



MEMORANDUM

To: Chair and Members of the Community and Corporate Affairs
Committee

From: Damian Szybalski, Manager Economic Development, Innovation and
Culture

Mem No. MEM-ADMIN-2019-0002

Subject: State of Economy Snapshot - Q4 2018

Date: January 23, 2019

PURPOSE OF THE MEMORANDUM:

The purpose of this Memorandum is to provide Committee with a quarterly snapshot of the 'State of the Economy' in Halton Hills. As part of a comprehensive economic development workplan, this Memorandum highlights numerous initiatives that generally took place in Q4 of 2018, of which many are continuing into 2019. Highlighted accomplishments are a reflection of partnerships, collaboration and/or initiatives of various Town departments and numerous external stakeholders/partners.

Building on past semi-annual 'State of Economy' reports, to provide Committee with the most timely information, Town staff will now provide more frequent updates in the form of quarterly 'State of Economy Snapshots'. To complement the 'State of Economy Snapshots', separate 'State of Culture' reports will also be provided. Cultural initiatives are closely linked to the Town's economic prosperity as they elevate quality of life which helps retain and attract investment.

BACKGROUND:

With its strategic location in the GTA, an 'open for business' approach, proximity to major markets and transportation networks, high quality of life, and a competitive business environment, the Halton Hills economy continues to grow, adding to the 1452 businesses and 21,175 jobs recorded in the 2017 Employment Survey. Strong demand

for industrial development as well as the expansion of the Toronto Premium Outlets continue to demonstrate robust growth in the Premier Gateway. The Acton and Georgetown industrial areas continue to experience new investment, but at a smaller scale. Record uptake of the Community Improvement Plan (CIP) program has made significant contributions to downtown Acton and Georgetown. Strategic management of the tourism portfolio is creating new economic development opportunities for local businesses by increasing the amount of spending in the local economy.



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

As illustrated in Figure 1, the synergies between economic development, culture and tourism are helping to raise quality of life and make Halton Hills an attractive location for investment.

COMMENTS:

1. Q4 2018 Highlights

Numerous economic development-related initiatives are detailed in Appendix 1. Highlights include:¹

- Official opening of the expansion of the Toronto Premium Outlets in November 2018.
- Robust growth in the Premier Gateway with major new tenants occupying and adding to the approximately 5 million square feet of existing non-residential development.
- Millions of additional square feet of non-residential development is in various stages of being constructed, undergoing review, and/or being contemplated for future development in the Premier Gateway.
- Completion of projects that are already underway and the realization of those that are pending/under discussions for the future is anticipated to result in

¹ Because of the dynamic nature of the economy and the continuously changing status of individual projects, information contained in this report and the appendices 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.

substantial employment growth across multiple sectors, including in manufacturing and logistics.

- In collaboration with other Town departments, economic development staff have:
 - Provided assistance and/or coordination of a growing number of strategic economic development opportunities that represent hundreds of millions of dollars in initial land investments, and have the potential to add significant employment and assessment.
 - In collaboration with Strategic Planning, and Planning and Sustainability, Economic Development staff assisted in identifying and/or evaluating key pieces of legislation for impacts on the Town.
 - Assisted with a growing number of site selection inquiries from investors considering relocation and/or expansion in Halton Hills, including for food processing, advanced manufacturing and logistics businesses.
 - In partnership with Finance staff, researched real estate market analysis tools to enable the Town to search and analyze local non-residential real estate transactions.
 - Submitted \$120,000 in grant funding applications to the provincial and federal governments in support of the Town's investment attraction and tourism marketing efforts.
- 2018 was a record-breaking year for the Community Improvement Plan (CIP) with about \$79,500 in grants approved by the Town, supplemented by about \$393,500 in private-sector investment.
- Managed the tourism portfolio strategically which has resulted in the collection of valuable local tourism data, development of a workplan to maximize the economic benefits of tourism for local businesses, and the development of an industry workshop that will leverage synergies between local businesses in the tourism sector.
- Strengthened the tourism sector by attending/assisting with 19 community events, completing nearly 900 surveys (representing about 2800 visitors), and developing a new workplan with the Town's Tourism Committee.
- Downtown Acton BIA continued to experience business growth, with the remaining vacancies being sought after and in the process of being filled. Eight new business openings in Q3 & Q4 of 2018 have brought vacancies to a minimum. Fall events such as "Haunted Hills", Remembrance Day ceremonies and the Christmas parade brought in substantially increased participation from BIA businesses and the community. The Town and the BIA continue to work closely together on advancing the downtown's economic prosperity.
- Downtown Georgetown BIA saw outstanding attendance at both the Masquerade on Main and the newly revitalized Holiday Magic & Market events. The Town and the BIA continue to work closely together on advancing the downtown's economic prosperity.
- Significantly expanded communications and marketing to position Halton Hills as a top-of-mind destination for investment. This has included creating the Town's first-ever industry sector profiles, a community demographic profile, a workforce availability info-graphic, as well as a comprehensive economic development e-newsletter. Enhancements to the visithaltonhills.ca website and the design of

new tourism marketing material were also completed, resulting in a nearly 34% increase in traffic to visithaltonhills.ca

- Continued to work closely with numerous partners to support Halton Hills' economic prosperity, including with the BIAs, Chamber, Halton Region, RTO3, provincial ministries and individual businesses.

2. Economic Conditions

While Halton Hills' economy remains strong, several broader economic factors are creating some uncertainty. The unresolved trade issues between the United States and Canada; geo-political tensions between the United States, Canada and China; lack of shovel-ready industrial lands and existing buildings to accommodate new investment and expansions; concerns over the health of the housing market; household debt; and potential ripple effects of restructuring in the automotive sector are among potential risks.

3. Appendices

This Memorandum is supplemented by two appendices. Appendix 1 expands on the summary provided in the Memorandum with a focus on:

- Business Attraction
- Business Retention and Expansion, including the CIP
- Premier Gateway
- Georgetown and Acton Development
- Tourism as an Economic Driver
- Partnerships and Industry Engagement
- Marketing and Communications
- Priorities for Q1 2019

Provided under separate cover, confidential Appendix 2, provides additional market detail on specific projects.

CONCLUSION:

Halton Hills' economy remains strong, despite broader economic factors creating some uncertainty. Economic Development staff continually monitor the economy, and this Snapshot will be presented each quarter to keep Committee updated on current economic issues and opportunities.

Reviewed and approved by,

A handwritten signature in black ink that reads "Brent Marshall". The signature is written in a cursive style with a large, stylized initial "B".

Brent Marshall, CAO