

MEMORANDUM

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

FROM: Cassandra Baccardax, Economic Development Officer

DATE: August 8, 2019

MEMORANDUM NO.: MEM-ADMIN-2019-0014

RE: Project Status Update – Economic Development and Tourism Strategy; and Foreign Direct Investment (FDI) Strategy

PURPOSE OF THE MEMORANDUM:

The purpose of this Memorandum is to provide Committee with an update on the progress of two key economic development strategies that are currently underway, namely the Economic Development and Tourism Strategy, and the Foreign Direct Investment (FDI) Strategy.

As shown in Figure 1, the two strategies are being undertaken in parallel and are closely related. They are key tools in the Town's economic development 'toolbox' and will leverage linkages between economic development, tourism and cultural services. They will support strategic decision-making, and lead to growth in local investment, jobs and assessment.

BACKGROUND:

The Town's Economic Development, Innovation and Culture division has recently launched two key strategic projects to ensure Halton Hills' long-term economic prosperity. New and effective strategies are needed to position Halton Hills as a prime destination for investment, job growth and tourism.

As noted in report ADMIN-2019-0017 (dated May 1, 2019), the Town has retained Mellor Murray Consulting to assist with the completion of the Economic Development and Tourism Strategy. This will be a modern, comprehensive and actionable roadmap which will further an "open for business" approach and maintain the Town's competitiveness. As the Town's overarching economic development Strategy, it will include multiple and related sub-strategies, specifically a Tourism Sub-Strategy, Green Economy Sub-Strategy, and a Brownfield Redevelopment Sub-Strategy. A Marketing Plan will be prepared to ensure the Strategy's awareness and effective implementation.

The Strategy will recommend actions and specific tactics to support core economic development disciplines of business creation/entrepreneurship, business retention and expansion (BR&E), and business attraction. Ultimately, implementation of this new Strategy will promote local job growth, diversification, increased investment, assessment growth, and an improved non-residential to residential assessment ratio.

The FDI Strategy, being developed by NavigateSTI Consulting, will align with the Economic Development and Tourism Strategy, and act as a specialized Sub-strategy. It will include an analysis of trade flows, export capacities and tangible growth and investment opportunities. Recommendations of the FDI Strategy will align with and augment regional, provincial and federal FDI efforts, while outlining actions that are customized for Halton Hills. A practical roadmap will be provided to attract international investment from 'growth ready' companies that can bring additional jobs to Halton Hills, as well as support the growth of existing businesses by creating opportunities to access new markets, expand supply chains, establish business-to-business partnerships, and access new technologies.

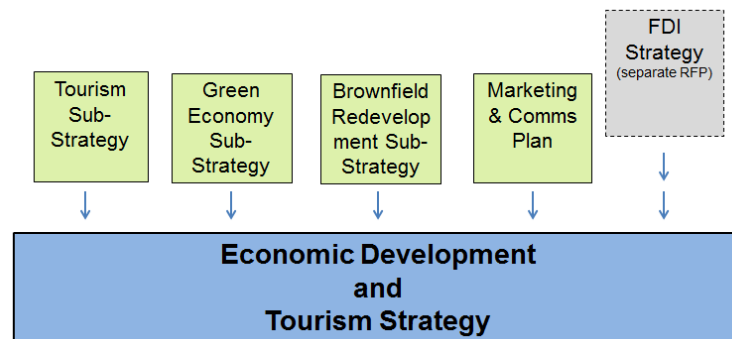


Figure 1: Relationship Between the Economic Development and Tourism Strategy and the FDI Strategy

The Town's existing Economic Development Strategy was created in 2012. During the past seven years, there has been significant progress in implementing the Strategy. During this same period, however, there have been many demographic, technological, business condition and global market changes. These changes have had a compelling impact on local, regional, national and international economies – including on Halton Hills - rendering the 2012 Strategy outdated. Likewise, the Town's Tourism Strategy is now five years old and in need of an update.

COMMENTS:

As shown in Figures 2 and 3, the Economic Development and Tourism Strategy is nearing completion of Phase 1, and Phase 2 is being initiated. The FDI Strategy is in Phase 2. Both projects are on track for timely completion. The Economic Development

and Tourism Strategy is anticipated to be completed by spring 2020. The FDI Strategy is scheduled for completion by December 2019.

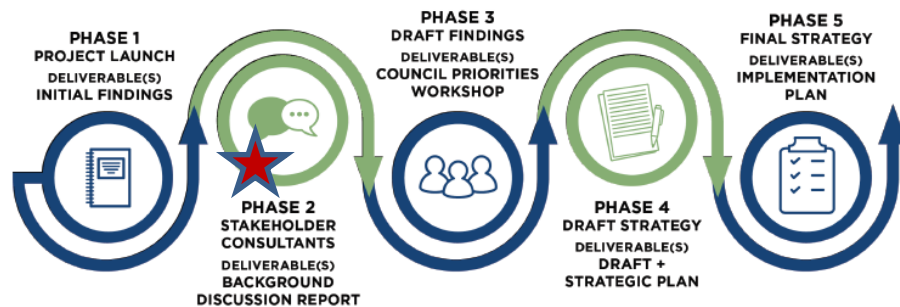


Figure 2: Key Phases of the Economic Development and Tourism Strategy

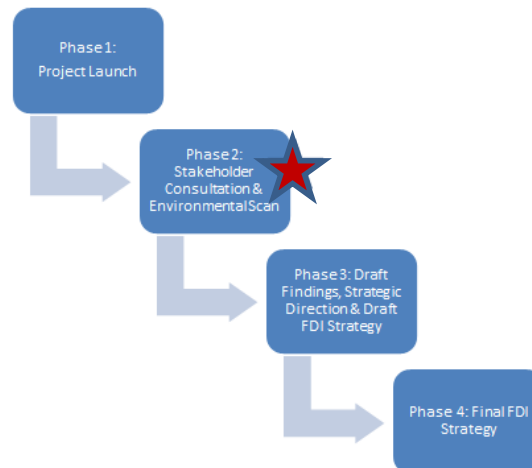


Figure 3: Key Phases of the FDI Strategy

1. Economic Development and Tourism Strategy

Phase 1 of the Economic Development and Tourism Strategy is nearing completion. It was focused on launching the project and entailed:

- Formation of a multi-stakeholder Project Steering Committee (PSC) to guide the project with broad representation, including:
 - Halton Hills Chamber of Commerce
 - Acton and Georgetown BIAs
 - Halton Region Economic Development
 - RTO3
 - Haltech (regional innovation centre)

- Industrial/commercial realtor
 - Town staff from multiple departments/divisions
- Conducting a Start-up Meeting between Town staff and the consulting team.
- Completing a half-day Familiarization Tour of Halton Hills to ensure that the consulting team has first-hand knowledge of Halton Hills' key economic and tourism assets.
- Extensive review of background material, including
 - past strategies
 - economic and industry trends
 - business directories
- Research and analysis to determine key findings.
- An 'Initial Findings' report is under development and will be presented to the Project Steering Committee in the near future.

Phase 2, currently underway, will focus on Stakeholder Engagement. This will involve:

- Creation and implementation of a Public Engagement and Communication Plan (nearing completion).
- Conducting visioning workshops with Senior Management, Members of Council and the Project Steering Committee.
- Conducting 30+ stakeholder interviews (underway)
 - partners, associations, business support organizations
 - local business community interviews
 - business community focus groups (scheduled for mid-September)
 - community survey (under development)

Key next steps will include:

- Completion of Phase 2
- Start of Phase 3 which will include the completion of a Background Discussion Report and hosting of a Priorities Workshop with Council
- Phase 4 –Developing the Draft Strategy – fall 2019
- Phase 5 – Developing the Final Strategy – winter 2020

2. Foreign Direct Investment (FDI) Strategy

Phase 1 of the FDI Strategy is now complete. It focused on launching the project and entailed:

- Formation of a Technical Advisory Committee to guide the project with representation from:
 - Halton Region Economic Development
 - Halton Region Global Business Centre
 - Town Staff
- Conducting a Start-up Meeting between Town staff and the consulting team.

- Completing a half-day Familiarization Tour of Halton Hills to ensure that the consulting team has first-hand knowledge of Halton Hills' key economic assets and potential investment opportunities.
- Extensive review of background materials.
- Research and analysis to determine key findings.
- A summary of key findings was presented to the Technical Advisory Committee in late July. This information will be summarized as part of the next quarterly State of Economy Report to Committee/Council.

Phase 2 is nearing completion and will entail the completion of a Situation Audit, including:

- Marketplace Research and Analysis (completed)
- Stakeholder Engagement (underway), including:
 - Senior Management (SWOT Analysis)
 - Council
 - Industry partners, associations, business support organizations
 - Meetings with a diverse mix of local businesses
 - Discussions with key provincial and federal government ministries/agencies
- Marketing/Communications review and analysis.

Phase 3 is being initiated and will entail the development of Draft Findings, Strategic Directions and the Draft FDI Strategy:

Key next steps will include:

- Draft FDI Strategy – to be presented to Committee in October 2019.
- Final FDI Strategy – to be presented to Council in December 2019

As both strategies continue to advance, Committee and Council will be provided with updates at key milestones.

CONCLUSION:

The two strategies will help Halton Hills remain competitive in the regional and international marketplace by identifying tangible opportunities to ensure the continuing prosperity of Halton Hills. The pillars of economic development – venture creation (entrepreneurship and innovation), business retention and expansion, and business attraction – will all be carefully examined to arrive at effective and actionable 5-year Strategies and corresponding three-year Action Plans.

The Economic Development and Tourism Strategy as well as the Foreign Direct Investment (FDI) Strategy will act as roadmaps for the extensive efforts being made by Town staff to position Halton Hills as a top-of-mind destination for investment.

Reviewed and approved by,

A handwritten signature in black ink that reads "Damian Szybalski". The script is cursive and fluid.

Damian Szybalski, Director of Economic Development, Innovation & Culture

A handwritten signature in black ink that reads "Brent Marshall". The script is cursive and fluid.

Brent Marshall, Chief Administrative Officer