



MEMORANDUM

TO: Mayor Lawlor and Members of Council

FROM: Erin Kaiser, Manager of Economic Development and Innovation

DATE: March 28, 2024

MEMO NO.: BEC-2024-005

SUBJECT: Invest Halton Hills 2023 Annual Report

PURPOSE OF THE MEMORANDUM:

The purpose of this Memorandum is to present Council with the 2023 Invest Halton Hills Annual Report, appended to this Memorandum. The Annual Report provides an overview of key initiatives and activities implemented by the Economic Development and Investment Attraction divisions in 2023. In addition, a brief overview of the general state of the economy is provided.

Regular updates provided through media releases, Council announcements, reports and memorandums, the Town's social media, websites and the Invest Halton Hills e-newsletter, supplement the comprehensive status update outlined in this edition of the Invest Halton Hills Annual Report.

BACKGROUND:

The Invest Halton Hills team consists of the Economic Development and Innovation, and Investment Attraction divisions of the Business, Environment and Culture department. Its primary objective is to promote Halton Hills as being open for business and a prime investment destination. The divisions showcase Halton Hills' thriving economy and quality of life to help attract and support local, regional and international business opportunities that enable businesses to grow and succeed. The team provides a full suite of high-quality economic development services and supports, including:

- Financial incentives via the Community Improvement Plan (CIP)
- Business Retentions and Expansion (BR&E) programming
- Business Concierge Program
- Investment attraction, expansion and relocation
- Site selection assistance

- Market research
- Industry engagement
- Workforce development
- Amplifying tourism's economic benefits
- Leveraging and supporting the arts and culture sector

The team's work is guided by the Town's [Economic Development and Tourism Strategy](#), [Foreign Direct Investment \(FDI\) Attraction Strategy](#), [Business Concierge Program](#), Business Retention and Expansion (BR&E) Program, [Community Improvement Plan](#) (CIP), and the Digital Main Street Program (2021-2023).

Ultimately, success in attracting non-residential investments to Halton Hills leads to growth in non-residential assessment and municipal tax revenue to deliver the Town's services to residents, businesses and visitors, local job opportunities and spin-off economic activity for the business community.

COMMENTS:

1. 2023 Invest Halton Hills Annual Report – Success Highlights

Halton Hills is committed to fostering economic growth and prosperity. This directly supports Council's Strategic Plan priority of a "Thriving Economy." The Invest Halton Hills 2023 Annual Report, appended to this Memorandum, showcases key economic development initiatives and achievements. Through a comprehensive workplan, the focus remains on supporting existing businesses, attracting new investments, and positioning Halton Hills as a prime investment destination. Collaboration with key stakeholders continues, including with local businesses, the Acton and Georgetown Business Improvement Areas, Halton Hills Chamber of Commerce, industry associations, provincial and federal ministries, and Halton Region.

Among others, 2023 successes include:

- Completion of **80%** of the Economic Development and Tourism Strategy's recommendations, with others either underway or in progress;
- Administration of the Digital Main Street (DMS) program that supported **over 400 local businesses** with key tools and services, and provided **\$255,000** in grant funding directly to local businesses by the end of 2023;
- Three new Community Improvement Plan projects, valued at **over \$60,000 in investments**, and a significant increase in the number of inquiries;
- Approximately **6 million square feet** of active non-residential development valued at **\$1.5 billion** and creating over **3,000 direct jobs**;
- Inbound investment and development inquiries for land, buildings and leasable space have increased significantly in 2023 representing a year-over-year increase in direct inquiries of nearly **300%**. The capital expenditure value of these inquiries reached almost **\$8 billion in potential investment**;

- Significant building construction and/or completion occurred for the Fresh Taste Foods and Panattoni buildings in 2023. These represent about **250,000 square feet** of non-residential development in the Premier Gateway and Acton Industrial areas, and approximately **\$80 million in investment**;
- Building construction and/or earth works started for the Conestoga Cold Storage and ProLogis projects in 2023. These represent about **1.6 million square feet** of non-residential development in the Premier Gateway and approximately **\$500 million** in investment;
- Completion of a highly successful trade mission as part of an Ontario Manufacturing Communities Alliance delegation, conducting **39** quality in-person investment meetings;
- Hosted the first FDI site visit with a multi-national foreign company, directly as a result of the Town's FDI program;
- Enhanced and targeted small business supports, including Small Business Week with the Halton Region Networking Series and the launch of a Digital Spotlight Series;
- Significantly expanded and high-quality marketing materials and campaigns to showcase Halton Hills as a prime investment destination, including **56,000 printed copies** and digital distribution of an advertorial profiling the Ontario Advanced Manufacturing Sector in Perspective News, and an **18%** growth in the Invest Halton Hills e-newsletter;
- Expanded the Visit Halton Hills social media reach with a highly successful influencer marketing campaign which received excellent feedback from featured businesses and provided outstanding results, with about **119,000 social media views and engagements**;
- Attended **10 local tourism events** and, based on data collected, estimated about **\$1,000,000 in visitor spending**;
- Creation of highly sought-after Visit Halton Hills 'Artist Tote Bags' with a matching grant from Regional Tourism Organization 3 (RTO3).

2. State of the Economy – Regional and Provincial Review

The 2023 [Halton Region Employment Survey](#) showed stability in the total number of businesses and jobs identified in Halton. A total of 13,810 businesses were identified, slightly fewer than in 2022. The total number of jobs increased by 1.4% to 243,500. In terms of business size, 64% of businesses and 43% of total jobs stem from small businesses. Retail trade was the largest sector, followed by Manufacturing, Health Care and Social Assistance, Educational Services, and Accommodations and Food Service.

Halton Hills accounted for about 10% of businesses included in the survey and nearly 9% of all jobs. It is important to note that the Halton Employment Survey is a voluntary survey and, while useful, the data is incomplete.

The [2023 Halton Region Business Conditions Survey](#) highlighted concerns about inflation, interest rates, and economic stability. Climate change was also a significant consideration for many businesses, with over half expressing concerns about its impacts. Most respondents intended to maintain or increase staffing levels, though challenges in finding entry-level staff were reported. Over the next 12 months, the majority of respondents expect to make capital expenditures or productivity investments, with 26% of respondents expecting an increase in profits.

Through its 2024 Budget announcement, the Ontario government indicated continued focus on fostering economic growth and attracting investment. This includes initiatives related to strengthening the manufacturing sector and enhancing Ontario's role in the global Electric Vehicle supply chain. The budget acknowledges the uncertainty in the economic landscape; however, it provides an optimistic growth trajectory in the Economic and Fiscal Overview.

CONCLUSION:

While more remains to be done, including as some businesses continue to recover from the lasting impacts of the pandemic, and recognizing economic and geo-political uncertainties, Halton Hills continues to achieve significant economic success. Through a suite of economic development programs, Town staff continue to position Halton Hills as a prime investment destination and as being open for business. By continuing to attract non-residential investments, supporting local job opportunities, and raising assessment growth – Council's strategic priority of a Thriving Economy is being significantly advanced.

Reviewed and approved by,

Damian Szybalski, Commissioner of Business, Environment & Culture

Chris Mills, Chief Administrative Officer