

Clause 17 in Report No. 5 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on March 26, 2015.

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Economic Development Action Plan 2014 Annual Progress Report and 2015–2019 Review

Committee of the Whole recommends adoption of the following recommendations contained in the report dated February 24, 2015 from the Commissioner of Corporate Services and Chief Planner:

1. Recommendations

It is recommended that:

1. The attached Economic Development Action Plan 2014 Annual Progress Report be circulated by the Regional Clerk to local municipal economic development offices and the chambers of commerce and board of trade for information.
2. The proposed 2015 - 2019 Economic Development Action Plan Review process be approved.

2. Purpose

This report and attachment provide an annual update on initiatives identified in the Economic Development Action Plan and seeks Council's authorization to initiate a review and update of the Action Plan for the current term of Council.

3. Background

Business and job growth are fundamental to the Region's success

Economic vitality is a strategic priority and a cornerstone for building a prosperous Region. Business and job growth are fundamental to the Region's

economic vitality and quality of life. Attracting and retaining high quality, good paying jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have the opportunity to work and thrive where they live.

Innovative companies and jobs are driving economic growth

Business growth will continue to be driven by innovation. The Region continues to shift from a goods-producing to service-based economy, particularly in key growth sectors such as Information and Communications Technology (ICT). York Region is home to one of the largest ICT clusters in North America, which serves as a foundation that supports other innovation-based growth sectors such as healthcare and advanced manufacturing. The Region has a role to play in fostering innovation and supporting business growth.

The approved Economic Development Action Plan is focused on innovation as a key economic driver

In December 2012, Council approved the Economic Development Action Plan, which is designed to address the key economic challenges and opportunities facing York Region. Based on research into trends in the economy and consultations with numerous stakeholders, the Action Plan identifies innovation driven by creative people, companies and institutions as the foundation for future economic growth and vitality.

The Action Plan recognizes six innovative economic growth goals

Using innovation as the theme, the Action Plan translates the major economic challenges and opportunities identified through the research and consultation process into six major goals, as follows:

Transformational Goals

Goal 1 – Develop a greater post-secondary and research presence

Goal 2 – Provide connectivity infrastructure to support innovation

Incremental Goals

Goal 3 – Develop the innovation network connecting businesses to opportunities

Goal 4 – Develop a strong, common marketing message

Goal 5 – Creating THE place to live, work and invest, including appropriate real estate

Goal 6 – Develop a viable workforce

The transformational goals are those identified as new initiatives that would help elevate York Region to ‘the next level’, requiring significant time, effort, and resources but resulting in significant positive economic impact for the region. The incremental goals are more tactical in nature, delivered as programs designed to generate incremental yet equally important economic growth and activity.

Taken together, the six Goals include 40 action items, including projects and on-going programs, for delivery utilizing both Regional and partner resources.

Monitoring progress is an important part of the Action Plan

At the time of the approval of the Economic Development Action Plan, staff committed to providing regular progress reports to Council throughout the year. Reports advanced in 2014 in this regard included several reports on the state of the economy with respect to jobs, growth and development, two reports on investment and job supportive programs, and two reports on transformational initiatives including post-secondary investment and connectivity. This report serves as an annual update that summarizes the progress and achievements for 2014.

4. Analysis and Options

The Region continues to make progress in all goal areas of the Economic Development Action Plan

The Economic Development Action Plan identifies an aggressive slate of activities designed to position the Region for economic growth. The Action Plan represents the full Economic Strategy section program, which is connected to numerous initiatives across the corporation and in the community. The projects and programs raise the profile of the Region as a place to invest, promote business and job growth, and position the Region to rise to ‘the next level’.

The attached Economic Development Action Plan 2014 Annual Progress Report provides a summary of the key activities underway and results achieved to date (see Attachment 1).

Highlights of achievements from 2014 include:

- Council approval of support for the ‘York in York’ proposal submitted to the Province by York University for a new university campus in Downtown Markham

- Council endorsement of the objectives and implementation priorities of the Broadband Strategy and implementation of a high-speed broadband link via Regional construction projects between Southlake Regional Health Centre and York University as part of the Ontario Research and Innovation Optical Network (ORION)
- Initiation of a major office attraction review and marketing/communications plan for promoting Centres and Corridors, leveraging major urban supportive infrastructure investments in roads and rapid transit
- Support for the creation of 240 new jobs by directly engaging over 900 companies in 2014 through business advisory service programs. Since 2010, Economic Strategy has facilitated the creation of 1,200 new jobs and the retention of 11,500 existing jobs in the Region
- Delivery of 130 business workshops, seminars and events attracting over 3,400 participants, including a ‘first-of-its-kind’ Gaming Development Industry networking event attracting 120 industry professionals in this fast-growing sub-sector
- Seed funding, marketing assistance and client referrals to help mobilize the emerging healthcare innovation hub and CreateITNow accelerator at Southlake Regional Health Centre, in partnership with the hospital, Town of Newmarket, ventureLAB, and York University
- Support for other emerging innovation hubs including the Ontario Water Centre hub in Georgina
- Support for the Workforce Planning Boards’ Employers Leadership Council ‘War for Talent’ event, attracting over 100 business leaders discussing workforce issues and solutions

Working with both internal and external partners, significant steps have been taken to position the Region as a place for innovation and business growth.

The Economic Development Action Plan needs to be updated to align with the new strategic priorities of Council

The Action Plan was designed to align with the *2011 – 2015 Strategic Plan* and provides a sound basis for developing programs and initiatives. With the recent approval by Council of the *2015 - 2019 Strategic Plan*, it is timely to revisit the Economic Development Action Plan to ensure continued alignment with the strategic priorities of Council.

The previous Action Plan was developed based on research and a broad consultative process. Given the strong direction provided by existing guiding strategic documents and on-going economic research and monitoring, it is anticipated that the overall direction of the Action Plan and focus on innovation as a driver will not change.

A number of initiatives have been advanced in the first two years of Action Plan implementation that will continue into the next plan to further develop the innovation network. Examples include:

- Continued pursuit at the province of a successful proposal by York University for a new campus in Downtown Markham
- Support for an on-campus youth business incubator at the Seneca College King Campus, to be launched in early 2015
- Advancing the objectives of the Broadband Strategy, including establishing a broadband advisory group to help guide direction and implementation of initiatives and undertaking a Broadband Summit
- Completing and implementing an office attraction program that promotes the development of transit-supportive mixed use development in Centres and Corridors, retaining and attracting knowledge-based jobs to the Region.

These initiatives all support the strategic priority area of strengthening the regional economy in the *2015 - 2019 Strategic Plan*.

Local Municipal Economic Strategies will be considered in developing and recommending Region-wide actions

The nine local municipalities in York Region exhibit a broad range of economic strengths and opportunities. The vast and varying geography of York Region and the degree of current and planned urbanization demand different strategies for economic growth and prosperity at the local municipal level.

Most of the local municipalities within the Region have completed economic development strategies over the past five to ten years and several communities are currently updating their plans. These strategies will be reviewed as part of the Region's Action Plan review process, and will be considered when developing and recommending Region-wide actions.

The goals and actions developed in the revised Economic Development Action Plan will be designed to complement local strategies, initiatives and messaging.

The consultation process will include a wide range of community stakeholders

A wide range of stakeholders will be engaged in this iterative process including:

- local municipalities
- businesses and business organizations including the chambers of commerce and board of trade

- development and real estate industry
- Regional Departments
- Innovation partners including ventureLAB, the hospital network, and educational institutions
- Municipal, provincial and federal economic development organizations and agencies

The stakeholders listed above are all key partners in delivering existing programs and projects, and will continue to have a direct impact on the Plan direction, development of themes and proposed actions identified through the review.

Table 1 outlines the proposed 2015 - 2019 Economic Development Action Plan review process.

Table 1
Action Plan Review Process

Process	Timing
Council Approval of Action Plan review process	Q1 2015
Scan of the latest local economic development plans and strategies; economic and innovation research	Q2 2015
Initial economic development consultations with local economic development offices and other stakeholders	Q2 2015
Interim Report to Committee on any potential major shifts in direction (if required)	Q2 2015
Secondary stakeholder consultations and Senior Management review of draft changes	Q3 2015
Draft Action Plan report to Committee	Q4 2015

A final Economic Development Action Plan will be presented in the fall of 2015

Upon approval of this report, stakeholder input will be sought on revisions to the Plan and the document will be revised accordingly. The draft 2015-2019 Economic Development Action Plan will be presented to Committee in the fall of 2015 incorporating changes necessary to ensure alignment with the *2015 - 2019 Strategic Plan*.

Link to key Council-approved plans

Regional Council has taken proactive steps to recognize economic prosperity and vitality as key to the Region's future. *Vision 2051, the Regional Official Plan*, and the recently approved *2015 - 2019 Strategic Plan* all recognize the importance of a vital and growing economy. The *2015 - 2019 Strategic Plan* identifies updating the Economic Development Action Plan as a key planned regional activity for this term of Council.

5. Financial Implications

The Economic Development Action Plan review will be undertaken primarily with in-house resources. External consultants and service providers will be engaged for portions of the research and process facilitation work as necessary. All costs associated with the work are included in the approved 2015 Planning and Economic Development Branch budget.

6. Local Municipal Impact

Local municipalities are an integral component and key partners of the Region's economic strategic direction and have been included in the consultation process and implementation of the Draft Economic Development Action Plan. Many of the local municipalities have, or are in the process of producing Economic Strategy documents and each of these will be taken into consideration in the draft document to ensure consistency with municipal plans.

7. Conclusion

The Region continues to make progress in all goal areas of the approved Economic Development Action Plan. Council has supported significant initiatives and targeted programs that promote business growth and make an impact on the innovation landscape. Building on existing successful programs and partnerships, the Action Plan centres on the identification and development of an Innovation Network to facilitate the creation and retention of the jobs necessary to support strengthening the Region's economy. Partnerships both within and external to the Corporation will continue to be critical in developing and delivering programs that support economic vitality.

The current Economic Development Action Plan has taken its direction from the guiding strategies of Council, and in particular the *2011 - 2015 Strategic Plan*. With the recent approval of the updated *2015 – 2019 Strategic Plan*, it is

Economic Development Action Plan 2014 Annual Progress Report
and 2015–2019 Review

appropriate to revisit the Action Plan to ensure alignment of priorities. The review of the Action Plan will be undertaken in consultation with local municipalities and a broad range of stakeholders in 2015.

For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy at ext. 71503.

The Senior Management Group has reviewed this report.

Attachments (1)

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Accessible formats or communication supports are available upon request

The Regional Municipality of York 2014 Economic Development **ACTION PLAN REPORT**

In our rapidly changing economic and social environment, prosperity depends on the support and development of creative people, companies and institutions – the Innovation Network.

The Economic Development Action Plan was approved by Regional Council in 2012, and sets out a series of Goals designed to help attract and build knowledge-based employment, innovation-focused companies, and the institutions and assets needed to support them.

This report outlines the achievements under the Action Plan in 2014.

WHO WE ARE

Economic Strategy is a group within the Planning and Economic Development Branch charged with overseeing the development and delivery of the Economic Development Action Plan and its initiatives.

SUCCESS THROUGH PARTNERSHIPS



All of the actions outlined in the Plan depend on collaboration with many partners within the community to deliver results – from the nine local municipalities to business organizations to agencies and senior levels of government, building the Innovation Network is a collaborative effort.



ECONOMIC DEVELOPMENT ACTION PLAN GOALS

Transformational Goals

- GOAL 1** - Develop A Greater Post-Secondary And Research Presence
- GOAL 2** - Provide Connectivity Infrastructure To Support Innovation

Incremental Goals

- GOAL 3** - Develop The Innovation Network Connecting Businesses To Opportunities
- GOAL 4** - Develop A Strong, Common Marketing Message
- GOAL 5** - Creating The Place To Live, Work And Invest, Including Appropriate Real Estate
- GOAL 6** - Develop A Viable Workforce

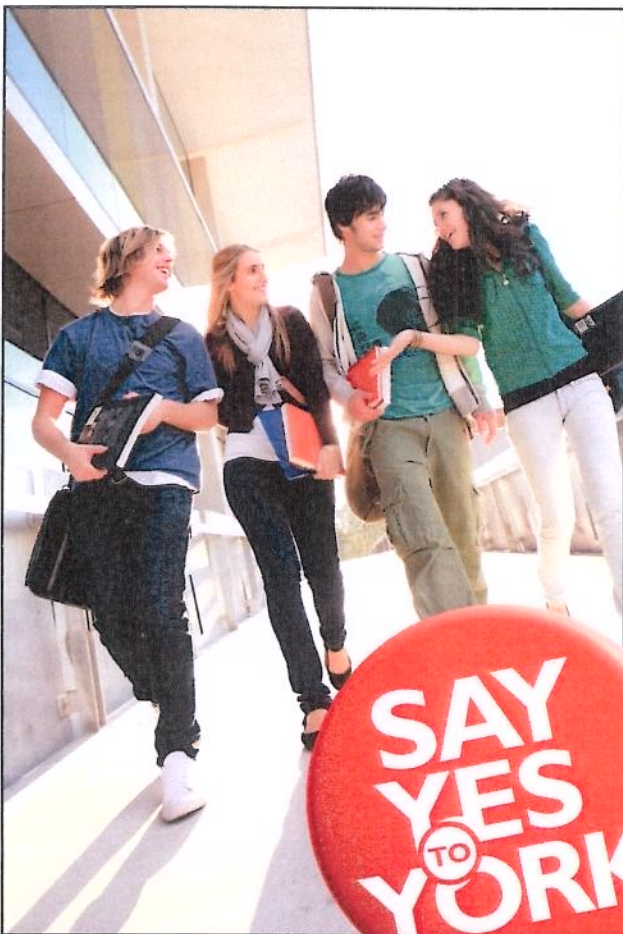


Research, Connectivity and the Innovation Network ▶▶▶

York Region continues to lead and support innovation-focused initiatives that will help transform the Region. Key results and achievements include:

▶ New University Campus Proposal

"Say Yes to York": Support has been provided for the York University bid to the Province for a major new campus in Markham through research, proposal development support, and a Regional Council commitment of up to \$25 Million towards a successful bid.



"York Region is the only municipality in North America with more than 1 million people and no university campus within its borders."

- David Trick and Associates Inc.
Post-Secondary Attraction Strategy for
The Regional Municipality of York, 2013

▶ ventureLAB

With York Region financial and strategic support, ventureLAB provided consultation, mentoring and connecting opportunities to 293 entrepreneurs and over 2,000 event attendees. ventureLAB is York Region's Regional Innovation Centre in the Ontario Network of Entrepreneurs, helping to create and grow innovation focused companies.



York Region/ventureLAB pavilion at 2014 OCE Discovery Conference

"ventureLAB has supported/advised Shimifriz in almost all verticals that were out of reach or needed more investigation."

- Hassan Nojourni, Shimifriz

▶ Ontario Research and Innovation Optical Network (ORION) Point of Presence

In keeping with the York Region Broadband strategy endorsed by Council in May 2014, the Region supported the expansion of the ORION ultra-high-speed broadband service from York University to Southlake Regional Health Centre in Newmarket, significantly increasing the connectivity and research capability in the region.



This is the first ORION Point of Presence in the Region and will provide connectivity dedicated to universities, colleges, school boards, libraries and teaching/research hospitals.

▶ CreateITNow at Southlake

The Region has provided seed funding, assisted in developing marketing materials and provided client referrals to mobilize CreateITNow at Southlake. This collaboration with the Town of Newmarket, Southlake and ventureLAB provides a vehicle for innovative HealthIT businesses to commercialize products and enter the market.



Space for CreateITNow has been set aside in the Southlake Village building attached to the hospital

CreateITNow will provide incubator landing space for companies needing to be co-located in the hospital to develop their products. Eight domestic and international referrals were made in 2014.

"..[Economic Strategy] quickly focused on some excellent strategies/resources to pursue and set me up with a meeting with the innovation Center at Southlake hospital. [They] provided a very significant amount of value to me in a very short amount of time.."

- Ron Avignon, Giva, Inc., Sunnyvale, CA, USA

▶ Youth Entrepreneurship:

Youth entrepreneurship has been supported in the northern six municipalities (N6) through both the Starter Company and Summer Company programs via the York Region Small Business Enterprise Centre (YSBEC). Sixteen young entrepreneurs received \$28,000 total in grants from these programs in 2014 to start and grow their businesses.

Success Story:

YSBEC supported the creation of Sci-tek, a business focused on teaching engineering robotics to youth through the Summer Company Program.



Sci-tek founder Joshua Clements with Adam Kallio of YSBEC



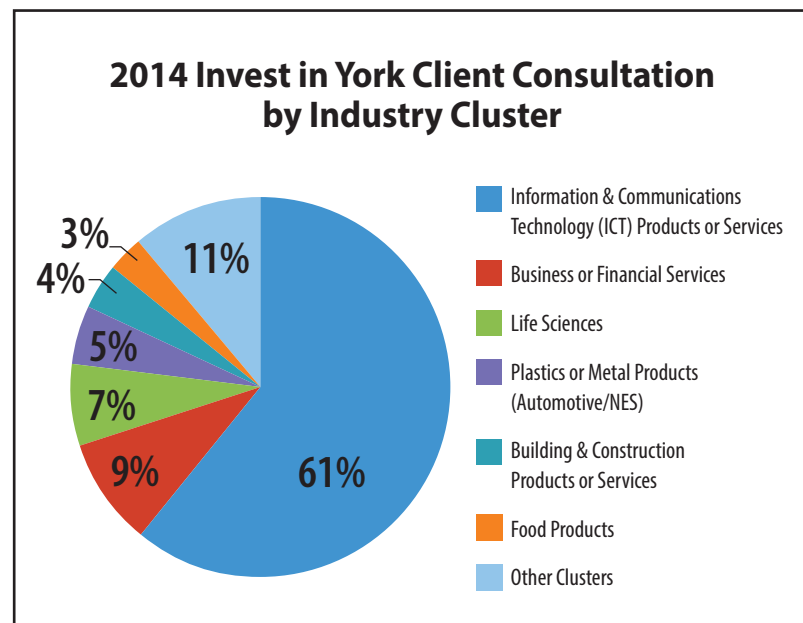
Sci-tek (www.sci-tek.ca) was featured on the MasterCard Youth Entrepreneurial Success (YES) program.

Connecting Business to Opportunities

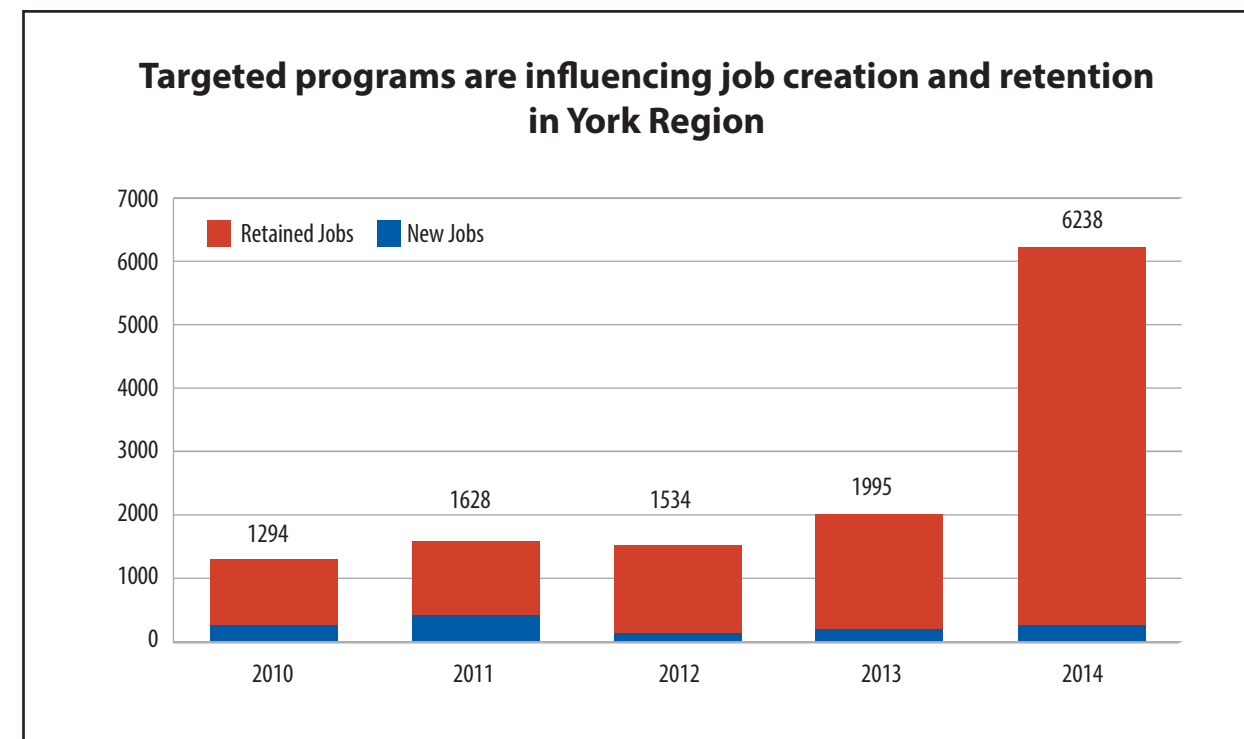
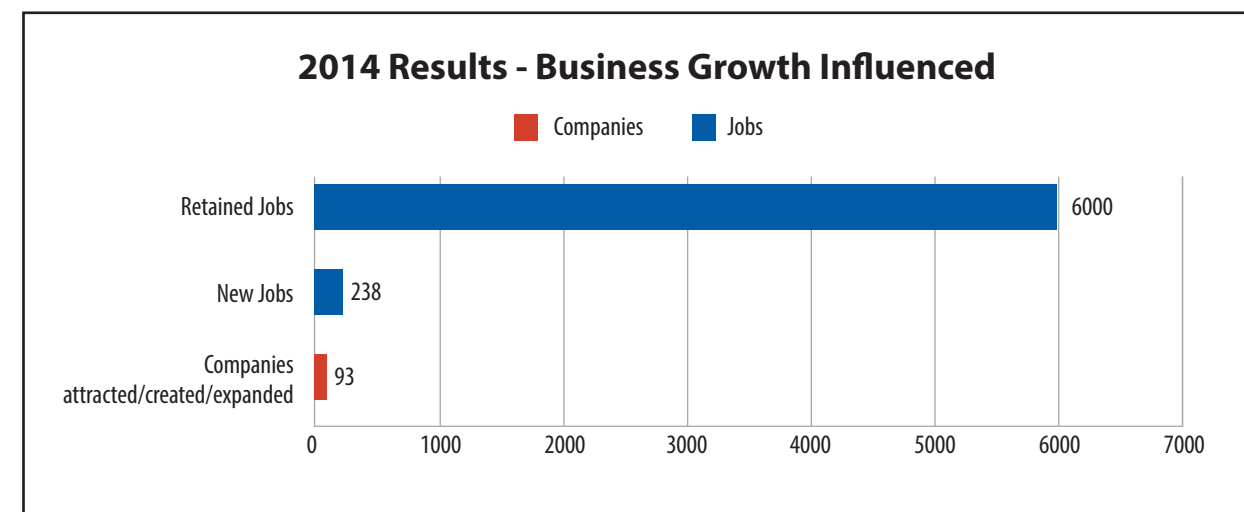
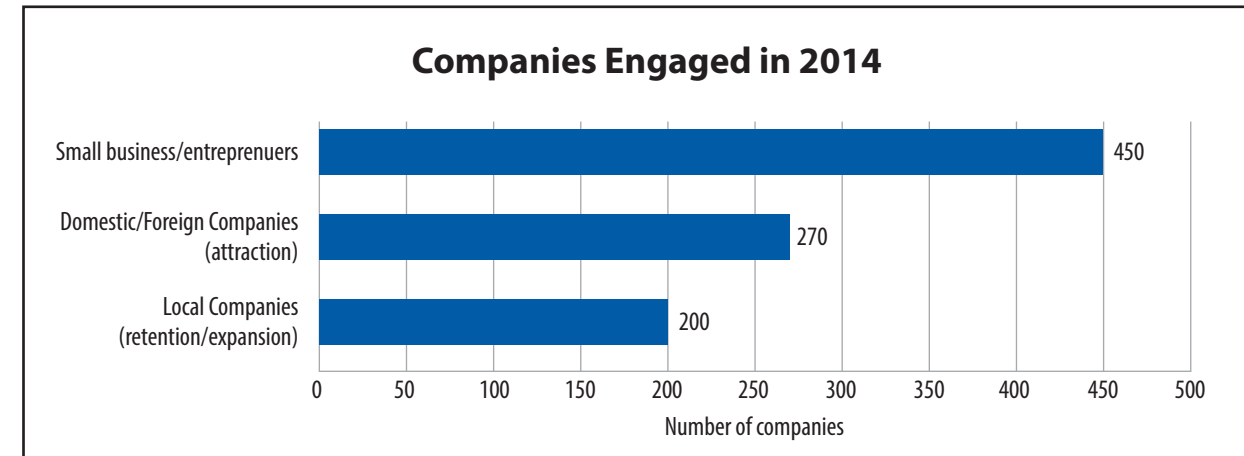
In collaboration with local municipalities and service delivery partners in both the private and public sectors, Invest in York staff facilitates growth of established and expansion-ready companies across York Region and leads the business attraction of new investment prospects. Identification, engagement, qualification and support of clients is carried out via contacts at industry events, direct marketing and incoming referrals. York Region Small Business Enterprise Centre (YSBEC) staff delivers business advisory services to entrepreneurs and small business owners in York Region's Northern Six Municipalities (N6) through one-on-one consultations, Starter and Summer Company programs, group seminars and the YRBiz conference series.



Invest in York Business Advisors engage a company during a tour of their facility.



York Region is targeting knowledge-based businesses.



Business Growth and Attraction Initiatives

In 2014 the program engaged 920 businesses. Of this total Invest in York staff met over 470 companies both within and outside York Region, of which 90 percent were in high growth knowledge-based sectors. Forty percent of the local companies engaged conduct Research & Development here. The Region is targeting companies in growth sectors like Information and Telecommunications technology to retain and attract knowledge-based jobs.

Representative 2014 Business Growth and Attraction Success Stories:

- In partnership with Markham Economic Development, Invest in York provided aftercare support and introductions to a leading U.S. technology company as they established their new Data Center locally, facilitating the creation of 16 direct jobs.
- A Quebec-based communications technology solutions developer established its new GTA operations in the Region creating five jobs. Invest in York first engaged senior executives at a 2012 trade event and maintained on-going engagement.
- A local gaming technology company required workforce development support to meet near-term growth. Working with a service delivery partner and academia Invest in York facilitated senior government funding creating 17 new jobs.
- A web development company moved its Toronto operations to York Region bringing 20 jobs. The CEO participated in a 2013 Invest in York event that influenced the company's location decision.
- Strategic introductions made on behalf of a local metal fabricating company to federal trade commissioners opened new market opportunities in U.S. shale gas and European shipbuilding.
- A consulting entrepreneur was supported with business plan development and information on grants and financing assistance. The start-up obtained financing and hired three staff.
- The York Small Business Enterprise Centre (YSBEC) assisted an entrepreneur with business plan development and marketing assistance to successfully open a local food establishment employing six staff.

Since 2010 York Region Economic Development facilitated the creation of 1,200 new local jobs, attraction of 20 new corporations/employers across York Region and establishment of 420 new small businesses in northern York Region. Staff also influenced the retention of an estimated 11,500 jobs via the delivery of advisory and referral services to established growth companies across York Region and small businesses in northern York Region.

A Strong Common Marketing Message ▶

York Region continues to implement an integrated marketing program that promotes the Region and its area municipalities as a location of choice for business investment and technology innovation. The program consists of a dedicated business website, social media, presentation package, media relations, E-newsletters and print material.

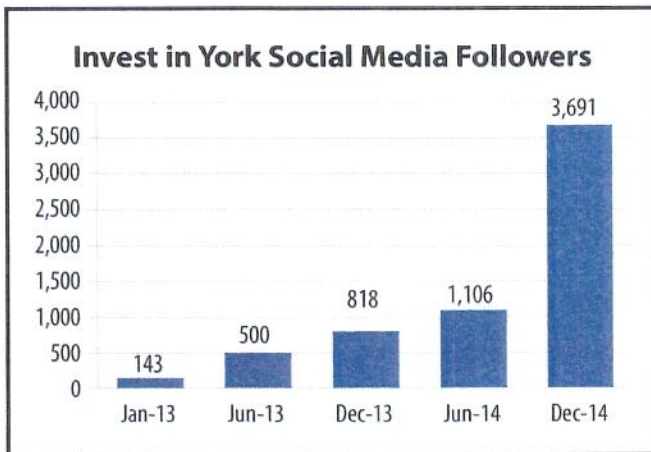
Media Relations and Marketing

Invest in York continued a media relations and marketing communications campaign in 2014 with a strategic focus on the significant local cluster of enterprise solutions companies in the Information and Communications Technology (ICT) sector.

Web and Social Media

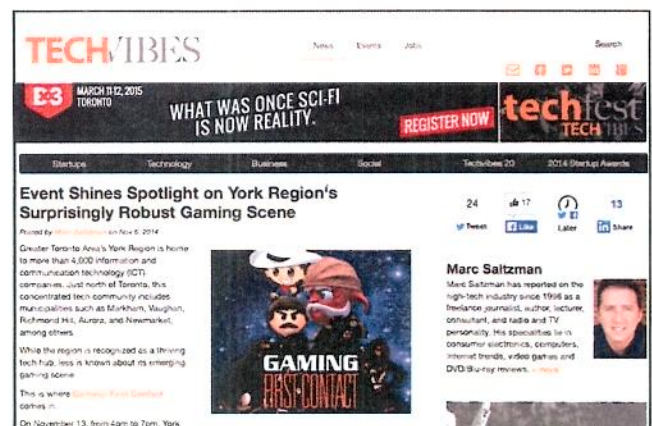
The Invest in York and York Small Business websites registered 50,000 unique visitors in 2014 and 120,000 individual page views. Over 20 percent of business traffic to the Invest in York website originated from outside of Canada, reaffirming the importance of the website in promoting York Region and its area municipalities globally as a top Canadian business hub.

Invest in York's Social media channels registered a 400 percent increase in followers and meaningful engagements with the business community and upper government levels.

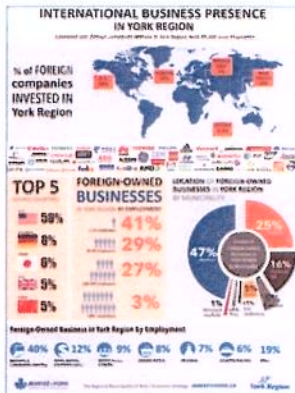


"Very impressed with all the companies you have connected me with..."

- Jean-Philippe Linteau, Consul (Investment)
Canadian Consulate General, New York City



Business and Economic Research & Analysis



Economic Strategy conducts on-going research and analysis of the regional economy to understand trends and develop targeted programs.

2014 Business Events Outreach

Staff initiated or facilitated 120 industry events or group sessions in 2014 to showcase York Region, directly reaching over 3,100 professionals and business owners. A key example was the “Gaming First Contact” business networking event held November 2014 in partnership with the City of Markham and the Remington Group’s Downtown Markham. The event, hosted by Marc Saltzman of “Gear Guide” fame, attracted over 100 gaming technology industry professionals.



Host Marc Saltzman (right) with a “Gaming First Contact” panelist.

“The [Gaming First Contact] event is already achieving its objectives of connecting companies in York Region! Thanks!”

- Nancy Huang, Manager, Business Development, Sulon Technologies Inc.

Economic Development Partnerships Development

Regional staff continued to work closely in 2014 with local municipal Economic Development offices and external partners to promote the Region including:

- Multiple joint corporate calls with local municipal economic development offices across York Region
- Hosting in April 2014 a visit of Ontario’s Ministry of Economic Development U.S. investment attraction representatives to showcase York Region’s ICT sector
- Joint business event for the local gaming technology sector in partnership with the City of Markham and the Remington Group
- Coordinated meeting in Richmond Hill with Ontario’s Ministry of Economic Development on Ontario’s Investment Ready Certified Site program
- Targeted introductions of Trade Commissioners to Vaughan Economic Development staff in support of the City’s international outreach program
- Assisting the City of Markham and ventureLAB with hosting international business/technology delegations from China, Japan, Italy and Brazil
- Facilitating contacts between the Town of Newmarket and Health Technology companies in support of Southlake’s CreateITNow innovation centre
- Facilitation of a new program for not-for-profit entrepreneurs in partnership with the City of Vaughan and the York Entrepreneurship Development Institute
- Presentation in partnership with Ontario Works staff, to Internationally Educated Professionals (IEP) from across York Region on the local business community

“Just wanted to express my appreciation on behalf of MEDTE’s International Representation Branch and our International Investment Development Representatives (IIDRs). I understand the visit to the Municipality of York organized for our US IIDRs last week was excellent. The team was extremely impressed with the knowledge your team possess and their enthusiasm towards collaboration. Our IIDRs certainly came away with a great understanding of your region’s value proposition.”

- Trisha Grant, Director, International Representation
 Ministry of Economic Development,
 Trade and Employment
 Ministry of Research and Innovation May 7, 2014

Developing the Place and The Workforce

Other major Action Plan initiatives in 2014 included:

- ▶ Significant work on understanding the office market in preparation for an office attraction marketing and communications plan in 2015 that will support development of Centres and Corridors in the Region
- ▶ Support for tourism promotion initiatives such as the YorkScene.com website in partnership with the York Region Arts Council and York Region Media Group – unique visitors to the YorkScene.com site grew to 77,000 in 2014
- ▶ Support for agri-tourism including publication of the York Farm Fresh guide and Pumpkin Pie Trail map, promoting farm gate sales across the Region
- ▶ Support for the Workforce Planning Board's Employers Leadership Council, including the "War for Talent" event that attracted over 100 business leaders

Continued success will depend on the linking of initiatives that accelerate business and job growth. Aligning business connections and key messages with infrastructure investments in places like Centres and Corridors will help drive knowledge-based job growth that support sustainable, vibrant environments that people and business want to locate in.

For information on the Action Plan, contact:

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