

Clause No. 17 in Report No. 1 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on January 23, 2014.

## **17**

### **ECONOMIC DEVELOPMENT ACTION PLAN - 2013 ANNUAL UPDATE**

**Committee of the Whole recommends adoption of the following recommendations, as amended, in the report dated December 13, 2013 from the Executive Director, Corporate and Strategic Planning:**

- 1. This report be received for information.**
- 2. *The strategy for developing a greater post-secondary presence in York Region be referred to a future Council Education Session.***

#### **1. RECOMMENDATION**

It is recommended that Council receive this report for information.

#### **2. PURPOSE**

This report provides an update on initiatives identified in the *Economic Development Action Plan* one year after its approval by Council.

#### **3. BACKGROUND**

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

In December of 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 over the next several years utilizing both Regional and delivery partner resources.

## **Progress reporting 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 in the form of Program and Innovation Updates. Reports advanced in 2013 in this regard included two updates on major initiatives and innovation hub development, three reports on investment and job supportive programs, and two reports on funded partner organization activities.

This report serves as an annual update that summarizes the progress and achievements in the first year of the plan and identifies upcoming activities and reports to Council.

#### **4. ANALYSIS AND OPTIONS**

##### **The Region is making progress through the *Economic Development Action Plan*, as depicted in the 'Road to Innovation' pictogram**

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 Branch program, with all current Branch activities tied directly to action items in the Plan. The projects and programs are raising the profile of the Region as a place to invest, supporting business and job growth, and positioning the Region to get to 'the next level'.

The attached 'Road to Innovation' pictogram provides a visual summary of the key activities underway, results achieved to date, and what to expect over the coming year (*see Attachment 1*).

Many of the actions in the Plan are interrelated, with progress in one initiative supporting the advancement of other Goals. For example, early work on the Broadband Strategy identified existing underserved business parks in Richmond Hill, which has resulted in interest from Internet Service Providers to install fibre connections leading to increased value of the properties and more competitive connected businesses.

Highlights of progress on Goals and Actions include:

##### **Transformational Goal 1 – Develop a Greater Post-Secondary and Research Presence**

- Produced a draft Post-Secondary Investment Attraction Strategy through consultation with various community stakeholders. The Draft Strategy will assist municipalities with post-secondary partners to submit responses to the upcoming call for proposals to fund new/expanded campuses announced in the Provincial Fall Economic Statement. The call for proposals will be issued by the Province in early 2014 directly to post-secondary institutions, but no timeframe for announcements of successful proposals has been established. Region staff will assist post-secondary institutions developing proposals in York Region as appropriate, and a report will be brought forward to Council for consideration in Spring 2014 on the status of the process and on specific requests for the Regions involvement in any proposal.
- Through ventureLAB, supported the Healthcare Ecosphere initiative, helping five entrepreneurs develop products with Southlake Regional Health Centre and York University to improve healthcare delivery. The Healthcare Ecosphere model has now been adopted by the Trillium Healthcare Network in Mississauga where four more product development ventures are being supported.
- Supported a manufacturing 'FabLab' initiative including a formal application for funding to the federal government by Seneca College.

### **Transformational Goal 2 – Provide Connectivity Infrastructure to support Innovation**

- Developed a draft Regional Broadband Strategy in partnership with the nine area municipalities. A Draft Strategy is in circulation for comment from municipalities and other stakeholders, and a report will be brought forward to Council for consideration in Spring 2014.
- Supported a successful funding application to help secure an ORION point of presence at Southlake Regional Health Centre.

### **Incremental Goal 3 – Develop the Innovation Network Connecting Businesses with Opportunities**

- Undertook over 800 direct business connections and consultations, facilitating the retention of 1,800 existing jobs and the creation of 120 new jobs in the Region. Many of the new jobs resulted from a partnership with the private sector to guide employers tapping into Provincial and Federal hiring incentive programs.
- Directly supported the advancement of four Innovation Hubs, including the Kortright Green Energy Centre, Southlake healthcare zone, the Ontario Water Centre, and the Seneca 'FabLab'.
- Through ventureLAB, supported close to 200 developing business ventures resulting in the creation of 69 jobs.

### **Incremental Goal 4 – Develop a Strong, Common Marketing Message**

- Developed a business investment brand focusing on the Region's strength in the Information and Communications Technology (ICT) sector. The resulting 'Enterprise Scale Growth in the Heart of Greater Toronto' program is differentiating York Region from other ICT clusters. The program has resulted in several recent stories in vehicles such as TechVibes, a leading ICT industry publication reaching hundreds of thousands of targeted readers in this sector.
- Launched an ICT sector focused social media campaign through Twitter and LinkedIn, generating 500 Twitter followers and 200 LinkedIn members in the first six months. The campaign has already attracted two investment leads.

### **Incremental Goal 5 – Creating the Place to Live, Work and Invest, Including appropriate Real Estate**

- Initiated an Office Space Financial/Market Analysis and Marketing Plan to help position York Region as a location of choice for office development. This cross-departmental initiative will be brought forward to Council for consideration in Spring 2014.

- Through the York Region Arts Council, launched a coordinated website/social media contest campaign to raise awareness of York Region as a tourist and cultural destination (see [www.yorkscene.com](http://www.yorkscene.com)). The Summer Sweepstakes campaign attracted close to 10,000 entries, 2,500 new Facebook followers, and generated a 2,200 % increase in website traffic over the same period in 2012.

### **Incremental Goal 6 – Develop a Viable Workforce**

- Completed a survey of select employers in key sectors to identify where businesses are sourcing their labour force. The resulting work sheds light on the strength of the York Region workforce and on commuting patterns for key components of the workforce. The work is also being used both at the regional and area municipal level to help attract investments to the Region.
- Through Community and Health Services, supported various initiatives related to integrating internationally educated professionals into the workforce.

### **Council will continue to receive detailed reports on Action Plan progress through 2014**

The Economic Strategy Branch uses the *Economic Development Action Plan* as the basis for program development, prioritization and resource allocation. The details around progress for each of the Actions will continue to be provided through program and project reports to Council throughout the year.

The *Economic Development Action Plan* will be revisited in 2015 to ensure alignment with the future *2015 to 2019 Strategic Plan* developed with the new Council.

### **Link to key Council-approved plans**

The *Economic Development Action Plan* directly supports the *2011 to 2015 Strategic Plan* priority area ‘Increase the Economic Vitality of the Region’ by identifying strategic objectives and actions focused on increasing employment opportunities and positioning York Region as the “Region of Choice” for innovative growing employment sectors.

## **5. FINANCIAL IMPLICATIONS**

The *Economic Development Action Plan* is being implemented primarily through the Economic Strategy Branch annual program and budget, in partnership with other departments, local economic development offices and external program delivery partners. Some activities, such as the Broadband Strategy, have been undertaken with direct financial support of the local municipalities or other partners. In many cases, Regional resources are being utilized to leverage significant financial contributions from senior levels of government, funding agencies, and private sector partners. Specific projects or

programs requiring significant resources will be brought forward to Council for consideration as part of future budgets.

## **6. LOCAL MUNICIPAL IMPACT**

Local municipalities are an integral component and key partners of the Region's economic strategic direction and have been engaged directly in the preparation and delivery of key elements of the *Economic Development Action Plan*. The Action Plan was developed to complement local municipal economic development strategies and programs. The local municipalities have been, and will continue to be important delivery partners in implementing the Plan and are engaged in monitoring progress through regular meetings of the Economic Development partners in the Region.

## **7. CONCLUSION**

The Council-approved *Economic Development Action Plan* is designed to address the key economic challenges and opportunities facing York Region. The plan serves as the basis for all Economic Strategy program development, prioritization and resource allocation.

The Action Plan translates the Region's major economic challenges and opportunities into six transformational and incremental goals.

The 2013 projects and programs developed to deliver on the Actions in the Plan are raising the profile of the Region as a place to invest, supporting business and job growth, and positioning the Region to get to 'the next level'. The details around progress for each of the Actions will continue to be provided through program and project reports to Council in 2014.

For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy at 905-830-4444, Ext. 71503.

The Senior Management Group has reviewed this report.

*Attachment (1)*

# The Road to Innovation

York Region  
Economic Development Action Plan  
2013 Annual Update

## Transforming York Region by Increased Post Secondary and Research Presence



*Post Secondary Investment  
Attraction Strategy drafted  
in 2013*

## ...and Coming in 2014

Broadband Strategy Report  
& ORION POP Proposal Review



Office Market Analysis  
& Marketing Strategy



Post Secondary  
Investment Proposal Review



Senemac and Water Centre Hubs

## ...and Supporting Incremental Growth through programs

Innovation Hub Development

Kortright Renewable Energy Centre



Southlake Healthcare Ecosphere



Yorkscene Summer  
Sweepstakes Impact

# Contest Entries	10,000
New Twitter Followers	2,500
Increase in Web Traffic (over same 4 months in 2012)	2,200%



Invest in York Marketing

Website Hits/Unique Visitors	50,000
LinkedIn Members Secured	230
Twitter Followers Secured	560
Branded ICT Media Stories	6
Investment Leads Generated	7



Business Consultations

Businesses Contacted	900+
Businesses Supported	100
Jobs Influenced	2,000+



Small Business Centre Events

Events Held/Supported	75
Attendees (including) YR Biz Series Events	2,400+
Attendees	8 700+



ventureLAB Client Impact

Businesses Supported	194
Jobs Created	69
Genesis Funding Secured	\$5M

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



## Transforming York Region by Providing Connectivity Infrastructure to Support Innovation



*Broadband Strategy  
drafted in 2013*

## York Region's key industry sectors

### Information and Communications Technology

- 3,900 local ICT firms including dozens of multinationals such as IBM, Huawei, Oracle, HP, GE, Alcatel-Lucent, Qualcomm, AMD, SAP, Avaya, Motorola Solutions, CA Technologies, Compuware, ADC, Sungard, Flextronics and McAfee, to name a few, as well as leading Canadian technology companies such as CGI, Enghouse Systems, OnX, Redline Communications, Compugen, RuggedCom, Open Text and FlexiTy



- Home to IBM's largest software development lab outside the U.S.
- Highest per-capita concentration of Canada's top 250 ICT firms (Branham 2012) and fastest-growing tech firms (Deloitte 2012)
- Named "top tech growth hub" in Canada - 23.3 per cent ICT cluster revenue growth in 2012 (Branham300)

### Life Sciences & Healthcare Technology

- 300 local bio-pharma, medical devices and healthcare technology firms
- Part of North America's third largest life sciences cluster by sector employment
- Home to Ontario's largest Local Health Integration Network (LHIN), serving a population of 1.8 million



### Clean Technology

- Local 'Green Business' base of more than 400 companies and service providers
- Global Smart Grid innovation hub - GE GridIQ R&D centre, IBM Energy & Utilities, AEG Power Solutions and Sensus
- Canada's second largest Solar Photovoltaic industry cluster (100 plus firms) including such names as SunEdison, Silicor, SunGrow and Mitsubishi Electric

### Financial and Insurance Services

- Ontario's second largest financial services cluster after the City of Toronto – more than 1,600 firms locally (Statistics Canada)
- Canadian headquarters of Allstate, American Express, Bank of China and State Farm Insurance as well as major divisions or operations of TD Waterhouse, Scotiabank, HSBC and RBC, among others

### Advanced Manufacturing

- Ontario's second-largest manufacturing hub and fourth in Canada
- Global headquarters of Magna International, North America's largest auto parts manufacturer
- Home to leading manufacturers of electronics & electrical products, plastics and metal auto parts, pharmaceuticals/ nutraceuticals and building products

### Building and Construction

- Ontario's second-largest construction market after Toronto (total construction value)
- Home to many of Canada's leading construction engineering groups and real estate developers such as Aecom, Brookfield Homes, Century Grove, Condrain, Genivar, Greenpark, Liberty Development, Miller Group, MMM and Smart Centres

### Agri-Food

- More than 300 local food processing businesses, one of Canada's largest industry clusters, including such names as Arla, Canada Bread, Silani Cheese, Smuckers, Sofina, Tootsie, Unico
- Home to the Holland Marsh, "Ontario's Salad Bowl," which consists of 125 farms on 2,832 hectares with an estimated economic impact of \$1 billion annually

## York Region Economic Development Action Plan 2013 Annual Update

In December of 2012, Regional Council approved the Economic Development Action Plan. The Plan identifies innovation driven by creative people, companies and institutions as the foundation for future economic growth and vitality.

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 identified to the right.

This document summarizes the major activities undertaken and results achieved in 2013 and identifies upcoming initiatives in 2014.

### 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

## York Region Economic Profile

The Regional Municipality of York is located in the heart of the Greater Toronto Area and is home to more than 1.1 million residents and 45,000 businesses, making it one of Canada's largest municipalities and the second- largest business centre in Ontario.

York Region is a premier business location in Canada. The Region, comprised of nine municipalities, is home to operations of 14 Fortune 100 companies, four of Canada's top 10 corporate R&D investors, Canada's second-largest

### Partner with Invest in York to support your business expansion

Invest in York is part of York Region's Economic Strategy Branch, Office of the Chief Administrative Officer. The program provides complimentary and confidential advisory services for companies looking to establish new operations in York Region, as well as for existing York Region businesses expanding locally.

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Information and Communications Technology (ICT) cluster and global industry leaders in ICT, Life Sciences, CleanTech, Financial Services and Advanced Manufacturing.

As Canada's fastest growing large municipality, York Region has one of the most educated and diverse workforces in North America, the lowest commercial property taxes in Greater Toronto and an exceptional quality of life attracting top global talent.

