
Subject: Economic Development Offices Collaboration

Report to: Planning and Economic Development Committee

Report date: Wednesday, May 13, 2020

Recommendations

1. That this report **BE RECEIVED** for information; and
2. That, in the current circumstances, staff **BE DIRECTED** to defer the development of a 10 year Regional Economic Development Strategy in collaboration with the Local Area Municipalities' economic development offices.

Key Facts

- This report was prepared before COVID-19 started to have an impact. Staff are now focused on supporting businesses and developing an Economic Recovery Plan, in collaboration with all economic development offices.
- This report is in response to the motion passed at PEDC on January 15th which gave direction to staff to engage with the economic development offices in the local area municipalities to discuss collaboration, including funding and resource allocation, to develop a 10 year economic development strategy for the Niagara region.
- The municipalities that have economic development offices are the Town of Fort Erie, Town of Lincoln, City of Niagara Falls, City of Port Colborne, City of St. Catharines and the City of Welland. It is recognized that both the Town of Grimsby and the City of Thorold are currently in recruitment for economic development positions and will be included in this list when the positions are filled.
- Six meetings were held by the Acting Director, Economic Development, in February and March 2020. These meetings included attendance by the local Economic Development Officer/Director, the Mayor and in some cases the CAO and a Regional Councillor.
- As a result of these meetings, letters of commitment expressing support were received from five municipalities and are included in Appendix 1.

Financial Considerations

The motion recommended that the economic development staff at the Region and in the Local Area Municipalities collaborate on the development of a 10 year strategy. There

are no financial implications as the strategy will be developed in-house by economic development staff.

However, it may be necessary to bring in specialized skills from external resources for aspects of the strategy development. For example, a consultant to facilitate the discussion in the stakeholder consultations or an expert to discuss best practice scenarios in other municipalities may be necessary. These costs can be accommodated within the Economic Development 2020 Operating Budget.

Analysis

The current Economic Development Strategic Plan is a five year Action Plan, covering 2019-2024 that was developed internally by Niagara Economic Development staff. It addresses topics and issues identified through extensive stakeholder consultations conducted in 2018. Regional economic development staff are currently working on the implementation of this Action Plan.

An update on the progress of this plan to date was presented in a report to PEDC on January 15th, 2020. The discussion which followed resulted in a motion being adopted to gauge the commitment level of the local area economic development offices to work in collaboration on a 10 year plan. The discussion suggested that this would replace the need to engage an economic development consultant, through a competitive RFP process to develop the strategy. In addition to the Regional Economic Development team there are six municipalities who have Economic Development staff.

The municipalities of Thorold and Grimsby have approval from their Councils to move forward with the appointment of an Economic Development Officer/Manager during 2020. When those positions are filled, they will be invited to collaborate on the Regional Economic Development Strategy.

The five municipalities who committed to participating in the strategy development are: Town of Fort Erie; City of Niagara Falls; City of Port Colborne; Town of Lincoln and the City of St. Catharines. Each municipality has signed a letter of commitment and those letters are attached to this report in Appendix 1. Each municipality has its own economic development strategy which is unique to its community. A region-wide strategy would identify common themes where a collaborative effort, would be needed to ensure that progress is achieved as well as identify where there is a Regional government level responsibility needed. This strategy would also look at longer term goals and objectives for Niagara, its economy and its business environment.

A number of comments and discussion points came out of the meetings and are captured below, in no order of priority.

- In a 10 year strategy we should consider the global economy, social disruption of artificial intelligence and automation, climate change, food security, irrigation, access to fresh water.
- The Memorandum of Understanding signed by the CAOs in 2012 should be revisited. (This was also brought forward in a motion by Councillor Huson at the March 11th PEDC meeting, which was approved.)
- The importance of the marine industry to Niagara and the potential opportunity around the seaway lands should be one of the considerations.
- There is a need to decide what the Region's involvement is in tourism.
- Integration of industrial development and natural heritage features should be considered.
- Regional assistance is needed for infrastructure to service industrial land.
- Municipalities have different perspectives on priorities depending on their needs and location.
- Engage a consultant to determine the Regional role in the economic development strategy, how it supports local economic development strategies, look at best practices and define the goal.

At a meeting with the Mayor of Welland and municipal economic development staff, it was communicated that the City would not participate or provide resources to the development of a Regional Economic Development Strategy. At the beginning of 2020, the City completed its own economic development strategy using the services of a consultant. They are confident that they are capable of implementing that strategy without collaboration with the Region.

The recommendation in this report is that staff now move forward with the strategy development process which will take place during 2020. As a first step, a meeting will be arranged with municipal economic development representatives to discuss the work plan and methodology. The second step will be to identify the members of the steering committee and the working group and host first meetings of both.

Alternatives Reviewed

The alternative method to develop a 10 year Regional economic development strategy would be to contract with an economic development consultant through a competitive RFP process. The consultant would work under the guidance of Regional Economic

Development and in collaboration with the Local Area Municipality Economic Development offices. It was expressed by the members of PEDC at the meeting on January 15th, 2020 that this was not a preferred alternative.

Relationship to Council Strategic Priorities

The development of a long term economic development strategy is one of Regional Council's Strategic Plan Priorities for 2019-2022 under the theme of 'Supporting Businesses and Economic Growth'.

Other Pertinent Reports

ED 1-2020 Q4 Economic Development Quarterly Update and Annual Strategic Action Plan Report Card.

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Appendices

Appendix 1	City of Niagara Falls Letter of Commitment
Appendix 2	City of Port Colborne Letter of Commitment
Appendix 3	City of St. Catharines Letter of Commitment
Appendix 4	Town of Fort Erie Letter of Commitment
Appendix 5	Town of Lincoln Letter of Commitment