



## **REPORT**

**REPORT TO:** Mayor Bonnette and Members of Council

**REPORT FROM:** Graham Lowe, Senior Economic Development Officer

**DATE:** August 14, 2020

**REPORT NO.:** ADMIN-2020-0016

**RE:** Economic Development and Tourism Strategy – Project Status Update and Background Discussion Report

### **RECOMMENDATION:**

THAT Report ADMIN-2020-0016, dated August 14, 2020, regarding a Project Status Update and Background Discussion Report for the Economic Development and Tourism Strategy, be received for information;

AND FURTHER THAT the Background Discussion Report for the Economic Development and Tourism Strategy (appended to this report), be approved and posted on the Town's website.

### **BACKGROUND:**

MEM-ADMIN-2020-0002 (dated March 30, 2020), provided Council with a status update on the new Economic Development and Tourism Strategy, including highlights of the [Executive Summary of Initial Findings \(March 2020\)](#). The latter outlined key background data and analysis, as well as numerous successes achieved to date in advancing Halton Hills' economic prosperity. Despite COVID-19 and the extensive efforts made to support immediate needs of the local business community, work on the Strategy has continued.

The purpose of this report (ADMIN-2020-0016) is to provide Council with an overview of the Background Discussion Report, concluding Phase 2 of the Economic Development and Tourism Strategy project. A draft Background Discussion Report was posted on the Town's [investhaltonhills.com](https://investhaltonhills.com) website in order to facilitate community feedback via a Lets Talk Halton Hills survey on the Strategic Priorities for the Economic Development and Tourism Strategy. Since then, relatively minor updates have been made to the document.

Since the Town's existing Economic Development Strategy was approved in 2012 and the Tourism Strategy in 2014, many demographic, technological and economic changes have taken place. Consequently, the development of an updated and consolidated 5-year Economic Development and Tourism Strategy was required to: help ensure Halton Hills' long-term economic prosperity; support strategic decision-making; and grow local investment, jobs and assessment.

Anticipated outcomes of the new Strategy include:

- Actionable roadmap for strategic decision-making on economic development matters;
- Maintenance and enhancement of the Town's economic competitiveness;
- Continued strengthening of an "open for business" approach;
- Local job growth and economic diversification;
- Maximization of economic benefits from the tourism sector;
- Increased local investment;
- Increased non-residential assessment;
- Improved non-residential to residential assessment ratio;
- Increase in job quality (i.e. more professional/technical jobs offering competitive compensation);
- Confirmation of key sectors of focus; and
- Review of applicable processes, practices, tactics, policies and structures to best facilitate economic development.

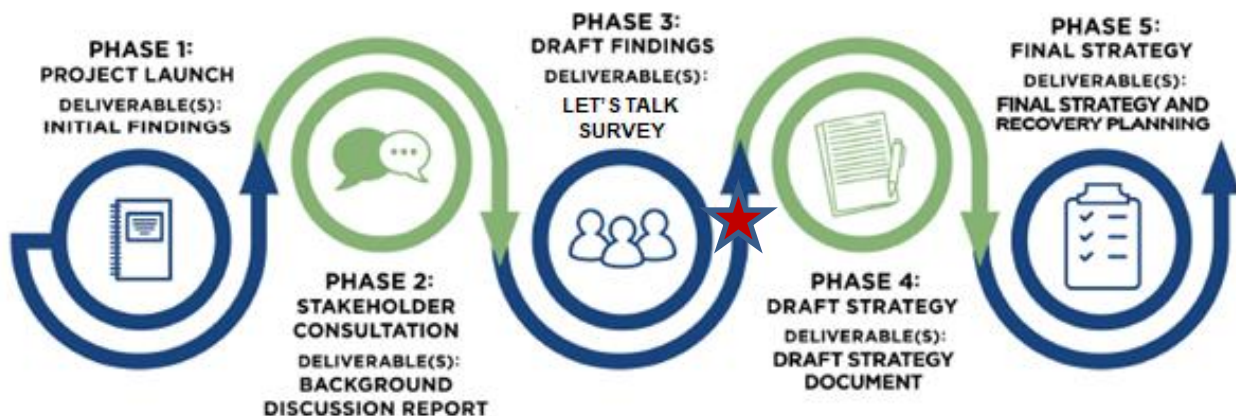
Making up the 'umbrella' Economic Development and Tourism Strategy are three Sub-Strategies:

- **Tourism:** Will position the Town as a leading destination for investment and growth in the Tourism sector (including recreation, sports, culture and heritage tourism).
- **Green Economy/Clean Technology:** Will build on Council's climate change priorities and leverage key related initiatives to position Halton Hills as a leading destination for investment and growth in the clean technology/low-carbon sectors.
- **Brownfield Redevelopment:** Will focus on addressing any regulatory, land-use planning and financial challenges and opportunities posed by brownfield sites, with the objective to promote remediation, rehabilitation, adaptive re-use and overall redevelopment of brownfields.

The Economic Development and Tourism Strategy will also include a Marketing and Communications Plan that will recommend a practical suite of marketing collateral and actions. Further, the Strategy will integrate with the Town's Foreign Direct Investment (FDI) Strategy which was approved by Council on March 9, 2020.

As shown in Figure 1, the Strategy is being completed in five phases. The [Executive Summary of Initial Findings \(March 2020\)](#) was the first deliverable of the project and marked the completion of Phase 1. This phase entailed extensive research, analysis and synthesis. The completion of the Background Discussion Report marks the conclusion of Phase 2. Phase 3 has recently been initiated via a Let's Talk Halton Hills survey that was available between July 17 and August 7, 2020. Town staff and the project consultants are reviewing the responses received and preparing the draft Strategy. The final Economic Development and Tourism Strategy is anticipated to be presented to Council in the fall.

**Figure 1: Amended Strategic Planning Process**



Recognizing the rapid onset of COVID-19 and the subsequent State of Emergency declared by the Province on March 17 and by the Town on March 24, the Background Discussion Report captures analysis and consultation conducted before the pandemic and State of Emergency declarations. Nonetheless, this content is still very much applicable and relevant.

Given the significant economic changes caused by COVID-19, to maximize its effectiveness and currency, the original scope of work for the Economic Development and Tourism Strategy has been amended. The project will now culminate with the development of two documents:

1. **Halton Hills Economic Development and Tourism Strategy:** The Strategy will provide goals, objectives and actions based on economic development and tourism fundamentals that remain relevant regardless of ensuing challenges and socio-economic changes caused by COVID-19.
2. **COVID-19 Recovery Planning:** A supplementary report will address COVID-19 Recovery Planning. It will provide a framework and guidelines for economic recovery planning. It will also identify issues and solutions specific to the Halton Hills context based on the recommendations of the Economic Development and Tourism Strategy. This framework and guidelines will form the basis of a future

“Economic Resilience and Recovery Plan” for Halton Hills. The latter will be developed by Town staff.

## **COMMENTS:**

### **1. Building on a Solid Foundation**

The Town has been taking a strategic approach to economic development. By combining the economic development, tourism and cultural portfolios, Halton Hills has been able to maximize economic benefits for the community. Since taking over responsibility for the management of the tourism portfolio in 2018, the Town has made considerable progress in amplifying tourism’s benefits.

Development of the new Economic Development and Tourism Strategy builds on and leverages many successes achieved to date as well as numerous actions that are ongoing. Many of these were highlighted in the [Executive Summary of Initial Findings \(March 2020\)](#) as part of Phase 1 of the project. The appended Progress on Identified Themes document highlights additional examples of cross-departmental successes and progress to-date, including:

- Organizational changes that have positioned economic development to be more strategic in pursuit of longer-term objectives and investment opportunities, including advocating for the Town’s interests at federal and provincial levels.
- The Town’s recognition of the link between a vibrant arts and culture sector, high quality of life and investment attraction. The result has been a substantially expanded Cultural Services work plan with dedicated resources, and the development/implementation of key strategies and initiatives, including award-winning Culture Days. Recent cultural successes build on prior and ongoing cross-departmental initiatives.
- Successful uptake of the Community Improvement Plan (CIP) program which has generated substantial private and public investment.
- Allocation of \$40,000 per year in dedicated funding for the Manufacturing Expansion Fund (MEF) incentive program.
- Launch of the Business Concierge program by leveraging past successes to continue to modernize and streamline the attraction and processing of key economic development opportunities.
- Launch of a formal and comprehensive Business Retention and Expansion (BR&E) program that will help support and strengthen existing businesses.
- Approval of the Town’s first-ever Foreign Direct Investment (FDI) Attraction Strategy and Action Plan to enhance Halton Hills’ competitiveness.
- Expanded stakeholder partnerships and collaboration, including with the Chamber of Commerce, BIAs, Halton Region, Regional Tourism Organization 3 (RTO3), Haltech, provincial ministries, real estate industry, individual businesses, and the Town’s Tourism Advisory Committee.

- Town approval of the Phase 1B Secondary Plan that will facilitate major investment opportunities and projects in the Premier Gateway. This will support the Town's efforts to leverage five million sq. ft. of existing non-residential development in the Premier Gateway to advance an additional five million sq. ft. of development that is in various stages of being developed or contemplated for potential construction in the future throughout the Gateway.
- Initiation of planning work for the Phase 2B Secondary Plan.
- Approval of the Vision Georgetown Secondary Plan which will lead to the development of 1,000 acres, providing a home to 18,000 residents and 2,025 new jobs.
- Approval of the Transit Service Strategy which will result in a right-sized 'made-in-Halton Hills' strategy that serves the needs of residents and businesses.
- Launch of the [www.InvestHaltonHills.com](http://www.InvestHaltonHills.com) website to provide information tailored for the business audience.
- Redevelopment and launch of a brand new [www.VisitHaltonHills.com](http://www.VisitHaltonHills.com) website as the Town's main tourism communication tool.
- Substantially expanded economic development communication and marketing program in collaboration with the Town's Corporate Communications division, including marketing videos, brochures, social media (including a new dedicated Instagram account for tourism), digital advertising and use of the Town's Let's Talk community engagement platform.

Completion and subsequent implementation of the new Economic Development and Tourism Strategy will help ensure that the Town continues be able to implement leading economic development practices.

## **2. Overview of the Background Discussion Report (Phase 2)**

The purpose of Phase 2 of the project and the Background Discussion Report was to undertake comprehensive stakeholder consultation, analyze the main themes that arose from consultation, perform a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats), and develop a list of strategic priorities for consideration. The Background Discussion Report, along with the [Executive Summary of Initial Findings \(March 2020\)](#), provide a solid foundation for the preparation of the Economic Development and Tourism Strategy.

Consultation was broad and included a multi-pronged approach, including visioning workshops, interviews, focus groups, online surveys and input from the Project Steering Committee.

The Background Discussion Report is appended to this report. Sections 3 and 4, below, briefly highlight the key content.

### 3. Economic Development Stakeholder Consultation

#### 3.1 Economic Development Themes

It is important to note that, at this time, to provide a fulsome overview of consultation, the results of the stakeholder consultation should not be considered recommendations. In addition, public input collected was not modified – even in instances where some comments may not be accurate or reflect actual Town and/or regional policies, work plans, priorities and/or practices, and/or community conditions. Stakeholder comments also may not reflect the many successes already achieved in recent years in pursuing economic development and tourism objectives. The latter offers an opportunity for additional communication initiatives to be implemented to showcase the Town's many achievements to-date.

Eight main themes related to economic development were identified throughout the stakeholder consultations:

- **Diversity:** In each of the four consultation activities participants noted the importance of diversity when positioning Halton Hills for future growth. The theme of diversity was related to: Job/Employment Diversity, Industry Diversity and Population Diversity.
- **Transit:** Stakeholders identified the need for a transit plan that connects workers from Halton Hills and neighbouring communities with employers and employment lands in Halton Hills. There was also strong support for advocating for regular/more frequent GO Transit service.
- **Land and Buildings:** Stakeholders identified challenges in finding sufficient land or buildings to expand their operations, especially the small and medium-sized businesses. The lack of shovel-ready serviced employment lands was also identified as a barrier to Halton Hills' economic growth.
- **Downtowns:** There was almost universal interest in ensuring that downtown areas are vibrant, with a strong retail component that reflects a variety of housing types, density and ownership. Stakeholders also identified the need to raise awareness of the revitalization that has already begun to take place in Halton Hills' downtown cores.
- **Regulatory Process:** The presence of multiple development approval authorities, along with an approval process that was perceived as being too long and a comprehensive zoning by-law that was perceived as being too restrictive, were identified as barriers to local economic development.
- **Housing:** Many participants supported increasing the variety of housing types, density and ownership in the downtown cores. Their future vision for Halton Hills included a larger diversity of housing stock, including owned and rented

properties. Some stakeholders noted a possible connection between local staffing/labour shortages and the lack of housing diversity.

- **Economic Development Programs:** Stakeholders saw an opportunity to leverage quality of life and well-educated residents to promote Halton Hills as a source of a quality workforce. In the online survey, respondents ranked Economic Development Programs (e.g. supports for small business, investment attraction, promotion, commercial development, business retention, existing business, work from home, partner collaboration) as being tied for the greatest opportunity to stimulate economic growth.
- **Access and Strategic Location:** Stakeholders identified Halton Hills location close to Toronto and the associated GTA amenities as being a distinct advantage. They spoke about the Town's strong transportation linkages, including proximity to major highways, rail service and Pearson Airport.

### 3.2 Tourism Themes

Through tourism stakeholder engagement, the following ten main themes were identified. As with the economic development themes, the following information should not be considered recommendations:

- **Product and Experience Clusters:** When asked to identify the main reasons why people visit Halton Hills, participants noted:
  - Nature and Outdoors;
  - Historic Downtowns/Rural Communities;
  - Festivals and Events;
  - Retail/Shopping;
  - Visiting Friends and Relatives;
  - Arts and Culture;
  - Agri-Tourism;
  - Sports and Recreation; and
  - Culinary Tourism.
- **Key Target Markets:** Interviewed stakeholders identified several key tourism markets for Halton Hills, including:
  - Visiting Friends and Relatives ("VFR");
  - Young Families (engaging in agri-tourism and visiting rural communities);
  - Short-term stays from the GTA;
  - Cyclists;
  - Eco-tourism (including hiking, etc.);
  - Sport Tourism (including hockey, soccer, baseball);
  - Artist Community; and
  - International tourists (particularly for the Toronto Premium Outlets).

- **Destination Development:** Stakeholders provided the following suggestions for implementing a new Tourism Sub-Strategy:
  - Improve key existing assets and build on Halton Hills' strengths (i.e. connecting and organizing trail systems for cycling and hiking);
  - Educate and inform residents to help them understand the tourism potential of Halton Hills; and
  - Consider developing elements that will benefit residents first, which in turn will help to manage visitor expectations.
- **Visitor Information Services:** A common issue raised in conjunction with the need for visitor information services was the need for better wayfinding and signage, as well as baseline visitor information training for staff working at Town facilities and businesses serving the tourism industry. Doing so would provide visitors with basic tourism information and better direct them to tourism destinations.
- **Event Support:** Stakeholders identified broader promotion of local festivals and events and the need for new/enhanced overnight accommodations as being of highest priority. When asked for suggestions that may help grow tourism in Halton Hills, respondents also identified the need to support the growth of local events and festivals.
- **Wayfinding/Signage:** Stakeholders identified insufficient signage for businesses and events, as well as trails that are not connected to the Downtowns, as pressures/threats for tourism development in Halton Hills.
- **Visitor Friendliness:** Stakeholders identified the following pressures/threats to Halton Hills' visitor friendliness:
  - Retailers are often closed Sunday/Monday;
  - Operators have limited knowledge of other events, attractions and foodservice establishments to direct tourists towards; and
  - Parking is limited in the Downtown cores.
- **Overnight Accommodations:** Tourism-specific stakeholders echoed the economic development stakeholders' sentiments about the Town's limited availability of overnight accommodations. Focus groups were also aligned on this topic, stating that more overnight accommodation options would help increase the length of stay for tourists, leading to increased visitation and tourism spending.
- **Marketing and Promotion:** Stakeholders had several suggestions for Tourism Marketing Opportunities, stating that Halton Hills is currently lacking in this area. Online survey respondents believed that better advertising and promotion of Halton Hills (including promoting the hamlets' "unique personalities", a better website, itineraries and social media) would be an effective way to help grow local tourism.



- **Partnerships:** While many stakeholders identified strong tourism assets in Halton Hills, they also highlighted the need for coordination, as they felt that the local tourism industry is currently disjointed, and both residents and tourists are largely uninformed about local tourism offerings.

**As noted earlier, the Town has already taken action (or started to take action) on many of the suggestions/comments voiced during the consultation process. For an update on how some of the key themes identified in the Background Discussion Report are already being implemented, please see the appended Progress on Identified Themes document.**

#### **4. Strategic Priorities for Consideration**

Based on the key themes identified through community engagement and the SWOT analysis highlighted in Section 3, a number of Strategic Priorities have been identified. They will serve as the foundation of the Economic Development and Tourism Strategy. The Strategic Priorities for each of the five Sub-Strategies are:

##### **4.1 Economic Development Priorities:**

- Improve investment readiness by ensuring that Halton Hills has all remaining key foundational economic development elements in place (e.g. land/buildings supply, human resources, marketing, data).
- Facilitate regular and structured engagement with the local business community.
- Implement sector-specific initiatives focusing on identified target sectors of advanced manufacturing (labour, transit, access to markets), agriculture/agri-business (permitted on-farm uses), food processing (access to markets), and arts and culture.
- Ensure an adequate supply of land and buildings to meet investment demand.
- Address development processes and perceptions of a long and challenging process.
- Advance re-development and investment in the Acton and Georgetown downtowns (e.g. mixed-use, specialty retail, restaurants).

##### **4.2 Green Economy Priorities:**

- Establish the broader region (both Halton Region and neighbouring municipalities) as a 'Green Economy Hub', with Halton Hills at its core.
- Establish an agreed upon and widely understood definition of what the 'Green Economy' means in Halton Hills.
- Build-on and leverage Halton Hills' interest and leadership in 'green economic development', as well as the Town's commitment to climate change action, including its 2030 Net Zero target.
- Support additional green development and adopt more green building standards.

#### **4.3 Brownfield Priorities:**

- Develop an inventory of the size and scope of local brownfield properties.
- Provide greater financial support for local brownfield redevelopment programs, and encourage and leverage Halton Region's brownfield redevelopment programs/incentives, as appropriate.

#### **4.4 Tourism Priorities:**

- Focus on tourism product development and market readiness (e.g. experiences and assets, bundling, itinerary-building).
- Target specific market segments (e.g. families, New Canadians, international visitors) that are aligned with Halton Hills' existing experiences and assets (e.g. outdoor recreation, shopping at Toronto Premium Outlets, and successful local events like Culture Days, the Leathertown Festival, Highland Games, etc.).
- Facilitate partnerships to pool human and financial resources, and encourage cross-promotion.
- Promote Halton Hills as a single tourism destination – including through improved wayfinding and signage, as well as the development of consistent messaging for local communities.
- Encourage visitor friendliness and best practice sharing between operators.
- Align the new Tourism Sub-Strategy with input and recommendations of the Town's Tourism Advisory Committee.
- Consider completing an Accommodation Needs Study to respond to and support the need for over-night accommodations in Halton Hills.
- Define key performance indicators (KPIs), key target markets and associated messaging.
- Grow local awareness related to tourism.

#### **4.5 Marketing Priorities:**

- Increase branding consistency between the Town, economic development and tourism brands.
- Develop tactics to build awareness of the economic development and tourism brand.
- Establish economic development and tourism positioning statements and value propositions.
- Identify target sectors and related values and motivators.
- Evaluate appropriate marketing tools and budgets required to reach target markets.

## **RELATIONSHIP TO STRATEGIC PLAN:**

Development of the Economic Development and Tourism Strategy relates to and advances numerous Strategic Plan priorities, focus areas and values:

Applicable Strategic Plan priorities and focus areas are:

- Shaping Growth (Downtown Revitalization, Employment Lands, Affordable Housing)
- Climate Change and Environment (Action on Climate Change, Low Carbon Transition)
- Ensure a Vibrant Agricultural Community (Promote Agritourism)

Applicable Strategic Plan values are:

- Foster a Healthy Community
- Preserve, Protect and Enhance our Environment
- Protect and Enhance our Agriculture
- Foster a Prosperous Economy

## **FINANCIAL IMPACT:**

Funding for the Economic Development and Tourism Strategy is part of the existing Capital Budget.

## **CONSULTATION:**

Strategy development has benefited from input from the cross-disciplinary Project Steering Committee. The latter includes the Georgetown and Acton Business Improvement Areas (BIAs), Halton Hills Chamber of Commerce, Regional Tourism Organization 3 (RTO3), Haltech, Halton Region, the private sector and Town staff. The Project Steering Committee was provided with the draft Background Discussion Report for review. The draft was also posted to facilitate community input on the priority areas. The Town's Tourism Advisory Committee has also been engaged.

## **PUBLIC ENGAGEMENT:**

A variety of stakeholders has been engaged in multiple ways throughout this project. The appended Background Discussion Report outlines the various community engagement activities undertaken, which included focus groups, visioning sessions, interviews and online surveys. Stakeholder engagement will continue moving forward, including through a second Let's Talk Halton Hills survey about the draft Strategy, and presentations to the Senior Management Team (SMT) and Project Steering Committee. The Tourism Advisory Committee will also continue to be engaged. Community awareness of the project will continue to be raised through the Town's e-newsletters and social media channels.

## **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 recommendations outlined in this report advance the Strategy's implementation.

This report supports all four pillars of Sustainability, and in summary, the alignment of this report with the Community Sustainability Strategy is excellent.

## **COMMUNICATIONS:**

The draft Background Discussion Report was available on the Invest Halton Hills website in order to solicit community input, including via the Let's Talk Halton Hills survey.

Since the project launched, a variety of communication channels have been used to maximize community awareness and stakeholder engagement. Communication will continue to take place for the remaining phases of the project. As required, the approach to communication has and will continue to be adjusted in light of COVID-19 to maximize the effectiveness of communicating this project to the community.

## **CONCLUSION:**

A modern, actionable and comprehensive Economic Development and Tourism Strategy will position Halton Hills as a prime destination for investment and job growth. The Strategy will also provide a sufficiently flexible roadmap so that the Town can continue to respond effectively to changing economic conditions in the wake of COVID-19.

Reviewed and Approved by,



Damian Szybalski, Director of Economic Development, Innovation & Culture



Chris Mills, Acting Chief Administrative Officer