

ECONOMIC DEVELOPMENT COMMITTEE – JUNE 21, 2010

ECONOMIC DEVELOPMENT STRATEGY – PRESENTATION AND UPDATE

Recommendation

The Director of Economic Development, in consultation with the City Manager, recommends:

1. THAT the verbal presentation from Millier Dickinson Blais be received;
2. THAT the comments received from the Economic Development Committee be incorporated into the draft report of the Economic Development Strategy; and
3. THAT a meeting of the Economic Development Committee be scheduled for August 30, 2010 to receive the final report and presentation on the Economic Development Strategy.

Contribution to Sustainability

Green Directions Vaughan embraces a *Sustainability First* principle and states that sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. The basis for ensuring economic vitality is rooted in an understanding about the employment or business sectors that the City should be targeting.

Economic Impact

The costs associated with the preparation of the Economic Development Strategy were approved in the 2010 Economic Development Department's Operating Budget. Any additional action items related to the strategy that may impact on future operating budgets will be submitted during the annual budget process.

Communications Plan

The Economic Development Strategy process, findings, and presentation materials will be available in hard copy format and distributed to Mayor, Members of Council and Senior Management. Additional "hard" copies will be available upon request. The strategy will be highlighted in the September Economic Development Newsletter, *Business Link*, which is distributed to the Vaughan business community. In addition, an electronic copy in a PDF format will be posted to the 'documents' section of the Economic Development Department's website. The approval of the strategy will be promoted to community stakeholders, citizens and community groups.

Purpose

To provide the members of the Economic Development Committee and Council with an overview of the proposed Economic Development Strategy.

Background – Analysis and Options

The City's current Employment Area policies (OPA No. 450) and the Economic Development Strategy are based on the conditions of the early 1990's.

In April 2009, Council approved the formation of an Economic Development Committee to be established as a Special Purpose Committee of Council with a mandate to provide assistance and advice to Council in the pursuit of ensuring economic vitality. Also, to provide oversight in the

development, implementation, monitoring and renewal of the City's Economic Development Strategy.

In addition, Council also created and approved Council Priority #10 as part of the Council Priorities Plan, "Develop and implement an economic development strategy and process to position Vaughan as the premier destination for business in Canada."

Furthermore, Item 4 of Council Priority #10 requests "the review of the City's current Economic Development Strategy in partnership with the business community and that the review of the Economic Development Strategy will include benchmarking similar municipalities across North America to obtain best practices. Implementation of the revised strategy will include input from our external stakeholders."

Competition amongst cities and regions for people and business has become increasingly intense and global. In addition, the future growth of national economies will lie heavily in the success of its collective cities and regions. As Vaughan continues to grow toward a population of approximately 400,000 residents it is imperative to create a focused and strategic plan for the City of Vaughan's economic development activities in order to be successful as an attractive location for people, business, investment and visitors.

The Economic Development Strategy will set out a sustainable plan for Vaughan which will strategically develop our economy, our community and our city in a way that will enable Vaughan to take a permanent place on the global stage as a premier destination for people and business in Canada and the Greater Toronto Area.

To ensure Vaughan will capture this opportunity, the Economic Development Department has recently completed the Vaughan Employment Sectors Strategy (ESS). The purpose of the ESS was to identify the employment sectors and sub-sectors that the City of Vaughan should retain and attract and accompanying measures that will enhance the City's long-term competitiveness for sustainable, equitable and manageable growth of Vaughan's economy.

With Council approval of the 2010 budget in late January, 2010, the Request For Proposal (RFP) to identify a Consultant for the Economic Development Strategy was released through Purchasing (RFP 10-052). All of the appropriate procedures and policies as they relate to the RFP process were managed by Asad Chughtai, Manager of Purchasing/Contract Services - Supplies and Services.

Seven proposals via sealed bid were received in the Purchasing Department by the closing deadline of February 19, 2010. All of the proposals were thoroughly evaluated using a preset criteria by a cross departmental team led by Economic Development. The review team had representation from Finance, Corporate Policy; Planning; Engineering and Parks and Recreation.

The project was awarded through the Purchasing Department on March 5, 2010 to the consultancy of Millier Dickinson Blais.

About the Consultants

Millier Dickinson Blais is Canada's largest specialist economic development consultancy, with offices in Toronto, Hamilton and Harrowsmith.

The founding partners of the company are widely recognized as some of Canada's most effective development professionals with experience at the local, national and international level.

Millier Dickson Blais has carried out a wide range of economic development strategic planning exercises across Canada, including the economic development strategy for the City of Calgary (Winner of the 2008 Economic Developer's Association of Canada award for best strategy).

Brock Dickinson, founding partner, is the lead on the Vaughan Strategy. Brock has served in numerous Economic Development roles throughout his professional career and also serves as the Assistant Director of the Economic Development Program at the University of Waterloo. Brock has also held the position of Director of ICT and Advanced Manufacturing with the Toronto Region Research Alliance. In addition to leading a number of rural, municipal and regional economic development initiatives Brock spent six years as a consultant with the United Nations Environment Programme (UNEP) directing sustainable development projects in more than 30 countries on five continents.

Context and Background Information

In addition to extensive consultation with staff in the Economic Development Department, and one-on-one interviews with external business stakeholders, the following documents were provided for the information of the consultants, in the preparation of the strategy;

- “Industry Cluster Analysis”: York Region Planning and Economic Development Committee,
- “The Vaughan Consolidated Growth Management Strategy – 2031, Work Plan Approval and Direction to Proceed”
- “Preparation of New Vaughan Official Plan”
- “Transportation Studies and Environmental Assessments in the City of Vaughan – 2006”
- “Planning for Tomorrow, Part 1, York Region Population and Employment Forecasts”:
- “Planning for Tomorrow, Part 2, 2031 York Region Land Requirements”:
- “York Region Employment Land Area Analysis”
- “Comparative Analysis of Growth Scenarios”
- “York Region Employment and Industry Report 2007”
- “Provincial Paper – Planning for Employment”.
- “Employment Sectors Strategy” 2010
- DRAFT Vaughan Official Plan 2010 (emphasis on Chapter 5: Economy, Chapter 9: Building A Great City”
- York Region 10-Year Tourism Strategy 2009
- Vaughan 5-Year Tourism Strategy 2006
- Environmental Master Plan – “Green Directions Vaughan” 2009
- Parks & Recreation Master Plan “Active Together” 2008
- DRAFT Creative Together Cultural Plan 2010

Strategy Framework

The Economic Development Strategy for Vaughan consists of several key elements, each providing data, insight and analysis leading to a focused and tactical action plan for achieving specific economic development objectives.

The first element of the strategy consists of an economic base analysis, which builds upon the community’s Employment Sectors Strategy Study by analyzing trends and opportunities emerging from each of the City’s seven target sectors. In this portion of the report, key demographic, labour force and business patterns trends are explored, with a goal of better understanding the specific niches and focal points of Vaughan’s strengths in its target areas.

This is complemented by a wide series of one-on-one interviews and surveys of key community stakeholders. These interviews assist in bringing local perspective and input to the research process, and serve as a qualitative balance to the quantitative components of the economic base analysis.

This information is then examined in light of Vaughan’s competitive position in the economic development arena. The project team examines the economic base analysis data and the input from the community in order to develop a “value proposition” for the community – a statement of

competitive advantages and positioning that serves to differentiate the City of Vaughan from its economic development competitors.

In part, this value proposition rests on the idea of identifying key areas of opportunity where Vaughan should focus many of its economic development programs and efforts moving forward. In light of this value proposition, the Economic Development Strategy goes on to explore key City development opportunities such as the Vaughan Metropolitan Centre and the Vaughan Enterprise Zone. The key focus of this review is to link development activities in these areas more explicitly to the targets and value proposition described earlier in the strategy, and to highlight aspects of these development projects that may be effectively linked to the new strategic focus of economic development activities.

All of these elements are then linked to a discussion of the City's existing sister city relationships internationally, and a discussion of how best to create new partnerships in the international arena to assist Vaughan in furthering its economic development goals.

In the final stages of the strategy, consideration is given to implementation of the economic development strategy. This includes a discussion of key marketing approaches and messages for achieving economic development objectives, as well as a consideration of current staffing structures, and their appropriateness for delivering the strategy.

Finally, the strategy contains a significant and wide-reaching economic development action plan, identifying specific projects to be undertaken or implemented by the Economic Development Department and its partners.

This plan includes both detailed descriptions of these proposed actions, but also an overview of the rationale behind each action, an indication of the action's overall prioritization within the larger strategy, and a description of potential partners in the action's implementation.

Relationship to Vaughan Vision 2020

This report is consistent with Vaughan Vision 2020 Goal: *Plan and Manage Growth and Economic Vitality*.

Regional Implications

N/A

Conclusion

New realities, new ideas and new opportunities will emerge that could not possibly be envisioned during the crafting of this strategy. Therefore, the strategy should be a dynamic and evolving plan that lays the foundation for the work of the City's economic development department.

The Strategy should be used in the following ways:

1. As a non-statutory guide for directing economic development initiatives, and the strategic investments into specific sectors, projects and developments.
2. As direction into the development of the departments workplans and budgets – the activities and resource allocations of the City's economic development department should demonstrate alignment with, and the achievement of, the key performance indicators, goals and objectives of the Strategy.

3. As the source of ideas and inspiration for community action and collaboration – involving the Vaughan community of businesses, institutions, organizations, associations, levels of government and other stakeholders.

The Vaughan Economic Development Strategy will be a 10-Year implementation plan that is a catalyst to achieving the vision of the Official Plan and Master Plans. The strategy will qualify all strategic initiatives or ensuing actions on the part of the City's economic development department and is created with Short-Term 2010-2013, Mid-Term 2014-2017 and long-term 2018-2021+ initiatives to support the vision of a greater level of prosperity for the city and its residents.

Attachments

Not applicable

Report prepared by:

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Respectfully submitted,

Tim Simmonds
Director of Economic Development