

REPORT

REPORT TO: Mayor Rick Bonnette and Members of Council

REPORT FROM: Damian Szybalski, Manager of Economic Development, Innovation and Culture

DATE: September 12, 2018

REPORT NO.: ADMIN-2018-0025

RE: State of Economy – Economic Development Update – Q3

RECOMMENDATION:

THAT Report No. ADMIN-2018-0025, dated September 12, 2018, regarding the “State of Economy – Economic Development Update – Q3”, be received;

AND FURTHER THAT Council endorse the Town submitting funding application(s) to the provincial Rural Economic Development (RED) program in support of the Town’s economic development and tourism marketing efforts, as well as to the federal government’s Invest Canada-Community Initiatives (ICCI) program in support of the Town’s investment attraction initiatives, as well as to any other external funding sources, as appropriate;

AND FURTHER THAT Town staff be authorized to execute any necessary agreements related to external funding applications, as appropriate.

BACKGROUND:

In March 2018, via report ADMIN-2018-0008, the Community and Corporate Affairs Committee received the second annual “State of Economy” report which highlighted the state of the local economy and key economic development initiatives. Since the March 2018 update, considerable progress has continued to be made towards the economic prosperity of Halton Hills.

The purpose of this State of Economy Update, a third in a series and covering initiatives generally undertaken until the end of the third quarter of 2018 (Q3), is to provide Council with an overview of key initiatives and projects that are contributing to economic growth, local job creation and assessment.

The State of Economy Update complements and leverages synergies between economic development, culture and tourism. The highlighted accomplishments are a reflection of partnerships, collaboration and/or initiatives of various Town departments and numerous external stakeholders/partners.

The State of Economy Update also complements the March 2018 “[State of Culture](#)” report which showcased the Town’s leadership and numerous achievements on that front. Cultural vibrancy is a key component of quality of life and, in turn, economic growth (see Figure 1). For example, in terms of the Public Art Master Plan which Council approved in July, public art can contribute to a healthy, vibrant and connected community and can also build the local economy by attracting a creative workforce and bringing in additional tourism revenue.

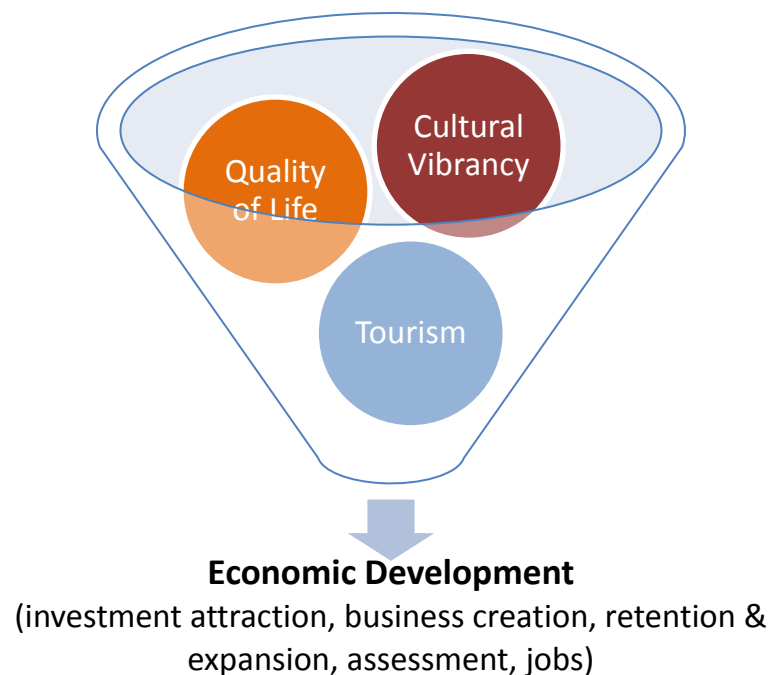


Figure 1: Cultural vibrancy, quality of life and tourism contributing to local economic development

Key topics highlighted in this State of Economy update are:

1. Overview and Market Conditions
2. 2017 Employment Survey
3. Community Improvement Plan (CIP)
4. Industrial and Commercial Investment
5. Investments in Acton
6. Tourism as an Economic Driver
7. Sister-City Partnership

8. Communications

Because of the dynamic nature of the economy and the continuously changing status of individual projects, information contained in this report was current at the time of writing. Any applicable Town approvals and the applicants' response to these may have timeline implications. The content is therefore subject to change.

COMMENTS:

1. Overview and Market Conditions

Despite some continued economic uncertainty, largely caused by the ongoing NAFTA negotiations and the resulting tariffs imposed by the US on Canada and by Canada on the US, the local economy continues to grow.

According to the 2017 Halton Region Employment Survey, the Halton Hills economy expanded between 2016 and 2017, both in terms of the number of businesses and the number of jobs. Demand for employment lands and buildings continues to be robust. As the supply of industrial lands becomes increasingly scarce in neighbouring municipalities, Halton Hills is becoming a prime destination for investment.

Residential data indicates that the housing market continues to strengthen. The magnitude of financial benefits that will accrue to the Town from new residential development (i.e. development charges revenue) will depend on the amount of supply and the timing of new residential construction.

The Town's strategic location in the GTA, close to major markets and transportation networks, a high quality of life and a competitive business environment are major driving factors for attracting investment.

According to Halton Region's *2017 Business Conditions Survey*, quality of life and safety was ranked as the highest (65%) locational advantage for Halton Region. As shown in Figure 2, other considerations such as availability of suitable space, cost of space, availability of land, municipal permit process, land costs, municipal taxes, zoning regulations, transit, labour costs, development costs and construction costs ranked significantly lower.

The Business Conditions Survey, which asked about 500 business owners/executives about the state of their operations, future outlook and comparison of Halton to the GTA, also found that 36% plan to invest in growth, 86% forecasted steady/higher profits and 31% intended to hire additional staff.

A high quality of life, which can encompass a wide range of factors (e.g. housing options and affordability, neighbourhood safety, household income, vibrant arts and culture scene, sense of community, recreation opportunities, etc.) makes it easier for employers to attract employees.

Money Sense’s “Canada’s Best Places To Live 2018” looked at over 400 communities across Canada to select the best places to live. Based on points assigned to ten categories, the Town of Halton Hills ranked in 10th place, up from 24th in 2017.

2. 2017 Employment Survey

Each year, Halton Region conducts a comprehensive door-to-door Employment Survey of businesses in Halton. The results of the 2017 survey, the eighth such survey, have been released. The survey is conducted between May and September each year. In 2017, about 97% of businesses took part in the survey. Among other things, the survey is used to support employment planning, monitor economic development trends, and support water, wastewater and transportation master plans.

Key survey findings include:

- Halton Region is home to 13,413 active businesses.
- There are 231,576 jobs in the Region.
- Number of jobs grew by 3% between 2016 and 2017.

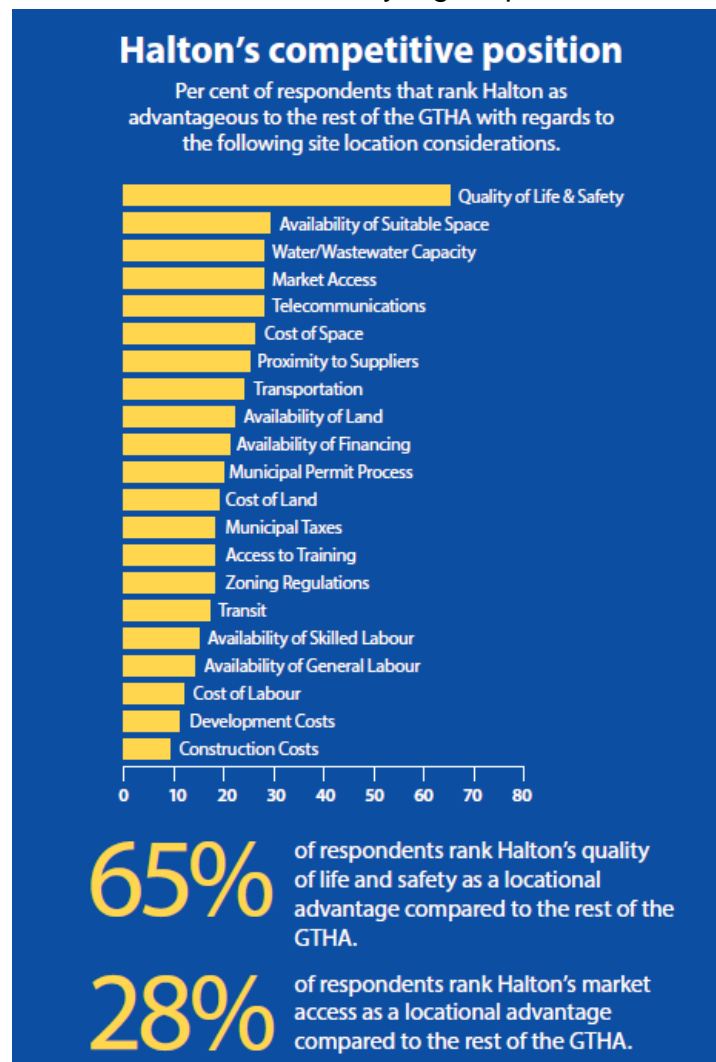


Figure 2: 2017 Halton Region Business Conditions Survey – Halton's Competitive Position

- Number of businesses grew by 126 between 2016 and 2017.
- About 70% of all jobs are full-time.

As summarized in the infographic included as Appendix 1 (Business Community Snapshot), specific to the Town of Halton Hills, key findings for 2017 include:

- **Halton Hills is home to 1452 businesses, up 2.5% (35 businesses) from 2016.**
- **21,175 jobs are located in Halton Hills, up 2.3% (475 jobs) from 2016.**
- **Halton Hills jobs account for about 9% of all Halton employment.**
- **Full-time jobs account for 63% of all jobs in Halton Hills.**
- Halton Hills has the highest share of part-time jobs in Halton. This is largely due to the Town's relatively higher number of population-related jobs.
- Top five sectors by the number of jobs are:
 - Retail trade (4792 jobs)
 - Manufacturing (3914 jobs)
 - Accommodation and Food Services (1591 jobs)
 - Educational services (1539 jobs)
 - Transportation and Warehousing (1119 jobs)
- Population-related jobs numbered 9721. These include jobs in retail, medical offices, hotels, restaurants and other services such as dry cleaners and repair shops.
- Employment land jobs numbered 6859 jobs. These are in manufacturing, construction, transportation and warehousing.
- Knowledge-based and institutional jobs numbered 4883. These jobs include those in finance, law, real estate, government, schools and hospitals.
- About 29% of all businesses in Halton Hills have their head office in Town.
- The majority of Halton Hills businesses are small with 1 to 4 employees (43% of all business), followed by those with 5-10 employees (27% of all business), and 11-99 employees (26% of all businesses). Businesses with 100-499 employees account for only 2% of all Halton Hills businesses. There is only one local business with 500 or more employees.
- From 2016 to 2017, 91.3% of local businesses remained open, while 5.7% closed or relocated.
- Top private employers in Town, based on the number of employees (not including seasonal employment), are:
 - Mold-Masters (manufacturing)
 - CPI (satellite and electronic equipment)
 - BFG Canada (food processing)
 - CIP Group (commercial and residential construction)

- Saputo (food processing)
- Cooper Standard Automotive (transportation equipment manufacturing)
- Warner Enterprises (transportation carriers)
- First Student Canada (school bus transportation)
- AZZ Galvcast (primary metal manufacturing)
- Keller (engineering services)

3. Community Improvement Plan (CIP)



Before



After

Successful multi-unit CIP project at 14 Main Street South, Acton

In 2014, Council approved an annual capital budget of \$75,000 to fund the Community Improvement Plan or “CIP”. The CIP program continues to unlock significant investment. It promotes strategic business investments across the Town by attracting and supplementing private sector investments for façade improvements, industrial landscaping, environmental assessments and other programs.

Uptake of the program has grown significantly between 2014 and 2018. This growth can largely be attributed to the positive visual impact of façade improvements, expanded marketing efforts and expansion of where the program applies. Since 2014, about \$325,000 in loans/grants has been approved, resulting in over \$650,000 in total

investment. In turn, this contributes to higher property values, business retention and attraction, and employment growth.

In 2017, the most successful year to date, approximately \$181,000¹ was awarded to 14 projects resulting in a total community investment of \$397,000.² In Acton, 10 approved CIP projects have either been completed or are in progress. The latter have an estimated total project value of \$280,000 and an anticipated CIP grant pool of about \$137,000. In Georgetown, there are six projects with a value of about \$144,000, representing about \$54,000 in CIP grants anticipated to be issued upon project completion.

In 2018, assuming all projects in progress are completed as proposed, the \$75,000 in annual funding would have been allocated by March. If all additional applications being considered materialize, an additional \$107,000 in CIP funding will be required. The Town's recent agreement with AMO (Main Street Revitalization Initiative) will inject \$84,000 towards CIP implementation.

In addition, through the Town's request for Regional participation in Halton Hills' CIP program, Halton Region has approved a \$50,000 contribution to a specific project in Acton, in principle and subject to certain criteria. A portion of these funds have already been received.

To meet demand and continue to realize significant benefits, as part of the 2019 Budget, Town staff will recommend increasing annual CIP funding from \$75,000 to \$107,500.



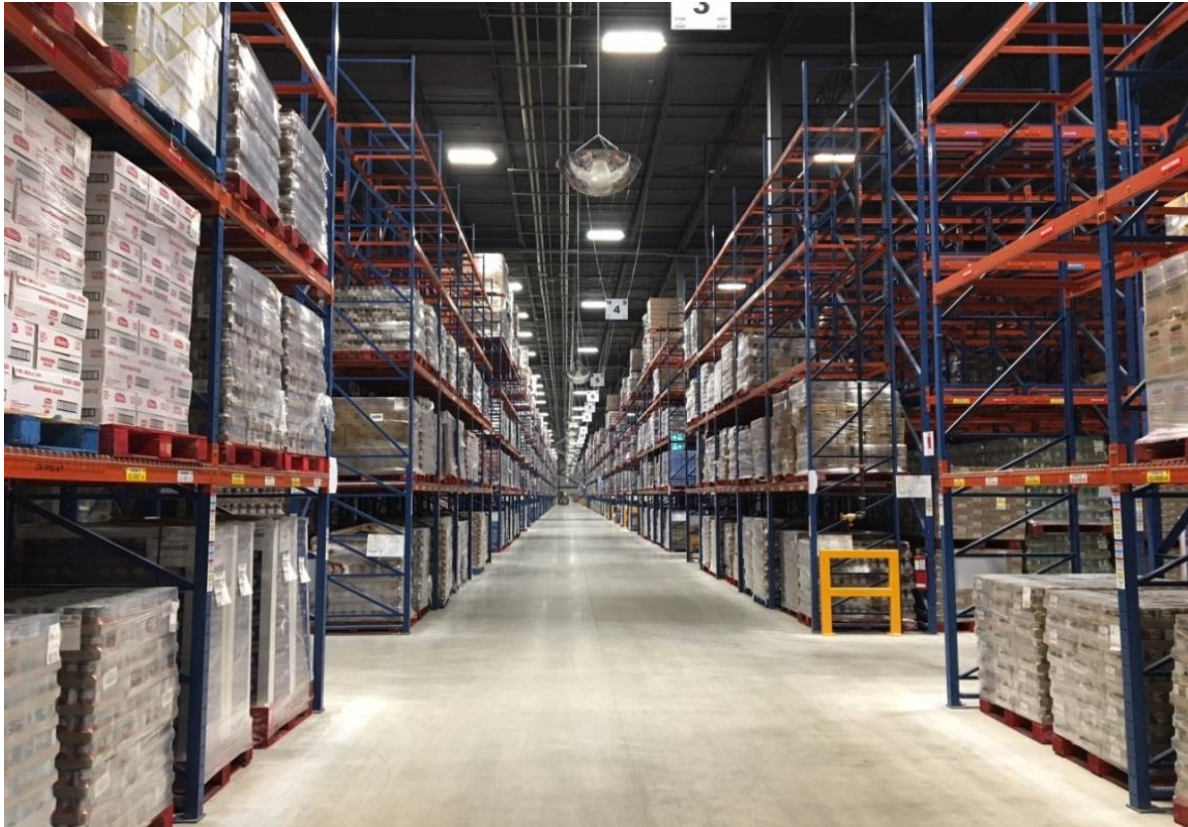
Façade improvement at the North Star Drycleaners, 55 Main Street South, Georgetown

¹ The Town was able to exceed the \$75,000 annual funding envelope in 2017 by using prior year's surplus.

² Total of all projects with committed funding, completed and in-progress. In-progress projects' values are estimates only.

4. Industrial and Commercial Investment

(i) Premier Gateway



Inside of the Kraft-Heinz facility in the Premier Gateway, 7951 Fifth Line

Investment in the Premier Gateway continues to be robust. Kraft Heinz, a recent addition to the Premier Gateway, continues to scale-up its operations in the 500,000+ sq.ft. facility. The Halton Hills facility is Kraft Heinz Canada's distribution hub, with thousands of different products delivered to and distributed from this facility to destinations across Canada. Currently, the facility has about 105 jobs. This is expected to increase to over 130 jobs once the 260,000 sq.ft. refrigerator addition to the existing building is completed in 2019. The Kraft Heinz facility in Halton Hills started operations in January 2018.

Strong market demand has also led to the leasing of 57% (324,000 sq.ft.) of the 564,000 sq.ft. at 6 Cleve Court, a Triovest managed building. 6 Cleve Court will be the newest location of a major multi-national logistics company, which will house approximately 7000 sq.ft. of office space and as a result, create 40 new jobs. The new tenant is anticipated to be in operation by October.

The 639,000 sq.ft. Broccolini building at 11400 Steeles Avenue continues to be actively marketed, generating significant interest from potential tenants. Construction has now started on a 325,000 sq.ft. industrial building at the south-east corner of Fifth Line and Steeles Avenue. The recently completed building at 29 Brownridge Road is anticipated to be occupied in the near future. The expansion of the Toronto Premium Outlets (TPO) is nearing completion. The grand opening is scheduled for November 2018.



Inside the 564,000 sq.ft. Triovest building at 6 Cleve Court in the Premier Gateway

The Premier Gateway is also attracting significant investment in lands for future development. This investment appears to be driven by a growing land supply shortage east of Halton Hills, demand for industrial space exceeding supply, and the Town's strategic location – among other factors.

Beyond the above, Town staff continue to work on a number of strategic and potentially significant investment and economic development opportunities within the Premier Gateway.

(i) Georgetown Industrial Investment



Future location of the Freshouse Foods plant at 71 Todd Road, Georgetown

Demand for employment uses in the Georgetown industrial area remains strong with new investment entering the area. One example is the purchase of the building at 71 Todd Road by JBelli Holdings Inc. and its ongoing conversion into a food processing operation. Staff report PLS-2018-0065 (see July 9th Council meeting) contained information regarding this project.

JBelli Holdings plans to move its food processing plant from Bradford to Halton Hills, with an anticipated 2019 opening, pending receipt of required approvals. Operating under the Freshouse Foods brand, the plant will process and package a variety of roasted meats, ready-to-eat meats and meals under private labels for retail customers such as Costco, Tim Hortons and Loblaws. The company is well-positioned for growth and, with their new location in Town, will be able to take advantage of Halton Hills' strategic location in the GTA and the large customer base that it offers. The move supports the company's plan to meet rapidly growing demand with a projected need for about 130 employees once fully operational. Future growth could mean further expansion, with the potential for more jobs.

Town staff are aware of other potential proposals for business expansions in the Georgetown industrial area. A number of businesses in the area are actively seeking employees and providing local job opportunities.

(ii) Georgetown Commercial Investment

Georgetown has recently experienced several notable commercial investments, including the Goodfellas Wood Oven Pizza at 29 Main Street South in downtown Georgetown, and the Furnace Room Brewery at 1 Elgin Street. Opened in late August, Goodfellas provides a new and unique eating option in downtown Georgetown. The Furnace Room Brewery, the first of its kind in Halton Hills, is anticipated to open in early fall 2018.



Goodfellas Wood Oven Pizza, 29 Main Street South, Georgetown, August 2018



Furnace Room Brewery, 1 Elgin Street, August 2018
Photo Source: Furnace Room Brewery

5. Investments in Acton

(i) Downtown Acton and BIA

The prosperity of downtown Acton continues to be a key economic development priority for the Town. Economic Development staff continue to work closely with the Acton BIA to help implement its Strategic Plan, retain existing businesses and attract new investment.

Downtown Acton has momentum and is experiencing a new injection of investment and a positive business environment. As evidence of this, the number of dormant storefronts that had sat vacant continues to decline. Some of those that previously sat idle are being actively marketed (e.g. 22 Mill Street East). Others, while they may appear to be vacant, are anticipated to be occupied in the near future (e.g. 14 Main Street South – most units now occupied). The Acton BIA is in the process of developing a detailed business inventory as well as an assessment of vacancies. This information will be valuable for continued future efforts of encouraging occupancy of vacant units, as well as business retention.

Following a request from the BIA to the Town's CAO, the Town's Economic Development Officer was appointed by the CAO as the acting BIA manager on an interim, part-time basis. Between May and July 2018, the acting BIA Manager achieved considerable progress, including:

- Maintained “business as usual” operations with regular BIA office hours.
- Organized the BIA's Annual General Meeting (AGM), including the delivery of a keynote economic development presentation and the selection of new Board members.

- Developed and implemented a comprehensive recruitment process for a permanent BIA Manager. The new BIA Manager started in July.
- Provided logistical and administrative support to the BIA Board.
- Planned and/or implemented key events (e.g. Canada Day, Open Streets, etc).
- Provided marketing and communications support, including:
 - New website launch: <https://downtownacton.ca>
 - New Acton BIA logo launch on June 26, 2018



Launch of the new Acton BIA logo in June 2018

- Hired a summer student as part of the Canada Summer Jobs program.
- Reinforced the partnership between the BIA and the Town.

(ii) Business Retention and New Investment

New investment and businesses are moving into downtown Acton as well as the surrounding area, bringing new customers and activity. Examples include:

- Grand opening of the *Ambition Performing Arts Centre* at 14 Main Street South (August 9, 2018)
- Anticipated opening of the *Oh Behave* store at 14 Main Street South.
- Opening of the Acton location of the *Helsons Law*



Grand opening of Ambition Performing Arts Centre in Acton, August 9, 2018

Office – July 2018.

- Anticipated opening of the *Acton Medical Centre & Family Practice* at 21 Main Street North.
- Anticipated opening of *The Purple Potato Café and Vegan Food Services*, adding to the robust mix of eating establishments in downtown Acton.
- Opening of a new watch and clock repair shop (Tic-Toc Watch & Clock Repair) at 2 Main Street South.
- Significant uptake of the CIP program throughout downtown resulting in a noticeable improvement to properties and greater awareness of the CIP program.
- Town staff continue to work with local business owners to assist them in marketing their properties and making them 'market-ready'. For example, reusable imitation storefront vinyl window banners have been designed and, in partnership with the Acton BIA, installed in the windows of the vacant units at 22 Mill Street.



New Acton Medical Centre & Family Practice, 21 Main St. North



Tic-Toc Watch & Clock Repair, 2 Main Street South

In addition to the above, Town staff are aware of further planned/ongoing investments. The applications for 11 3-storey townhouses for 12 Church Street (Zoning By-law Amendment under review) and 16 bungalow townhouses at 284 Queen Street East (Official Plan and Zoning By-law Amendments under review) will expand the customer base for downtown businesses and support their growth.



Before



After

Building at 22 Mill Street before and after the changing of the sign and marketing banners being installed to help promote occupancy of the building.



Helsons Law Office, Acton location opened in July 2018, 35 Mill Street East



The Purple Potato Cafe and Vegan Food Services, August 2018, 37 and 39 Mill Street

Acton is also benefiting from industrial investment. The first tenant is now occupying the first building in the “Halton Hills Industrial Park” being developed by Futura Properties at 340 Main Street North. It is estimated that Phase 1 of this project has resulted in an economic investment of about \$30 million.

The Ontario Building Materials Division of CanWel Building Materials Group Ltd., the first tenant and a publicly listed company on the Toronto Stock Exchange, is in the business of wholesale distribution of building materials and related products. CanWel’s clients include Rona, Lowes, Home Hardware, Home Depot and Castle Building Supplies. In peak season, the Acton location will employ about 100 people, majority on a full-time basis.

Phase 1 of the project has generated significant interest in Phase 2. The developer believes that further investment, opportunity and businesses will be drawn to Acton.

6. Tourism as an Economic Driver



The Highland Games, June 2018

Tourism is a major economic driver. Tourism attracts investment, creates jobs and supports thriving communities. According to the province, tourism generates about 144 million visitors annually in Ontario, generating about \$27 billion in visitor spending. On average, each same-day visitor spends \$82. Within the Regional Tourism Organization (RTO3) of which Halton, Hamilton and Brant are part, about 11 million visitors generate about \$850 million in visitor spending or almost \$57 per person same-day visit. Based on a sample of local events in Halton Hills, thus far, each same-day visitor to Halton Hills spends about \$25.

A key objective of the Town's tourism program is to implement initiatives that will close the gap between the average spending at the local and regional levels, and hence raise the associated economic benefits for Halton Hills.

As summarized in the 'Tourism Snapshot' included as Appendix 2 to this report, since Council's approval of the Town assuming strategic management of the tourism portfolio from the Halton Hills Chamber of Commerce in March 2018, considerable progress has already been made. Thus far, key accomplishments include:

- Hired an "Economic Development and Tourism Coordinator" to develop, coordinate and lead the implementation of the tourism program as well as to assist



Canada Day in The Glen, July 1, 2018



Anne of Green Gables Day, June 16, 2018



Classics Against Cancer, June 17, 2018

with the implementation of key economic development initiatives, including the CIP program.

- Designed and implemented a new Economic Development and Tourism survey to collect valuable local tourism data to establish benchmarks. Thus far:
 - Attended 16 community events to administer the survey and strengthen tourism partnerships.
 - Completed about 780 surveys, representing over 2,400 visitors. Among the wealth of data collected, initial analysis shows that of all the visitors surveyed, about 17% travelled 40km or more to visit Halton Hills. The Province defines a “tourist” as someone who travels more than 40km to attend an event. About 37% of visitors travelled from outside of Halton Hills, but from a distance of less than 40km.
- Distributed over 4,500 pieces of tourism marketing materials. This includes providing Ontario Travel Information Centres with Halton Hills’ tourism material.



Acton Farmers' Market, June 18, 2018



Canada Day in Prospect Park, July 1, 2018



Georgetown Farmers' Market, June 30, 2018

- Completed an initial audit of the content and functionality of the visithaltonhills.ca website. Based on the audit, the website has been updated and refreshed. Although additional work needs to be done, the update has led to significant improvements resulting in a more visually attractive, streamlined, engaging, updated and easier to navigate website.

As shown in Appendix 2, visitor traffic to the website has expanded and continues to grow. Between May and August 2018, visithaltonhills.ca had about 6,500 visits – an increase of about 10% from the same period in 2017.

- Expanded social media promotion for local festivals and events, and associated tourism information. Created a dedicated tourism hashtag: #hhTourism, and thus far published about 240 tourism specific posts.
- Prepared and shared valuable and concise tourism data with event organizers in the form of new “Tourism Snapshot” report. This new deliverable has been very well received and will assist community groups with their future plans by providing data that can be used to set benchmarks, assess event success, support funding requests and guide future event plans.
- Held follow-up meetings with festival and event organizers to determine how the Town can best support their events from a tourism perspective.
- Had discussions with various potential tourism partners (e.g. accommodations, Toronto Premium Outlets, Ontario Baseball Championships, Regional Tourism Organization #3, Tourism Industry Association of Ontario, Halton Region, Halton Small Business Centre, etc) regarding potential cross-promotion and tourism marketing initiatives. Detailed plans for implementation are being developed and implemented.
- In collaboration with Community Development staff, completed ‘Needs Assessments’ of the needs of community groups in order to develop a tailored response to the needs of each group, as appropriate.
- Completed 1-on-1 interviews with members of the Tourism Committee to assess past successes, discuss roles and responsibilities, identify target audiences and tourism stakeholders, explore growth opportunities, and identify workplan priorities for 2018 and 2019.
- Held the first two meetings of the Town’s Tourism Committee to provide a status update and discuss recommended workplan priorities for 2018 and 2019. Information, knowledge and potential partnership opportunities continued to be exchanged to maximize the economic benefits of tourism.

- Prepared a comprehensive Tourism workplan to leverage tourism for economic development and social community benefits and align with Council's Strategic Plan priorities, based on a review of the 2014 Tourism Strategy, feedback from the Tourism Committee and review of best practices. Presented the proposed workplan to the Tourism Committee, CAO and the Senior Management Team. Priority deliverables of the workplan include:
 - Collecting, analyzing and publishing local tourism data
 - Updating the Tourism Committee Terms of Reference
 - Updating the 2014 Tourism Strategy
 - Developing tourism itineraries and packages to rise the economic impact of tourism
 - Establishing tourism kiosk(s)
 - Focusing on close collaboration with key tourism stakeholders, including restaurants, local tourism attractions, event organizers, accommodation providers, Toronto Premium Outlets, BIAs, Chamber, Regional Tourism Organization 3 (RTO3), tour operators, neighbouring Regional Tourism Organizations
 - Updating print and digital communications and marketing materials
 - Developing a 'How to start a Bed and Breakfast Guide' relevant for the local marketplace
 - Implementing a new approach to assisting local event organizers, in partnership with Community Development staff

- In partnership with Corporate Communications, implemented new communication tools, including social media, banners, brochures, e-newsletters, 'Let's Talk Halton Hills' and infographics.

- The Manager of Economic Development, Innovation and Culture is now part of the Board of Directors of the Regional Tourism Organization (RTO3). Funded by the Ministry of Tourism, Culture and Sport, RTO3 is one of 13 organizations across Ontario that provide leadership and coordination to support competitive and sustainable tourism. RTO3 covers the area of Halton, Hamilton and Brant.

As per the recommendation of this report, Town staff plans to apply for funding from the Rural Economic Development (RED) program for initiatives that will maximize tourism's economic development benefits. Any potential funding that may be received by the Town from the RED program would leverage and connect with the "Economic Development and Tourism Strategy Update" project that is planned to be recommended for Council approval as part of the 2019 Capital budget.

A recent tourism opportunity being considered by Town staff relates to the Halton Region Cycling Tourism Strategy. Endorsed by Regional Council in July 2018, this Strategy is intended to leverage existing cycling opportunities to support and grow cycling tourism. Town staff will look for opportunities to leverage the Strategy for cycling, tourism and economic development opportunities.

Currently, Town staff are collaborating with local and regional tourism, economic development and industry partners, including RTO3 and Halton Region, to promote the area, including Halton Hills, as a tourism destination during the upcoming Tissot World Track Cycling World Cup. This high profile cycling event will be taking place this October in Milton at the Mattamy National Cycling Centre (velodrome). According to the event website, the World Cup is the "...highest international level of track cycling competition and is a critical component of the qualification process for the Olympic Games..."

Tourism staff is also participating on Credit Valley Conservation's 'Arts, Culture and Tourism' committee that is contributing to the development of a continuous trail from Orangeville to Lake Ontario. Development of the trail will be an opportunity to engage local businesses and organizations to maximize the economic benefits of tourism.

7. Sister-City Partnership

Halton Hills' sister-city partnership with Wenjiang (China) is part of the Town's comprehensive economic development strategy. Expanding the number of local businesses engaged in exports is key to the Town's long-term economic prosperity given Canada's relatively small domestic market. As Ontario's second largest trading partner, China offers an opportunity to diversify the economy.

Building on the resounding success of the "Wenjiang Festival" held in October 2017 in Halton Hills, and to continue to implement the Council-approved sister-city Action Plan, plans are now underway to co-host a high-profile week-long "Halton Hills Festival". Confirmed for April 22-26, 2019, the "Halton



Successful "Doing Business with China" forum attended by about 120 participants, including Halton Hills businesses

Hills Festival” will be held in Wenjiang, China.

The Festival will showcase Halton Hills’ history, arts and culture. Importantly, the Halton Hills Festival will be a mechanism to:

- Continue to build on past successes in implementing the Council-approved sister-city Action Plan, including past mutual delegations, business agreement signed between SouthWestern Energy and Sichuan Taiyi company of Wenjiang (e.g. solar-powered LED lights installation at the Town Hall parking lot), agreement signed between the Wenjiang and Halton Hills Chambers, the sister-school agreement signed between Ethel Gardiner School and Wenjiang’s Guanghua elementary school, and the partnership developing between Acton High School and a high school in Wenjiang;
- Promote Halton Hills as an attractive destination for investment, economic development and tourism;
- Leverage culture as a catalyst for economic development;
- Facilitate cultural and tourism exchanges, and expanding community partnerships and professional knowledge exchanges;
- Deliver tangible cultural, tourism and economic development benefits for the residents, businesses and organizations of Halton Hills; and
- Showcase Halton Hills to the residents of Wenjiang and raise awareness of the sister-city partnership.

Planning for the Halton Hills Festival is being undertaken by a team of Town staff, led by the CAO. At present, a preliminary Festival schedule is being developed for discussion and confirmation with Wenjiang. Communication about the Festival will include posting information on the Town’s sister-city webpage (haltonhills.ca/sistercity), as well as at investhaltonhills.com.

To assist in implementing the sister-city partnership, the Town has renewed its cooperation agreement and partnership with China Eastern Airlines. China Eastern is one of China’s three main airlines and is among the world’s top five airlines in terms of passenger volume. The Town has a great opportunity to leverage China Eastern Airlines as its ‘partner airline’.



Meeting between the Town and management of China Eastern Airlines

To continue to leverage the Town's sister-city partnership, attract investment, increase exports and diversify the local economy, Town staff intends to submit a funding application to the federal government's Invest Canada-Community Initiatives (ICCI) program. Any potential funding that may be received by the Town from the ICCI program would leverage and connect with the already-approved Foreign Direct Investment (FDI) Strategy.

8. Communications

Ongoing communication between the Town, potential investors, existing business, key community stakeholders and the real estate industry is important to maximizing economic development opportunities.

In February 2018, the Economic Development Office launched a new, modern and stand-alone website – investhaltonhills.com. The goal of the new website has been to support business retention and expansion, attract new investment – including foreign direct investment (FDI), and foster entrepreneurship and business creation. The website has been tailored and content developed for a business audience.

The website contains information that appeals to a wide range of users. Whether it is an entrepreneur looking to start a new business, an existing business planning an expansion or seeking funding from the Town's Community Improvement Plan, or a

potential overseas investor, the website is of value to all stages and sizes of business investment.

For this first base year (2018), staff are collecting analytics data to monitor website traffic, and set benchmarks and targets.

Earlier in September, Town staff hosted the first 'Real Estate and Investment Roundtable' with key real estate industry representatives actively working on projects in Halton Hills and/or who are very familiar with the local market, industry conditions and growth opportunities.

RELATIONSHIP TO STRATEGIC PLAN:

Economic development is one of Council's strategic priorities and underpins the economic prosperity of Halton Hills. It also makes it possible for the Town to deliver services in an effective, efficient and economical manner.

FINANCIAL IMPACT:

Although there is no direct financial impact associated with this report, the economic benefits that have and continue to accrue for the Town as a result of the initiatives highlighted in this report are substantial.

Per the recommendation of this report, Town staff plans to submit an application to the provincial Rural Economic Development (RED) program in support of the Town's economic development and tourism marketing efforts, as well as to the federal government's Invest Canada-Community Initiatives (ICCI) program in support of the Town's investment attraction initiatives, as well as any other external funding sources, as appropriate.

CONSULTATION:

Attracting investment, and retaining and growing local businesses requires a cross-disciplinary effort and collaboration. Economic Development staff work closely with Town departments and external stakeholders to ensure the economic prosperity of Halton Hills. This State of Economy Update highlights some of the successful outcomes of these efforts.

PUBLIC ENGAGEMENT:

The public will be informed of the contents of this report through a variety of means, including social media, media releases, and a variety of printed material.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation. This report supports the Economic Prosperity, Cultural Vibrancy, Social Wellbeing and Environmental Health pillars of Sustainability, and in summary the alignment of this report with the Community Sustainability Strategy is Excellent.

COMMUNICATIONS:

Contents of this report will be summarized and showcased widely via various communication channels, as appropriate, including the Town's website, social media, media releases, e-newsletters, sector profiles, brochures, infographics, banners, and in-person meetings and events.

In addition, communication specifically related to the upcoming Halton Hills Festival in Wenjiang (China) will start to be posted shortly on the Town's sister-city webpage (haltonhills.ca/sistercity) and at investhaltonhills.com.

CONCLUSION:

Halton Hills' economy is strong. It is anticipated to continue to strengthen with continued investment in the Premier Gateway, and the Acton and Georgetown industrial areas. Partnerships with the BIAs, Chamber and the business community will continue to bring economic activity into the traditional main street commercial areas and throughout Halton Hills.

In partnership and collaboration with Town departments and external stakeholders, Economic Development staff will continue to focus on initiatives aimed at achieving long-term and sustained economic prosperity for Halton Hills. This is being accomplished by delivering a fulsome workplan that is focused on business retention and expansion, unlocking strategic development opportunities, raising the Town's competitiveness in the global marketplace, implementing the CIP program, leveraging strategic tourism and cultural opportunities, and collaborating with the business community.

While there is some economic uncertainty and challenges that require continued attention, new investment and associated employment continue to flow into Halton Hills. With its prime location in the GTA, high quality of life and continued market demand for industrial development, among other factors, Halton Hills is well positioned to take advantage of future economic development opportunities.

Reviewed and Approved by,

A handwritten signature in black ink that reads "Brent Marshall". The signature is written in a cursive, flowing style.

Brent Marshall, CAO

Appendix 1 Business Community Snapshot (based on the 2017 Halton Region Employment Survey)



Business Community Snapshot Halton Hills 2017

Each year, Halton Region conducts a comprehensive door-to-door Employment Survey of businesses in Halton. The results of the 2017 survey, the eighth such survey, were recently released and presented at Regional Council. The survey is completed between May and September each year. In 2017, about 97% of businesses took part in the survey. Among other things, the survey is used to support employment planning; monitor economic development trends; and support water, wastewater and transportation master plans.

Business Growth¹



OVER
1450
BUSINESSES

35 businesses or 2.5%
increase from 2016.

Head Offices in Halton Hills



29%

Businesses have their Head
Office in Town.

Business Retention

91.3%

Local businesses
remained open

5.7%

Closed or
Relocated



Employment²

21,175

Total Jobs in Halton Hills
2.3% increase since 2016.

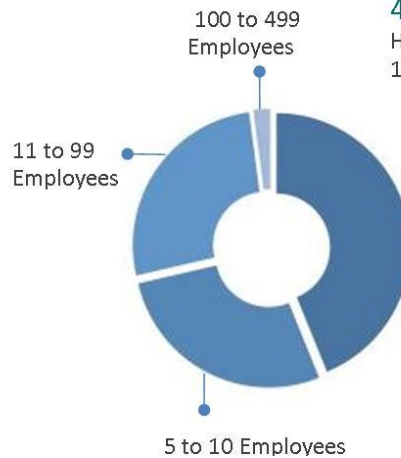
9% of jobs in Halton Region
located in Halton Hills.

Proportion of Jobs



63% Full-time Jobs
30% Part-time Jobs

Size of Businesses



Fact #1

43% of businesses in
Halton Hills are small with
1 to 4 employees.³
→ Similarly, 54.1% of
firms in Canada are
“micro” and 97.9%
are small

1 to 4
Employees

Fact #2

Halton Hills has one local
business with 500 or more
employees.⁵

5 to 10 Employees

Top Sectors by Employment

- Retail Trade
- Manufacturing
- Accommodation and Food Services
- Educational Services
- Transportation and Warehousing

Top Private Employers

- Mold Masters—Manufacturing
- CPI—Manufacturing Distribution
- BFG Canada—Food Processing
- C.I.P. Group—Commercial and Residential Construction
- Saputo—Food Processing

¹ 2017 Halton Region Employment Data, July 30, 2018. Raw data, Halton Region, Oakville.

² 2017 Halton Region Employment Data.

³ Small Business Trends: The Small Business Data Set - June 2016 - 5168 Researched Start-Ups, Corporation in Canada, November 17, 2016. Accessed August 18, 2017. http://www.kpmg.ca/ich/its/06.smlr/eng/0_02015_startups.html

⁴ 2017 Halton Region Employment Data, July 30, 2018. Raw data, Halton Region, Oakville.

⁵ 2017 Halton Region Employment Data.

Appendix 2 - Tourism Snapshot Report (Year-to-date)



2018 Tourism Report (YTD)

This dashboard provides a quick summary of all 2018 Tourism metrics achieved to date.

