

MEMORANDUM

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

FROM: Cassandra Baccardax, Economic Development Officer

DATE: May 17, 2019

MEMORANDUM NO.: MEM-ADMIN-2019-0008

RE: State of Economy Snapshot: January-May 2019

PURPOSE OF THE MEMORANDUM:

The purpose of this Memorandum is to provide Committee with the fifth regular update on the 'State of Economy' in Halton Hills. This Memorandum highlights initiatives that generally took place between January and mid-May 2019 (current at time of writing). Many of these will continue further into 2019. Highlighted accomplishments are a reflection of partnerships, collaboration and/or initiatives of various Town departments and numerous external stakeholders/partners. Extensive efforts continue to be made successfully to position Halton Hills as a top-of-mind destination for investment.

In this update, the focus is on:

- Business Attraction Initiatives
- Business Retention and Expansion Initiatives
- Tourism as an Economic Driver
- Culture, Heritage and Quality of Life

The synergies between economic development, culture and tourism are helping to raise quality of life and continue to make Halton Hills an attractive location for investment.

BACKGROUND:

With its strategic location in the GTA, an 'open for business' approach, proximity to major markets and transportation networks, and a high quality of life, the Halton Hills economy continues to grow. Strong demand for industrial development continues to account for growth in the Premier Gateway. The Acton and Georgetown industrial and commercial areas continue to experience new and renewed investment, relative to the areas' available land supply and stage of development.

Annual Town funding, as well as a one-time contribution from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) (being administered by AMO), has

spurred additional interest in the Community Improvement Plan (CIP) program. Strategic management of the tourism portfolio is creating new economic development opportunities.

Economic Conditions

In a challenging and competitive global economic environment, Canada's economy remains sound. The Canadian economy is expected to strengthen over the second half of 2019, and to remain among the leaders for economic growth in the G7 in both 2019 and 2020¹. Government of Canada Budget 2019 indicates that there is some relief in the long-standing uncertainty about the economy. Canada's relatively low debt burden, very low unemployment rates, combined with historically low interest rates are driving stronger economic growth.

Province of Ontario's 2019 Budget was tabled on April 11th. The Ontario government is projecting deficits until the 2023-24 fiscal year, when a small surplus is projected.² The Ontario Job Creation Investment Incentive is expected to create up to 93,000 net new jobs and up to \$10 billion in net new business investment over six years. On May 10, Statistics Canada announced that employment in Ontario increased by 47,100 in April. The gains included 10,100 full-time positions and 37,000 part-time jobs.³

Halton Hills' economy remains strong, despite several broader economic factors which are creating some uncertainty. 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; and household debt are among potential risks.

COMMENTS:

1. Current Highlights

- **Strategies:** To ensure that the Town has a roadmap for ongoing economic prosperity, two key strategies are being advanced:
 - Comprehensive five-year **Economic Development and Tourism Strategy**, with Tourism, Brownfield Redevelopment and Green Economy sub-strategies;
 - Town's **first-ever Foreign Direct Investment (FDI) Strategy**, including an analysis of trade flows, and export capacities and growth opportunities.
- **Premier Gateway:** The Premier Gateway industrial area continues to experience robust growth, with new/recent tenants leasing/occupying about 705,000 square feet of space. There are now no major industrial vacancies in the Premier Gateway.

¹ Budget 2019, Government of Canada, www.budget.gc.ca/2019/docs/plan/toc-tdm-en.html, March 19, 2019

² Raymond Chabot Grant Thornton Budget 2019 – 2019 Ontario budget summary
<https://cdn.rcgt.com/app/uploads/2019/04/2019-ontario-budget.pdf>

³ <https://news.ontario.ca/medg/en/2019/05/ontario-employment-grew-in-april.html>

- **Business Concierge:** To stay competitive and maintain an “open for business” approach, the Town is exploring a new “**Business Concierge**” initiative to **streamline the identification, tracking and delivery of key strategic economic development opportunities.**
- **Community Improvement Plan (CIP) Program:** Since 2017, total private and Town investment generated by the CIP program has now **exceeded \$1,000,000.**
- **New Tourism Committee:** A recruitment process for new committee members has been designed and is underway.

2. Business Attraction

- **Site Selection:** Provided assistance to over 60 site selection inquiries from investors considering relocation and/or expansion in Halton Hills, as well as existing businesses. The inquiries are a mix of small and large businesses, from one-person operations to multi-nationals. The number and complexity of the inquiries continues to grow.
- **Business Starts:** Thus far in 2019, 30 licenses were issued for new businesses, renewals and temporary vendors/events.
- **Business Concierge:** To stay competitive and maintain an “open for business” approach, the Town is exploring a new “Business Concierge” initiative. Anticipated to be launched in the near future, Business Concierge will streamline the identification, tracking and delivery of key strategic economic development opportunities through a streamlined and coordinated cross-departmental process. Customized and on-going assistance would be provided to eligible investments throughout the process, from idea generation to doors open, to subsequent expansion plans. More details will be provided in the near future.

3. Business Retention and Expansion

- **Community Improvement Plan (CIP) Program:** There is continued high interest in the CIP program. During this reporting period, there were:
 - Three (3) new agreements signed, totaling \$33,225 in allocated grants.
 - Two (2) façade projects were completed in Q1 2019 and \$20,223 in grants was awarded (\$12,500 and \$7,723)
 - To date (since 2017):
 - \$163,670 in grant funding has been issued to completed projects
 - \$1,142,942 in total private and public investment has been realized
 - Staff is exploring options to include elements related to business accessibility in an expanded CIP program.



48 Main St. South, Georgetown, before (left) and after (right) CIP program

- **Manufacturing Expansion Fund (MEF):**
 - One project has been completed with an MEF grant of \$15,806 issued.
 - There is currently one active inquiry; next steps are underway.

4. Premier Gateway

- **Non-Residential Development:** About 4 million square feet of non-residential development is in various stages of being constructed, undergoing review, and/or being contemplated for potential construction in the future in the Premier Gateway. This represents significant investment and employment potential.
- **Strategic Opportunities:** Staff continued to provide assistance and/or coordination to a number of strategic economic development opportunities that represent hundreds of millions of dollars in initial land investments and anticipated construction, and have the potential to add significant employment and assessment growth.
- **Trimaster Group** (aka Trimaster Precision Machining) opened in autumn 2019, at 29 Brownridge Road in the Premier Gateway. By early winter 2019, employment was already at 100 jobs. Trimaster anticipated having about 120 full time employees once operations are at full capacity. Trimaster is in the business of manufacturing, serving aerospace, power generation, defense, industrial and digital cinema markets.
- **20 Westbridge:** Quad Real continues construction on its 325,000 sq.ft. building at 20 Westbridge Road.

5. Georgetown and Acton Development

The prosperity of both Business Improvement Areas (BIAs) continues to be one of the Town's economic development priorities. Economic Development staff continues to

work with the BIAs and realty community to secure businesses for new and/or remaining vacancies.

Downtown Georgetown:

- One (1) new business opening in Q1 2019:
 - Opening of Wizard of Paws (dog training), 7 James St.
- Another new business is anticipated to open in Q2 2019 at 90 Main St. S.

Downtown Acton:

- One (1) new business opening in Q1 2019:
 - Opening of Hearing Life (hearing tests/aids) in the former CIBC building, 31 Mill St. East
- Another new business is anticipated to open in late Q2 2019 at 77 Mill St. E.
- Relocation of Co-Operators into 8 Main St. North (Giant Tiger plaza) in early Q1

Acton Industrial Area:

The new industrial park at 340 Main Street North (Futura Properties) continues to be actively marketed.

6. Partnerships and Industry Engagement

- **Presentation to the Georgetown BIA Board:** At the Board's invitation, Economic Development staff delivered a presentation covering the state of economy, the role of Economic Development, the Town-BIA partnership, and key upcoming projects.
- **Halton Hills Chamber of Commerce:** Continued to actively participate on the Chamber's Membership Services, and Economic Development committees, with workplan development and implementation
 - **Community Spring Show:** Participated in the Chamber's Community Spring Show at Mold-Masters Sportsplex (April 26-27).
- **Halton Region Economic Development:**
 - Town Staff participated as a "dragon" for the Region's "**Starter Company**" program, ranking 10 business pitches, of which six have been chosen to receive training, mentoring and a \$4500 start-up grant. **Everything Dogs Halton** is one this year's successful candidates of the program. Everything Dogs Halton is an Acton-based business which provides a range of pet services including grooming, dog walking, overnight care and more.
 - **Halton Small Business Centre (SBC)** continued to conduct twice-monthly complimentary business consultations for entrepreneurs at the Georgetown Branch of HHPL.
 - SBC hosted a **Finance seminar** for start-up businesses at Acton HHPL in March with seven (7) participants.

- **Halton Global Business Centre** continues to support international trade activity via delivery of services and events, including the upcoming *First Steps to Importing* seminar (June 12, 2019).
- **Brampton Real Estate Board (BREB)** members were hosted by Economic Development for an update event, with presentations on the local economy, zoning, transit and transportation, housing and more. Approximately 100 residential and commercial realtors attended and post-event surveys indicated high satisfaction with the event.
- **Town Studies and Projects:** Economic Development staff reviewed, contributed comments to and/or guided various Town studies and projects, including the Employment Lands Needs Study, Destination Downtown Secondary Plan, Intensification Opportunities Study, Transit Service Strategy, Active Transportation Plan and Vision Georgetown Secondary Plan.



Commercial and Residential Realtors from BREB at the Halton Hills Update event.



Economic Development and Public Works & Transportation booth at the Community Sprint Show

7. Tourism as an Economic Driver

- **Tourism Advisory Committee:** Staff continued to organize and lead the Town's Tourism Advisory Committee meetings, including the creation of a new and updated Terms of Reference (ToR) in collaboration with members of the Committee.
 - The ToR were approved by Council on April 15th. The existing Tourism Advisory Committee concluded on April 16th, 2019.
 - Recruitment for new committee members has been designed and is underway.
- **Tourism Workshop:** Staff hosted a highly-successful 'sold-out' tourism industry workshop entitled "Developing Tourism Offers – Partnering for Success," with more than 35 participants to leverage synergies between local businesses in the tourism sector.

- This event was hosted in partnership with the Hamilton Halton Brant Regional Tourism Association (RTO3) and the Ministry of Tourism, Culture and Sport.
 - The event provided local tourism organizations and businesses with tools to develop and/or enhance their experiential activities and programs.
 - 100% of post-event survey respondents strongly agreed/agreed that the workshop improved their knowledge of what a “tourism offer” is and how to develop them.
- **New Marketing Video:** Continued to manage the production of an Economic Prosperity, Cultural Vibrancy and Tourism video, to market Halton Hills as a prime tourism and investment destination.
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- Carousel ride at the 2018 Acton Fall Fair, Prospect Park*
- **Cycling Tourism:** Continued to work in partnership with Transportation and Communications staff, and the Bike It Committee to support a variety of cycling initiatives and events. This included the Halton Hills Cycling Summit, the creation of a half-page promotional ad for inclusion in the Recreation & Parks Guide, distribution of the new Bike It rack card, and attendance at the Town’s Used Bike Buy and Sell Event which was held on April 27, 2019.
 - **Ontario By Bike:** Continued to promote the Ontario By Bike™ Network, a program certifying and promoting bicycle friendly businesses and cycle tourism, by hand-delivering outreach packages to local cycle-tourism ready businesses, and promoting the opportunity via the Town’s e-newsletters, websites and social media channels.
 - **Tourism Ambassador Program:** Continued to work in partnership with the Town’s Recreation & Parks division to develop and launch a new Tourism Ambassador Program. Tourism Ambassadors will assist the Town by attending local festivals and events to provide tourism information and collect local tourism data.
 - **Social Media:** Continued to expand social media efforts with over 165 tourism specific social media posts that used the dedicated tourism hashtag: #hhTourism.
 - **Tourism Website:** Continued to update and refresh the Town’s visithaltonhills.ca tourism website resulting in over 3,600 website visits and 17,600 page views.
 - **Tourism Marketing Materials:** Distributed over 8,500 pieces of tourism marketing materials. This included sending the Town’s updated tourism rack

cards (English and Chinese versions) to Ontario's Travel Information Centres.

- **New Tourism Brochure and Rack Card:** In the process of creating a new tourism brochure and rack card to continue to highlight the key economic benefits of tourism.
- **Tourism Communications:** Continued to provide tourism-specific content for inclusion in corporate e-newsletters.
- **Festival and Events Guide:** Developed content for the Independent Free Press' 2019 Festivals & Events Guide.
- **Tourism Industry Association of Canada (TIAC):** Town staff has been selected to judge TIAC's 2019 Canadian Tourism Awards.

8. Culture, Heritage and Quality of Life

- **A New Arts and Culture Webpage** was launched on haltonhills.ca/culture, as a one-stop location for all things culture in Halton Hills. The webpage includes a Community Cultural Catalogue, Festivals and Events, Cultural Facilities, Volunteer Opportunities, Resources for the Arts and Culture Sector and more. Culture pageviews from January 1 through May 15, 2019 totaled 1,126.

- **State of Culture:** The second annual "State of Culture" report was approved by Council on April 8, 2019. The report highlighted Town, Library and Community-led cultural initiatives that strengthen the cultural vibrancy of Halton Hills. These initiatives demonstrate the delivery of a robust cultural program.



Presentation of the OTF grant outside of L.M. Montgomery's home in Norval

- **Wordsworth:** The State of Culture Summary Report was included in the Spring *Wordsworth* publication, issued mid-May by the Halton Hills Public Library.
- **Arts & Culture Working Group:** A report recommending the formation of an Arts & Culture working group was approved by Corporate and Community Affairs Committee on April 8, 2019. A recruitment strategy is under development.
- **Banner Public Art Project** report was approved by Committee on April 29, featuring the Town's first-ever proposal for a public art installation, under the Public Art Master Plan (PAMP.) The Request for Proposals was issued mid-May.

- **Heritage:** To raise the profile of Heritage and its contributions to the quality of life in Halton Hills, a strategy is being developed for implementation with the Heritage Committee, including a new annual “State of Heritage” report to complement the “State of Economy” and “State of Culture” reports.

9. Marketing and Communications

Communications and marketing efforts continued to expand, to position Halton Hills as a top-of-mind destination for investment, including:

- Updates and enhancements to the investhaltonhills.com and visithaltonhills.ca websites, including updating the Invest site with the new MapLinks GIS upgrade for better functionality.
- Promoted relevant events, forums, resources and incentives from partners such as Haltech, Ontario Ministry of Agriculture, Food and Rural Affairs, Peel Halton Workforce Development Group (PHWDG) via InvestHaltonHills.com.
- Investhaltonhills.com had about 2600 pageviews between January and mid-May.
- Promoted eligible community events on VisitHaltonHills.ca.
- Published two editions of the Economic Development e-Newsletter (February & April). There are 356 active subscribers and growing.

CONCLUSION:

Halton Hills’ economy continues to be strong, despite broader economic factors creating some uncertainty. Economic Development staff continually monitor the economy, and this Snapshot will continue to be presented regularly to keep Committee/Council updated on key economic development issues and opportunities. Extensive efforts continue to be made successfully to position Halton Hills as a top-of-mind destination for investment.

Reviewed and approved by,



Damian Szybalski, Director of Economic Development, Innovation & Culture



Brent Marshall, Chief Administrative Officer