support the Economic Development Strategy and Action Plan approved by PEDC in March 2019. An update on the Action Plan is provided as an appendix to this report.
- 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.
- The development of a Long Term Economic Development Strategy is one of Regional Council's strategic priorities. Work will begin on this strategy in 2020.

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: 22 meetings with 16 different stakeholders including:

- Venture Niagara; Niagara Workforce Planning Board; Financial Institutions, Local Area Municipality economic development departments, etc.

Agri-business: 22 meetings with 15 stakeholders including:

- Partnership and promotion of the Niagara College Food and Beverage Summit to agri-business operators and stakeholders;
- Meetings with stakeholders to advance an Irrigation Ambassador position to advance the Niagara Irrigation Strategy;
- Coordination of a SWIFT presentation to the Agriculture Policy and Action Committee meeting;
- Co-coordination of the cannabis regulation presentation to PEDC and cannabis land-use planning sessions;
- Coordination of meetings with Niagara Region wastewater team and Niagara winery producers;
- Working with Cannabis regulatory bodies on potential Niagara presentation;

- Golden Horseshoe Food and Farming Alliance (GHFFA) project advancement: working group meetings, and meeting for the Long Term Care Home local procurement project, updating the agri-business asset mapping tool with new data.

Tourism: 32 meetings with 25 stakeholders including:

- 3 RFPs released and promoted for Niagara 2021 Canada Summer Games business opportunities. RFPs included: project management services, merchandising and mascot fabrication;
- Brock University's Sports Tourism Report – engagement with stakeholders on the final report for feedback;
- Preparation of the Analysis of the Region's Role in Tourism report for PEDC, included engagement with tourism operators on the recommendation for a special event bid fund;
- Niagara Airports Feasibility and Future Business Modelling Study: RFP work was completed, document was provided to the Region in draft format, and internal/external stakeholders were engaged for feedback through 2 face-to-face sessions;
- Additional meetings include: sport tourism bid fund discussions, Canada Summer Games programming requests, Ministry of Tourism, Culture and Sport discussions, GO train marketing meetings, etc.;
- Niagara Gateway Information Centre Q3 2019 reporting – The third quarter of 2019 saw an increase of 7,186 visitors to the kiosk compared to the same date range in 2018. Ticket sales sold through the kiosk totaled more than \$70,000 at the end of Sept. Roughly 27,769 tourists visited the kiosk between July, August and September.

LAM development: 33 meetings touching 9 local area municipalities:

- On-going support to advance 9 active site selection inquiries;
- Work includes Economic Development strategic planning in multiple municipalities, business expansion assistance to 4 existing businesses, Local Area Municipality fund application assistance, data and analysis preparation for multiple municipalities;
- Local Area Municipality Fund: 9 of 12 local area municipalities submitted projects that the Region partnered on and contributed to. These projects range from traffic studies, to downtown development projects, to agri-business innovation initiatives. Reporting for these projects will be submitted by end of Q1 2020.

Research/information requests, referrals, stakeholder engagement: 111 inquiries and 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 information provision; support to Niagara Economic Development investment, trade and sector activities; and, support to business and other economic development stakeholders)

Research Projects:

- Information and Communications Technology (ICT) Policy Brief with Niagara Community Observatory (completed);
- Exploring Goods Movement and Export Diversification for Niagara Region Firms (in progress);
- Niagara Trade Profile update (in progress);
- Niagara Tourism Profile (in progress);
- Transportation Data Portal Pilot Program with Transport Canada (in progress);
- Niagara Community Observatory: Transportation and Logistics Sector Policy Brief (in progress);
- Niagara Shop Floor Manufacturing Study with Niagara Industrial Association (in progress).

Research Inquiries:

- Total: 86
- Brock University: 8
- Niagara College: 2
- Internal (Niagara Region): 17
- Businesses: 17
- Stakeholders (e.g. Greater Niagara Chamber of Commerce, Niagara Industrial Association, provincial/federal governments, port authority, news media, tourism organizations, Innovate Niagara): 23
- Local Area Municipalities: 19 (St. Catharines: 7; West Lincoln: 1; Fort Erie: 1; Niagara Falls: 1; Grimsby: 4; Welland: 3; Niagara-On-The-Lake: 1; Port Colborne: 1)

Presentations and Public Outreach:

- CKTB Interview: Manufacturing, September 30;
- Rotary Club Fonthill: Niagara Economic Update, October 20;
- CKTB Interview: Food & Beverage, October 7;
- Brock Presentation: Recreation & Sport Research, October 23;
- CKTB Interview: Niagara Economic Update, October 28;
- Niagara Economic Summit Presentation: Niagara Economic Update, November 1;
- CKTB Interview: Agriculture, November 4;
- RBC Presentation: Niagara Economic Update, November 19;
- CKTB Interview: Information Communications Technology (ICT), December 2;
- CKTB Interview: Charitable Donations, December 9;
- Niagara College Executive Team Presentation: Niagara Economic Update, December 12;
- CIBC Presentation: Niagara Economic Update, December 16.

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

Business Outreach Program

- NFTZ added 14 clients to our Q3 list, now servicing 110 clients, from the manufacturing, agribusiness, and logistics sectors.
- Conducted two seminars at the Regional Headquarters and City Hall, Welland and completed five seminars in total as the NFTZ Series 2 for 2019. Series 2 seminars were comprehensive and included presentations by representatives from Canada Border Services Agency (CBSA), Canada Revenue Agency (CRA), EDC, International Trade Centres, and the St. Lawrence Seaway Management Corporation. Officials from the Netherlands presented on exporting opportunities into the EU during the Welland seminar. A total number of 62 firms and 81 participants attended the Series 2 Seminar from various municipalities within Niagara; most of them were first-time learners about the NFTZ services.
- NFTZ presentations were made to Innovate Niagara, TD Bank and ongoing support was provided to BMO and RBC.
- Participated in 5 Networking events which included:
 - Excellence in Manufacturing Consortium (EMC) Annual Conference dedicated to helping manufacturers grow and become more competitive at home and around the world.
 - Canadian Manufacturers and Exporters Annual Conference to strengthen the competitive advantage of our manufacturers & exporters by building knowledge and capacity in key areas, like LEAN and productivity; trade and export; energy and environment; leadership development; safety and more.
 - The annual HWY H2O Conference had insights related to business development for the Great Lakes St. Lawrence Seaway System. The event catered to a global market within the maritime industry.
 - Propel Port Colborne – Labour Force Breakfast, one of the initiatives undertaken by the City of Port Colborne based on a new Economic Development Strategy and Action Plan. This was an opportunity to network with key Niagara industry leaders and discuss opportunities to further explore the issue of labour and skills shortages within the City and the Region.
 - Latin America Export Forum hosted by MEDJCT and Hamilton Niagara Partnership focused on exports to Latin America. It was well attended by our businesses and included the opportunity for them to have one-on-one meetings with Area Directors of specific markets.

Value Support

- Serviced clients with regular updates on FTZ programs and connected specific task force agencies with companies for client-specific support.

- Workshop on Export Business Plan: Trade Accelerator Program (TAP) hosted by the World Trade Centre/Toronto Board of Trade and co-hosted with support from Niagara Region. This was a two-day workshop assisting businesses in their strategic planning and support services for export markets. NFTZ made a presentation. Eight Niagara businesses participated in TAP. There were a total of twelve companies in the program. The NFTZ manager was a participant in the panel which provided mentoring sessions to the companies, to help them to build their business plan.

Administrative Update

- Regular administrative work updates were provided to the Economic Development Director and Niagara Development Corridor Partnership Inc. (NDCPi) CEO through bi-monthly meetings. Ongoing support and updates were given to Team Niagara representatives.
- The two year agreement between the Niagara Region and the NDCPi, to manage the day to day operations of the NFTZ, finished on December 31, 2019. Going forward the NFTZ will be administered through a position within Niagara Economic Development. A final report on metrics has been presented by NDCPi to Niagara Region Economic Development, as required by the agreement. It describes the successful leveraging of the NFTZ brand and the benefits to Niagara exporters, since its inception in 2017.

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

- Site Selection Support: A total of twenty-one site selection requests were received this quarter. This included leads directly related to the work done by the Manager of Trade and Investment, inbound inquiries through the Niagara Canada website, direct inquiries from private investors, and leads provided by the Consulate General.
- As part of a business development initiative NED has been working closely with an Ontario-based brownfield remediation consulting firm that is attempting to bring new products to market. They have identified Niagara as their first choice to establish a new manufacturing facility that would allow them to commercialize and manufacture their proprietary technology.
- 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 one new application to the Niagara Gateway Economic Zone & Centre Community Improvement Plan. This has attracted an estimated \$8 million in new investment; upon project completion will create an estimated 51 to 74 new jobs.

As part of the on-going Regional incentive review and feedback provided to KPMG in respect to the on-going Sustainability Review, the Manager of Business Development and Expedited Services organized two inter-municipal 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 Municipal Review /Official Plan, Site Finder, Premier Sites.)

- Collaborated with Niagara Region Planning and Development on the creation of a Niagara Employment Areas Strategy. This included one workshop with community and industry stakeholders and the revision of draft strategy materials.
- In collaboration with Niagara Planning and Development a joint event was held at White Oaks in Niagara on the Lake. This included community outreach regarding changes to policy surrounding employment areas as well as a Commercial and Industrial Real Estate update.
- In partnership with the City of Port Colborne and the St. Lawrence Seaway Management Corporation, NED hosted a workshop to investigate efficiencies to reduce servicing timelines and costs. This focused on a Regional force main project and water and wastewater servicing for approximately 86 acres of un-serviced lands managed by the St. Lawrence Seaway.

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 Foreign Direct Investment (FDi) target markets and sectors, lead investment missions with partners, lead generation, organize and participate in inward missions.)

- The 4th Quarter was partially dedicated to continuing the process of adopting and compiling the last three year's FDI files in 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: 37 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), for a total of 152 working leads. By the close of Q4, this working qualified leads list had been reduced to 48 Active Follow-Up Leads. Q4 was dedicated to follow-up with these active leads; in addition to an ongoing 20 Qualified Lead Mission focused on the Great Lakes States. Note: U.S.-China trade tensions have impacted the delivery of this contract within the allotted time. As a result, the contract was extended into Q1, 2020.
- Also, in Q4, a Foreign Direct Investment Study was completed; and another one was launched. The first study, "A Comprehensive Review of Current Foreign Direct Investment Trends, as they impact Niagara Region", was completed to meet our expectations on December 20th. The second study, "An Investigation of Potential New U.S. Foreign Direct Investment (FDI) Markets – with Qualified Lead Generation", contract was awarded on December 20th 2019.

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 Q4 deliverables.
- Key results from fall advertising are strong, including:
 - Website traffic has doubled year-over-year, comparing the period from Oct 1 to Dec 15: 2019 traffic is 11,279 visits vs. 2018 traffic of 5,451 visits.
 - Contact Us form submissions from the website have also doubled during the same time period: 40 in 2019 vs. 21 in 2018.
 - Business inquiries and leads have tripled in the same time period: in an average month, we receive 5-7 organic inquiries or leads. With print and digital advertising we are averaging 20-25 per month.
 - Approximately 80 new subscribers have opted in to the Niagara Economic Development e-newsletter during this time period.

Marketing Projects

- Fall Advertising Campaign for business attraction, resident attraction and immigrant attraction launched at the end of Q3, with a large amount of activity executed in Q4, including:
 - Digital Marketing, including programmatic, social media advertising and Pay Per Click (PPC) advertising
 - Globe & Mail article, launched October 21
<https://www.theglobeandmail.com/business/adv/article-for-growing-businesses-niagara-is-the-place-to-be/>
 - Toronto Life article, launched October 28
<https://torontolife.com/city/life/eleven-reasons-to-move-to-niagara/>
 - National Post article, launched November 4
<https://nationalpost.com/sponsored/life-sponsored/niagara-attracts-newcomers-with-social-supports-and-lower-cost-of-living>
 - National Post article, launched December 2
<https://business.financialpost.com/sponsored/business-sponsored/niagaras-secret-superpower-in-manufacturing>
 - Canadian Immigrant article, launched Nov 19
<https://canadianimmigrant.ca/living/niagara-a-welcoming-place-for-everyone>
 - Advertising in multicultural publications (Canadian Immigrant, Sing Tao, Latinos Magazine, CanIndia News) – October 3-November 15
- Additional advertising in Maclean's Magazine, Today's Parent, and the National Post will launch in January and February 2020.
- Website updates to niagaracanada.com, welcomeniagaracanada.com and liveinniagaracanada.com have been completed and launched in Q4
- Updated video for business attraction has been completed in Q4
- Updates to existing print and digital marketing collateral has been scoped and will be completed in Q1 of 2020.

Media & Thought Leadership

- Sponsorship of the CKTB 610 Business Trip from September 30 to December 13. This included daily promo reels and mentions of Niagara Economic Development, as well as speaking/interview opportunities for Economic Development and the Niagara Region on the following dates:
 - Blake Landry, Monday September 30 (manufacturing)
 - Valerie Kuhns, Friday October 4 (manufacturing)
 - Blake Landry, Monday October 7 (food and beverage processing)
 - Blake Landry, Monday October 28 (Niagara Economic Update)
 - Valerie Kuhns, Friday November 1 (Niagara Economic Summit)
 - Chair Jim Bradley, Friday November 1 (Niagara Economic Summit)
 - Blake Landry, Monday November 4 (agriculture)
 - Blake Landry, Monday November 11 (tourism)

- David Heyworth (Planning), Monday November 18 (environment & planning)
- Norman Kraft (Niagara Recycling), Wednesday November 20 (Region's recycling program and facility)
- Catherine Habermehl (Waste Management), Friday November 22 (waste management)
- Blake Landry, Monday December 2 (tech & innovation)
- Blake Landry, Monday December 9 (charitable sector & corporate responsibility)
- Ron Tripp, Friday December 13 (holiday food drive)
- Chair Jim Bradley, Friday December 13 (holiday food drive)

Manager, Business Development and Expedited Services

- Attended the 2019 Society of Industrial and Office Realtors' Broker of the Year Awards in Toronto on Tuesday, November 26.

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.)

- Facilitated an in-person discussion between a property owner, the NPCA, and West Lincoln to understand environmental constraints and the ability to develop the property for agriculture and agriculture-related uses.
- Supporting Corporate Services to expedite the divesture process of 401A Lakeshore Road, St. Catharines, Ontario. This three parcel assembly is comprised of 18 acres of employment lands. NED is supporting Corporate Services to bring a report to Council in 2020 recommending the sale of the lands.

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 a municipal workshop with Niagara Region Planning and local municipalities regarding changes to the Greater Golden Horse Show Growth Plan and the creation of Provincially Significant Employment Zones.
- In partnership with Planning and Development, NED responded to the Ministry of Economic Development, Job Creation, and Trade's request for submissions to their Ontario Job Site Challenge. The purpose of the job site challenge was to assist the Province in identifying employment lands between 500 and 1,500 acres in size that would be promoted by the Province of Ontario in their Foreign Direct Investment initiatives.

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 launched on October 1, with the immigration microsite being built out to increase accessibility and usability to newcomer audiences
- Advertising for resident and immigrant attraction, including sponsored content and digital advertising launched in Q4.
 - Digital Marketing, including programmatic, social media advertising and PPC advertising
 - Toronto Life article, launched October 28
<https://torontolife.com/city/life/eleven-reasons-to-move-to-niagara/>
 - National Post article, launched November 4
<https://nationalpost.com/sponsored/life-sponsored/niagara-attracts-newcomers-with-social-supports-and-lower-cost-of-living>
 - Canadian Immigrant article, launched Nov 19
<https://canadianimmigrant.ca/living/niagara-a-welcoming-place-for-everyone>
 - Advertising in multicultural publications (Canadian Immigrant, Sing Tao, Latinos Magazine, CanIndia News) – October 3-November 15
- Additional advertising in Today's Parent, and the National Post will launch in January and February 2020.
- Website traffic to the immigration site has increased almost 7-fold. Traffic from October 1 to December 15 was 7,060 in 2019 vs. 1,085 in 2018.

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.

Meetings with the Niagara Region Government Stakeholder Relations Specialist to provide information as the Government Relations Strategy is developed.

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
ED 11-2019 Q3 Economic Development Quarterly Update Report

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