

STAFF REPORT

TO Corporate Administration, Finance and Enterprise

SERVICE AREA Finance and Enterprise Services

DATE June 10, 2013

SUBJECT Economic Development Services' 2012 Report

REPORT NUMBER FIN-ED-13-01

EXECUTIVE SUMMARY

PURPOSE OF REPORT

Economic Development Services' 2012 Report provides an overview of the Department and highlights 2012 its accomplishments. The report also provides a brief overview of the Department's contributions to the local economy.

KEY FINDINGS

Economic Development accomplished a number of successful initiatives in 2012 and continues to refine and improve its activities, programs, partnerships and efficiencies.

FINANCIAL IMPLICATIONS

None

ACTION REQUIRED

Corporate Administration, Finance and Enterprise Committee to receive Report FIN-ED-13-01 for information.

RECOMMENDATION

1. That FIN-ED 13-01 Economic Development Services' 2012 Report be received for information.

BACKGROUND

City of Guelph Departments are required to submit a report annually to Council through committee describing the activities and accomplishments for the previous year.

REPORT

Throughout 2012, Economic Development implemented several key projects and initiatives as recommended by Prosperity 2020 and other economic development strategies, to improve the Guelph's economy. Highlights of 2012 successes include:

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- Focused its business attraction activities on the growth sectors recommended in Prosperity 2020:
 - Agri-Innovation;
 - Environmental/Renewable Technologies;
 - Advanced Manufacturing;
 - Professional, Scientific and Technical Services; and
 - Information, Cultural Communications & Technology.
- Responded to the needs of the local business community through the delivery of Business Retention and Expansion (BRE) activities and the development of a new BRE program.
- Implemented a revised Marketing, Promotion and Communications strategy through the development of a new brand, supporting messages and collateral which are intended to promote Guelph as business friendly and investment ready.
- Led or participated in a number of strategic initiatives that are intended to ensure Guelph has the capacity and the ability to service new investment opportunities, that is to say be "Investment Ready".

It is important to note that Economic Development Services' program includes strategic partnerships with local, regional and federal economic development economic development programs, academic institutions and not for profit business organizations. This has enabled EDS to successfully leverage its funds with those of other partner organizations.

Finally, EDS has included a 2012 Economic Development Performance Dashboard which reports on the EDS program activities as well as the Community's economic performance. This is the first year that EDS has the ability to provide such performance measurement and 2012 will serve as a base year for future comparative purposes.

CORPORATE STRATEGIC PLAN

1.0 Organizational Excellence

- 1.2 Develop collaborative work teams and apply whole systems thinking to deliver creative solutions
- 1.3 Build robust systems, structures and frameworks aligned to strategy.

2.0 Innovation in Local Government

- 2.2 Deliver public service better

3.0 City Building

- Be economically viable, resilient, divers and attractive for business.

DEPARTMENTAL CONSULTATION

N/A

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COMMUNICATIONS

Corporate Administration, Finance and Enterprise (CAFES) Committee was made aware of the timing of this report via the 2013 CAFES Calendar report.

ATTACHMENTS

ATT-1 Economic Development Service's 2012 Report



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ECONOMIC DEVELOPMENT 2012 REPORT



FRAMING OUR ECONOMIC DEVELOPMENT FUTURE...

This report focuses on how Economic Development Services plays a key role in implementing Prosperity 2020, City of Guelph's Economic Development Strategy. It will briefly discuss Economic Development's operating framework, program activities, results as well as the general state of Guelph's economy.

OPERATING FRAMEWORK

In early 2012 Finance and Enterprise Services was established for the purpose of better integrating the City's financial management and planning functions with enterprise focused programs. The intended results were to establish alternate and innovative approaches to municipal financial planning, management, budgeting and revenue generating practices and processes.

Enterprise Services, which consists of Economic Development, Downtown Renewal and Community Energy, has been tasked to grow and sustain Guelph's economy.

Enterprise Services' Statement

To grow the City's economic base through innovative approaches in developing and delivering municipal initiatives and services. Such approaches will consider alternate delivery models, partnerships, as well as performance measurements. The main operating principle of Enterprise Services is to grow Guelph's economic base through the effective positioning of municipal assets and services.

Economic Development's contribution to this program is largely based on the findings and recommendations of various municipal strategies, as summarized in Figure 1 (Boxes 1, 2, 3, 4, 5 and 6). Economic Development is responsible for the implementation, in whole or in part, of these strategies. This is accomplished through the establishment of strategic partnerships, as noted in Figure 1 (Box 7).

Economic Development Services' Statement

Vision

A diverse, prosperous and sustainable local economy that supports the 2012 - 2016 Corporate Strategic Planning Framework and Prosperity 2020 – The City of Guelph's Economic Development & Tourism Strategy.

Mission

To create an environment that attracts and supports business investment; fosters collaboration and partnerships among stakeholders; and leverages local, regional and national assets to create sustainable economic development opportunities for Guelph.

**Figure 1
Economic Development Services'
Operating Framework**

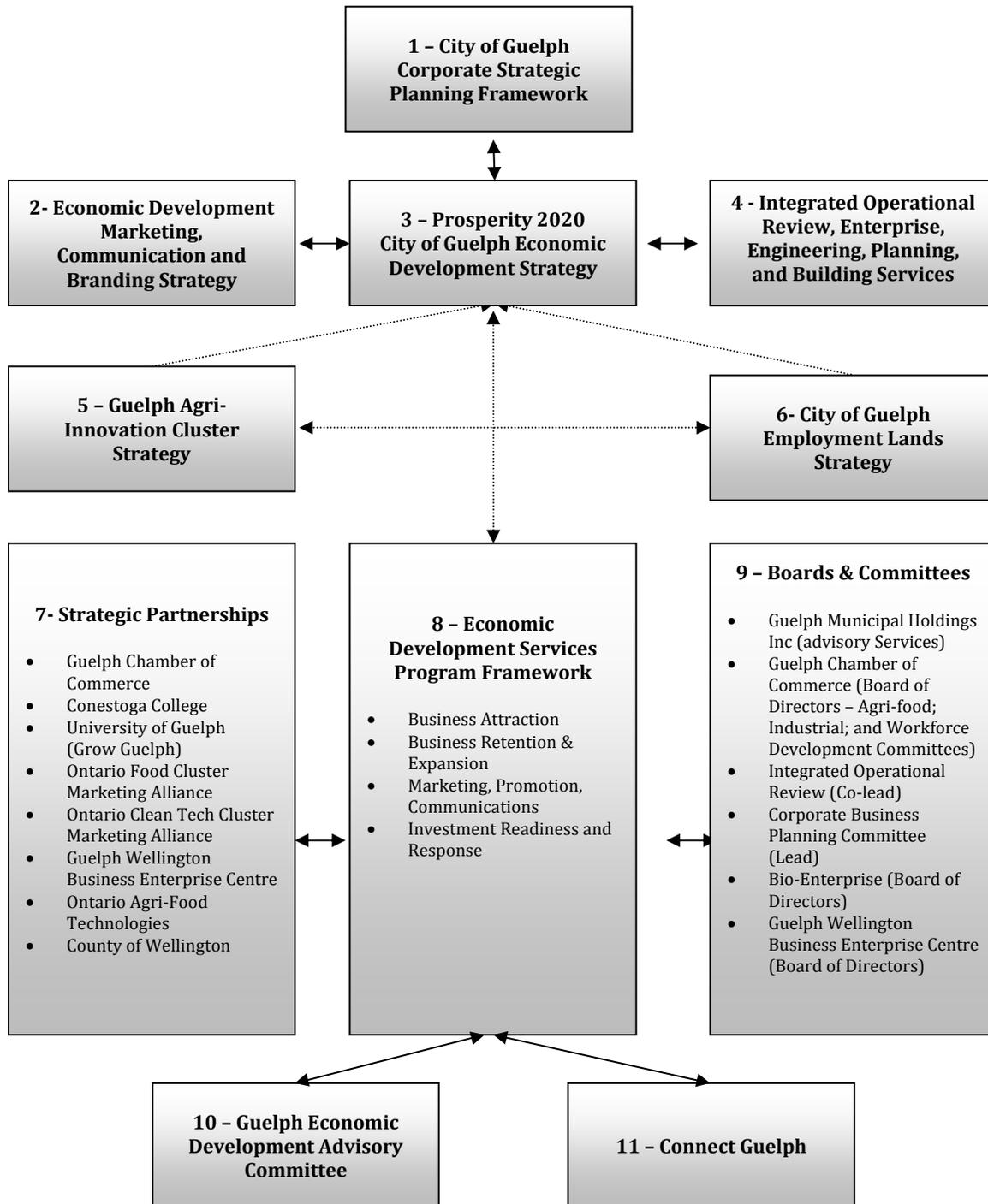


Figure 1 (Box 10) make reference to the Guelph Economic Development Advisory Committee, which is a committee that has been established by Guelph City Council to assist Economic Development Services on strategic and operational matters.

In addition, EDS led the creation of 'Connect Guelph' (Box 11) , a forum for local and regional economic development organizations to improve communications and collaboration.

This background provides the operating framework for Economic Development's 2012 program activities.

2012 PROGRAM ACTIVITIES

This section of the report will provide summary information about Economic Development's 2012 actions, results and performance.

Program performance indicators at the end of each program will be reported through the use of the following symbols:

- Performance Expectations Met (Continuation of Program) – 
- Performance Expectations Partially Met (Monitoring/Possible Adjustment of the Program) – 
- Performance Expectations Not Met (Further Review and Adjustments Required) - 

Economic Development Services Programs

As referenced in Figure 1 (Box 8), Economic Development Services delivers the following programs:

- Business Attraction
- Business Retention and Expansion
- Marketing, Promotion and Communications
- Investment Readiness

Each of these programs are recommended through previous study and strategies. The next sections of this report will provide further information on each activity.

1. Business Attraction

EDS has focused its business attraction program on the following targeted growth sectors as recommended by Prosperity 2020:

- Agri-Innovation;
- Environmental/Renewable Technologies;
- Advanced Manufacturing;
- Professional, Scientific and Technical Services;
- Information, Cultural, Communications & Technology.

In summary the business attraction program is segmented into three main categories.

a) Foreign Direct Investment Events (Out-going Trade Missions)

In 2012 Guelph participated as a member of the Ontario Food Cluster Marketing Alliance (OFC) and the Ontario Clean Tech Marketing Alliance (OCTA). Other participating members included numerous municipal and regional economic development programs, the Province of Ontario, Department of Foreign Affairs and International Trade, as well as academic institutions (including the University of Guelph). The intent of these marketing consortiums is to seek out and identify, in a cost/resource efficient manner, potential foreign business investment prospects within the above referenced growth sectors.

Throughout 2012 these initiatives permitted Guelph to extend its marketing reach to Europe, South America as well as within North America. Unqualified investment prospects are identified through the use of sector specific business consultants who sources prospects prior to any event, and introduce them at the event. From the introductions qualified investment leads are identified and shared amongst participants, and through follow up activities investment prospects are identified for follow up actions. In 2012 Guelph participated in six missions. Since the inception of these missions Guelph has been introduced to over 1,000 unqualified investment leads, 80+ qualified investment leads, and 19 investment prospects.

b) In – Bound Trade Missions

Through our partnerships with the Province of Ontario, the Government of Canada, other foreign government offices, and the University of Guelph, Guelph was profiled to three in-bound trade missions which focused on clean-tech and agri-tech sector opportunities. The results of these missions indicate there is potential for joint venture investment and technology transfer opportunities which may benefit the local business community. As well there

may be further opportunities for academic exchanges. These opportunities are being further investigated in 2013.

c) Local, Regional, Provincial Events

EDS also made investment presentations to local, regional and provincial based sector and government organizations. Targeted audiences included, but were not limited to the Ontario Ministry of Economic Development and Trade, Ontario Ministry of Agriculture, Food and Rural Affairs, Canada Department of Foreign Affairs and International Trade, as well as Greater Toronto Area ICI real estate brokers and developers. These initiatives resulted in staff responding to 599 local and regional inquiries for information and/or assistance.

Figure 2 provides a summary of the program’s activities, performance metrics, and performance indicators. As well the figure highlights the Prosperity 2020 Strategic Direction that has been implemented.

Figure 2

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
1.0 Focus Investment and Growth: <i>target sustainable competitive advantage in selected business sectors</i>			
1.1 Focus economic development investment on growth areas 1.2 Develop detailed sector strategies.	✓ Foreign Direct Investment (FDI) (Out-Going Missions)	✓ 6 Foreign Direct Investment Trade Missions ✓ 1,033 unqualified FDI investment leads ✓ 80+ qualified FDI investment leads ✓ 19 prospective FDI leads	
	✓ In-coming trade missions.	✓ 3 In-coming missions ✓ Follow up Agri-tech & Clean-tech program opportunities	
	✓ Six local and regional marketing events	✓ 599 local and regional inquiries serviced	

2. Business Retention and Expansion (BRE) Programs

Throughout 2012 EDS continued to play the role of the Corporation's business champion. In this role EDS would respond to, or assist with business expansion issues relating to such matters as municipal site plan and/or building permit approvals, development charge/municipal tax issues, payments and agreements, applications for Provincial and Federal government funding assistance, requests for data and information, general advocacy, and the delivery of awareness programs.

In 2012 EDS commenced tracking this assistance through the use of SalesForce, a commercial client tracking software program. In summary EDS assisted 12 local companies with their expansion requirements, which in total resulted in 680 new jobs and an increase of 64 ICI building permits from 2011.

In November of 2012, EDS in partnership with the University of Guelph and the Guelph Chamber of Commerce conducted a survey of local business. The initiative is in response to recommendations coming from those economic development related strategies that are referenced in Figure 1 (Boxes 2, 3, 4, 5, and 6).

The survey focused on businesses in growth sectors – agri-innovation, clean technology, advanced manufacturing, distribution and warehousing, information/communication technologies, and professional/scientific/technical services.

Two hundred and nine companies received invitations to participate. The size of businesses ranged from one employee / owner business up to establishments with more than 300 employees. Forty-nine firms participated in a series of interviews and on-line questionnaires. Information was received from business owners, presidents or senior level managers of local businesses. The objectives of the survey were:

- To learn more about businesses;
- To study the level of knowledge of current business services in the community; and
- To determine what BR&E services would benefit these businesses the most.

The majority of respondents indicated that their business competitive advantage is based on four main factors:

- Quality,
- Knowledge,
- Reputation, and
- Work force/employees (this latter matter was also raised at the January 2013 Economic Summit).

The findings of the survey suggest that there is a need for a community based BRE program that will address the following priorities:

- **Development of Workforce Development Programs** - Especially with respect to retaining employees, developing skilled trades, improved integration of new Canadians into the workforce and engaging youth.
- **Business Assistance Programs** - Specifically with respect to site selection, business networking, mentoring/coaching, access to funding programs, business planning, on-line resources, trade show support, and municipal approvals.

Throughout 2013 EDS will be working with partners to develop and deliver a proactive BRE program. The objectives of the program are:

Short-Term Objectives

- Encourage support for local businesses;
- Build relationships with existing businesses;
- Help solve immediate business concerns; and
- Retain businesses and jobs where there is a risk of closure.

Long-Term Objectives

- Increase local businesses' ability to compete in the global economy;
- Establish and implement a strategic plan for economic development; and
- Build a community's capacity to sustain growth and development.

Figure 3

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: <i>as a premier business investment location.</i>			
2.3 Develop and implement a Business Retention and Expansion Program	✓ “Business Champion” Activities	<ul style="list-style-type: none"> ✓ Responded to 12 requests for assistance ✓ Assisted with the creation of 680 new jobs ✓ City wide increase of 64 ICI building permits from 2011 	
	✓ Business assessment needs	<ul style="list-style-type: none"> ✓ Outreach to 49 businesses. 	
	✓ Business Retention & Expansion Strategy	<ul style="list-style-type: none"> ✓ Project Charter developed ✓ Program scoping commenced 	
3.0 Invest in people and ideas: <i>make Guelph a community of choice for talent of the future</i>			
3.1 Establish a Guelph Workforce Development Council	<ul style="list-style-type: none"> ✓ Business Retention & Expansion Strategy ✓ 2013 Economic Summit Program Planned 	<ul style="list-style-type: none"> ✓ Commenced engagement of local and regional programs and stakeholders. 	
3.2 Identify Workforce Development Strategies			

3. Marketing, Promotion and Communication Programs

EDS has a history and a positive track record of actively promoting investment opportunities to local, regional, provincial and national audiences. Having stated this, Prosperity 2020 recommends there is a need to improve Economic Development's marketing, promotional and communications activities. These recommendations are summarized in Figure 4.

The implementation of Prosperity 2020's marketing recommendations are, in part, addressed through the Department's 2012 Marketing, Communications and Branding Strategy which includes:

- New and fresh marketing brand and collateral
- Relevant marketing performance indicators
- A communication structure for working with partner organizations

The Marketing, Communications and Branding Strategy focuses on the following objectives:

- To increase business investment
- To engage and support the local business community
- To improve and maximize collaboration with economic development partners.
- To communicate that the City of Guelph is Business Friendly and Investment Ready.

In 2012 Economic Development acted on the following elements of the Marketing, Communications and Branding Strategy.

- a. **Unifying Brand** – A new unifying brand platform was developed with the following objectives in mind:
 - i. Create a new brand that repositions Guelph image as a community that is doing business differently – in a collaborative, progressive and responsible manner – which will work to promote that the City is “open for business”.
 - ii. Increase Guelph's brand power by unifying Guelph's various economic development brands (There were too many brands causing confusion). The creation of a brand platform greatly assists in unifying sub-brands for tourism, energy, Hanlon Creek Business Park and the downtown. This also enhances brand recognition within the market place.

Brand Platform



Brand Statement

"The City of Guelph offers abundant opportunities for business investment.

Guelph is recognized as Canada's agri-innovation centre and is one of the country's leading environmental technology clusters. Guelph businesses benefit from a progressive and collaborative community that is driven by strong municipal leadership, a skilled and educated workforce, and access to Canada's largest consumer market.

The University of Guelph and Conestoga College contribute a distinct new energy that is vital to the City's quality of life. Safe neighbourhoods, parks and a vibrant downtown provide the fabric of an exciting and diverse experience.

- b. **Marketing Strategy** – The strategy is comprised of the following elements, which were acted on throughout 2012:
- i. **Investment Attraction Program**
 - *Land and Space Inventory (New real estate search engine created)*
 - *Economic Development Statistics and Data (All economic development data bases underwent exhaustive review and updating)*
 - *Customer Relationship Management/Lead Generation Tools (Sales-force, a client tracking software was acquired, populated and implemented)*
 - *Social Media (14,480 hits)*
 - *Search Engine Optimization (27,858 hits)*
 - ii. **Business Retention and Expansion Program**
 - *Visitation Program (In progress)*
 - *Ambassador Program (In progress)*
 - *Tradeshow participation with local businesses (In progress)*
 - *Newsletters, e-blasts and success story development (In progress)*
 - *Improved dedicated web site (In progress)*
 - *General Advertising (In progress)*
 - *Local awards*

iii. Economic Development Partner Program (Connect Guelph)

- Role identification and gap analysis *(In progress)*
- Identifying new partnerships and alliances *(In progress)*
- Communication protocols between local economic development programs *(In progress)*

iv. Hanlon Creek Business Park Marketing Strategy

- Website integration and update
- Search engine optimization
- Advertising Programs
- Prospectus presentations/events

Figure 4

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: as a premier business investment location.			
2.5 Articulate the importance of benefits of strong business investment.	✓ New “Invest in Guelph” branding and messaging	✓ Brand developed and implemented. ✓ Brand platform and promise launched	
2.6 Re-frame debate in Guelph to a focus on common interests, paths and action forward.	✓ Marketing and Communication Strategies	✓ Investment Attraction Marketing Strategy Implemented ✓ Economic Development Partnership Program Implemented	
2.7 Incorporate demonstration of “business friendliness into City Brand and marketing.	✓ Digital Marketing Collateral Updated	✓ Hanlon Creek Business Park Marketing Strategy Implemented ✓ Real Estate Data & Search Site Launched ✓ Economic Development Web-site (27,858 hits) ✓ Social media capabilities developed (14,480 hits)	
	✓ Joint Venture Marketing Partnerships	✓ Grow Guelph Program Delivered ✓ Connect Guelph – Joint Marketing Activities Coordinated (City/U of G)	

During 2012 Economic Development sourced out funding partners to assist with the implementation of its marketing activities. The total marketing budget for the department was \$577,700, of which we received \$303,910 through partnerships or other revenue sources. In other words, for every dollar spent by the City we leveraged \$1.10.

4. Investment Readiness

While it is important for communities to actively market economic development opportunities and to pursue prospective investors, it is equally important that communities be able to service investment prospects in an efficient manner.

In today's competitive economic climate communities must be ready to respond with certainty to the needs of prospective investors. At the local level this would include ensuring the following matters are properly positioned.

- Availability of a skilled and stable workforce;
- Competitively positioned municipal property tax structure
- Competitively positioned municipal fees and charges
- Regulatory controls and development processes that are understood, consistently applied, and timely
- The quality of public service that is provided
- The community attitude to business investment
- Connectivity of programs within the community
- Local investment capacity, which includes the availability of market ready employment real estate.

Throughout 2012 EDS either led or contributed to a number of strategic projects that will in the future position Guelph as being "Investment Ready" as well as "Open for Business". In summary they include:

- a) Post Secondary School Campus Business Case** – This is a joint venture initiative between the City, Conestoga College, University of Guelph and County of Wellington. Its purpose is to assess the need for a new College campus that will partner programs and research with the University of Guelph. Business case will also assess location options, including the re-positioning of the former Guelph Correctional Facility, local and provincial economic impacts, as well costing/operating projections and funding options. This initiative is being coordinated by Economic Development.

b) Hanlon Creek Business Park (HCBP) – Phase 3 - This phase of the employment park consists of land owned by the City (84.41 net developable acres) and Mr. Stanford Snyder (34.96 net developable acres). All Ontario Municipal Board conditions must be satisfied and land title registration achieved by no later than November 2016. Economic Development is currently project managing all aspects of land development approval to achieve these two milestones.

c) Guelph Innovation District (GID) – This project is a joint venture between the City and Province. The Province is the majority property owner within the GID. In June of 2010 the City and Province entered into a Memorandum of Understanding which acts as the framework for the City and Province to work cooperatively to advance the goals of the GID, as stated in the MOU, as well as to position the property for future development. The MOU is in effect until the end of 2014. The General Manager of Economic Development is identified in the MOU as the City's contact person.

In 2012, the City and Province work cooperatively on matters relating to:

- The completion of the draft secondary land use plan;
- The future marketing of the property;
- Community energy; and
- The province's disposition activities (i.e requests for expressions of interest, market soundings, requests for proposals).

d) Integrated Operational Review (IOR) – Phase 2 & 3 – The IOR is a joint venture initiative between Economic Development, Building, Planning and Engineering Services that is intended to improve the way Guelph responds to new community investment. Phase 1 highlighted issues raised by the development and business community as well as staff with respect to the City's economic and development processes. This phase was completed in 2011. Phase 2, further assessed these matters and provided recommendations. This work was completed and presented to Council in 2012. Phase 3 includes the development of an implementation plan, as well as performance metrics to monitor the plan. In late 2012 four subcommittees, totaling 75+ staff from eight service areas commenced with the development of implementation plans and metrics.

Economic Development has led Phases 1 and 2, and is co lead (along with Planning) for Phase 3.

Figure 5 provides a summary of these activities and results.

Figure 5

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: as a premier business investment location.			
<p>2.1 Identify and implement “business friendly” initiatives.</p> <p>2.2 Establish a one-window approval process with clear timelines.</p>	<p>✓ Project managed Integrated Operational Review Report - Phase 2</p>	<p>✓ 23 recommendations provided to reposition Guelph</p> <p>✓ Project teams established to implement recommendations</p>	<p></p> <p></p>
3.0 Invest in people and ideas: make Guelph a community of choice for talent of the future			
<p>3.3 Promote and facilitate a stronger Community College presence in Guelph.</p>	<p>✓ New Post Secondary School Feasibility Assessment - Project Management</p>	<p>✓ Scoped the project - Project charter developed</p> <p>✓ Funding partnerships established with Conestoga College, University of Guelph, County of Wellington</p> <p>✓ Business planning consultant retained</p> <p>✓ Coordinated activities with Infrastructure Ontario, Ministry of Training, Colleges & Universities</p>	<p></p> <p></p> <p></p> <p></p>
4.0 Invest in hard and green infrastructure: to maximize economic benefit			
<p>4.1 Implement the recommendations of the Guelph Employment Lands Strategy</p> <p>4.2 Identify, prioritize and promote investment in community infrastructure</p> <p>4.3 Promote the adoption of Community Energy Plan initiatives by business</p>	<p>✓ Hanlon Creek Business Park – Project Management</p> <ul style="list-style-type: none"> ○ Development related matters ○ Promotion of District Energy Activities ○ Land Sale ○ Cost sharing administration matters ○ Phase 3 engineering & environmental design 	<p>✓ Building construction totaling = \$4.7 m</p> <p>✓ 3 prospective purchasers. (on-going discussions with 2)</p>	<p></p> <p></p>

<p>4.4 Investigate programs and incentives to support the adoption of LEEDS standards on employment lands.</p> <p>4.5 Incorporate achievements in infrastructure development into economic development and tourism marketing.</p>	<p>✓ Guelph Innovation District – City Liaison with Province with respect to Planning, Development and Marketing matters.</p>	<p>✓ Draft secondary plan policies developed and reviewed (on-going process)</p> <p>✓ Adaptive re-use study of the former Guelph Correctional Centre for academic/institution purposes undertaken (on-going process)</p> <p>✓ Province’s disposition activities/implementation strategy.</p>	<p></p> <p></p> <p></p>
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COMMUNITY ECONOMIC PERFORMANCE

Finally, it needs to be stated that the above referenced activities are intended to serve a broader community benefit, beyond the needs of just the business community. The creation of a sustainable economic base also significantly contributes to the financial ability of the municipality to provide a wide range of services and programs which in turn contributes to a positive quality of life to its residents. With this in mind it is important that certain local metrics be monitored to assess the economic health of the community, any emerging issues, and what future adjustments need to be made to the City’s economic development program. With this in mind, Figure 6 provides a historic view of three economic metrics:

- ✓ Local Employment Trends
- ✓ Municipal Tax Trends
- ✓ Development Charge Trends

Local Employment Trends – Performance Indicator -



	2012 (March)	2013 (March)	Change (Thousands)	Change (%)
	Thousands	Thousands		
Population	114.4	116.4	2	1.7
Labour force	83.4	79.7	-3.7	-4.4
Employment	78.6	74.5	-4.1	-5.2
Unemployment	4.7	5.2	0.5	10.6
Unemployment rate (%)	5.6	6.5	0.9	...
Participation rate (%)	72.9	68.5	-4.4	...
Employment rate (%)	68.7	64	-4.7	

Source: Statistics Canada

Guelph has the distinction of having one of the lowest unemployment rates of any municipality in Ontario and the Country. This is not to suggest that there may be emerging issues. Comments made by the participants of the January 2013 Economic Summit suggest there are indeed three issues that need to be monitored and addressed, which are: 1) the engagement of youth into the workforce (it has been mentioned that youth unemployment is in the range of 17%); 2) development of skilled labour (the lack of which has also been identified by investment prospects as being an issue); and 3) the integration of new Canadians into the workforce.

In 2013, Economic Development will be participating with other local economic development programs to further assess these matters, and to identify local programs for implementation in the latter half of this year, and into 2013.

Municipal Tax Trends –Performance Indicator -



	2008		2009		2010		2011		2012	
Residential	\$		\$		\$		\$		\$	
	106.8 m	73.63%	112.8 m	72.48%	117.5 m	71.71%	120.1 m	71.12%	126.3 m	70.61%
Commercial	\$		\$		\$		\$		\$	
	23.8 m	16.38%	26.7 m	17.14%	28.8 m	17.56%	30.8 m	18.20%	33.4 m	18.71%
Industrial	\$		\$		\$		\$		\$	
	14.5 m	9.98%	16.2	10.38%	17.6 m	10.73%	18.0 m	10.68%	19.1 m	10.68%
	\$		\$		\$		\$		\$	
	145.1 m	100.00%	155.7 m	100.00%	163.9 m	100.00%	168.9 m	100.00%	178.8 m	100.00%

Source: City of Guelph Finance

As can be seen from the above chart, the historic municipal tax trend for the residential, commercial and industrial sectors from 2008 to 2012 suggest there is modest improvement within the commercial and industrial sectors. This suggests there is confidence in the Guelph marketplace to establish new and grow existing businesses. Having stated this, there is concern that the industrial sector did not improve its municipal tax share from 2011 to 2012. In fact, these two years are

slightly lower than 2010, which can be attributed in part to the global economic recession. Further investigation is required to understand the significance of these statistics.

Development Charge Trends – Performance Indicator -

	2008		2009		2010		2011		2012	
Residential	17.8	7.58%	20.0	13.02%	20.7	5.00%	29.4	14.46%	27.3	13.00%
Multi-Residential	56.9	24.24%	49.4	32.16%	81.6	19.70%	47.6	23.41%	72.3	34.71%
Industrial	47.8	20.37%	36.9	24.02%	192.3	46.43%	27.1	13.33%	48.3	23.00%
Commercial	43.1	18.36%	40.6	26.43%	43.2	10.43%	43.1	21.20%	40.7	19.38%
Institutional	69.1	29.44%	6.7	4.36%	76.4	18.45%	56.1	27.59%	20.8	9.90%
All values are \$m	234.7	100.00%	153.6	100.00%	414.2	100.00%	203.3	100.00%	209.4	100.00%

Source: City of Guelph – Building Services

With exception of 2009 and 2010, the combined industrial and commercial development charge trends have been fairly consistent throughout the last five years. Given the slow employment land sales encountered by all ICI developers (including the City), the City may see a slight decrease in 2013. In 2013 and 2014 Economic Development will continue to implement its employment land marketing program, which will include the participation of industry partners.

2013 – 2014 PROGRAMS

Based on the results achieved in 2012, Economic Development will continue to deliver the programs noted in this report.

As a result of the BRE survey and the results of the January 2013 Economic Summit, the department will also focus on the following initiatives:

1. **Regional Economic Development** – The Economic Summit identified a need for the City and County of Wellington to identify and develop regional economic development initiatives. The County and City have already commenced an assessment of our respective Economic Development strategies for the purpose of identifying and developing joint programs.
2. **Workforce Development Initiatives** – Economic Development will participate on a Workforce Development Team, to be led by the Workforce Planning Board of Waterloo, Wellington and Dufferin, to further assess and address local workforce development issues.

3. **Integrated Operational Review of Enterprise, Building, Planning and Engineering Services (Implementation)** – Economic Development will work with partnering Service areas to implement and monitor the recommended actions.
4. **Development Charge Review** – Economic Development will provide input into this review.
5. **Performance Benchmarking** – Economic Development recognizes the need to assess its performance on an annual basis, and against the performance of competing municipalities. Efforts have been initiated to improve our ability to conduct this benchmarking for the purpose of improved reporting to our partners, City administration, Council and the public.

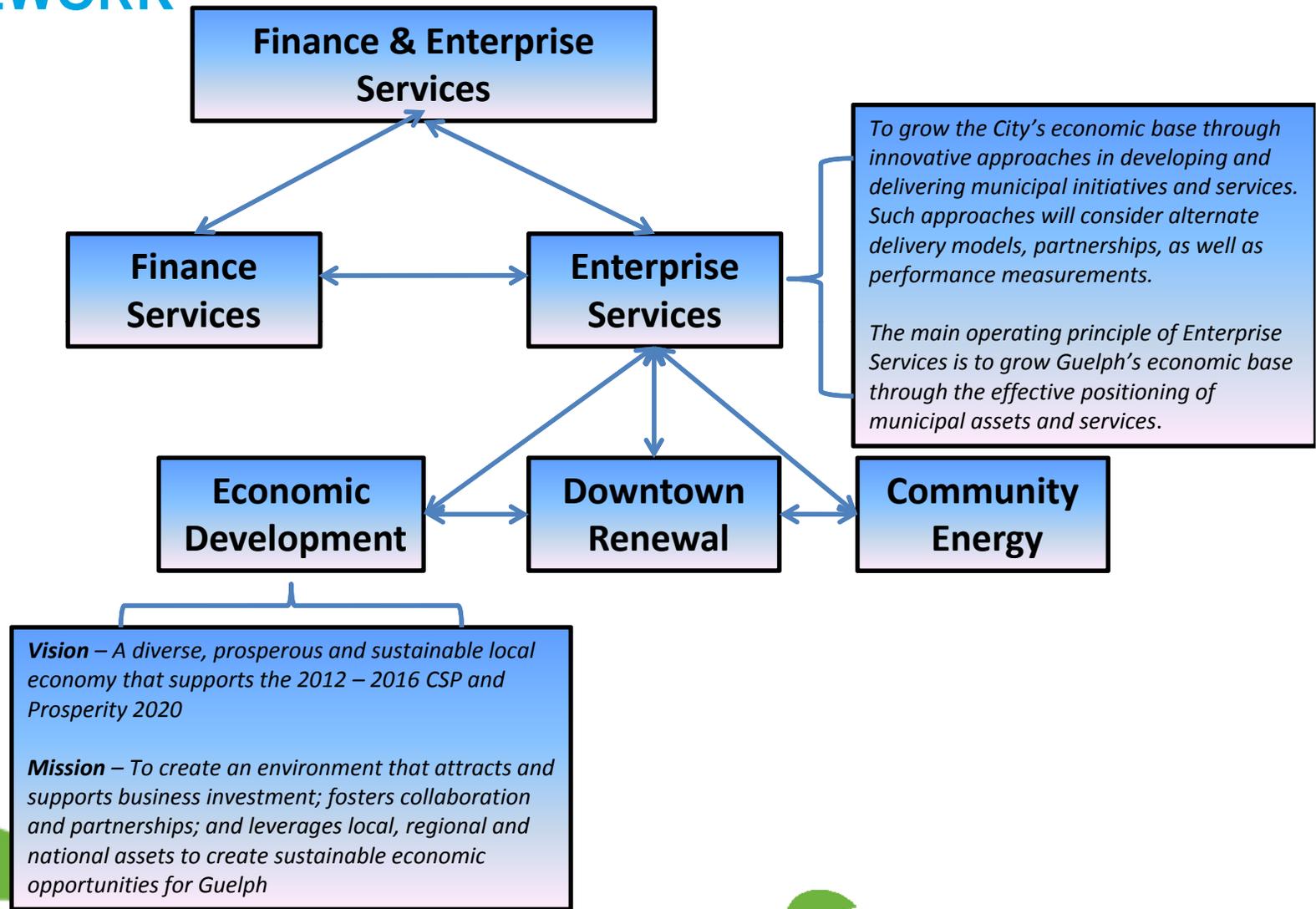


invest in Guelph

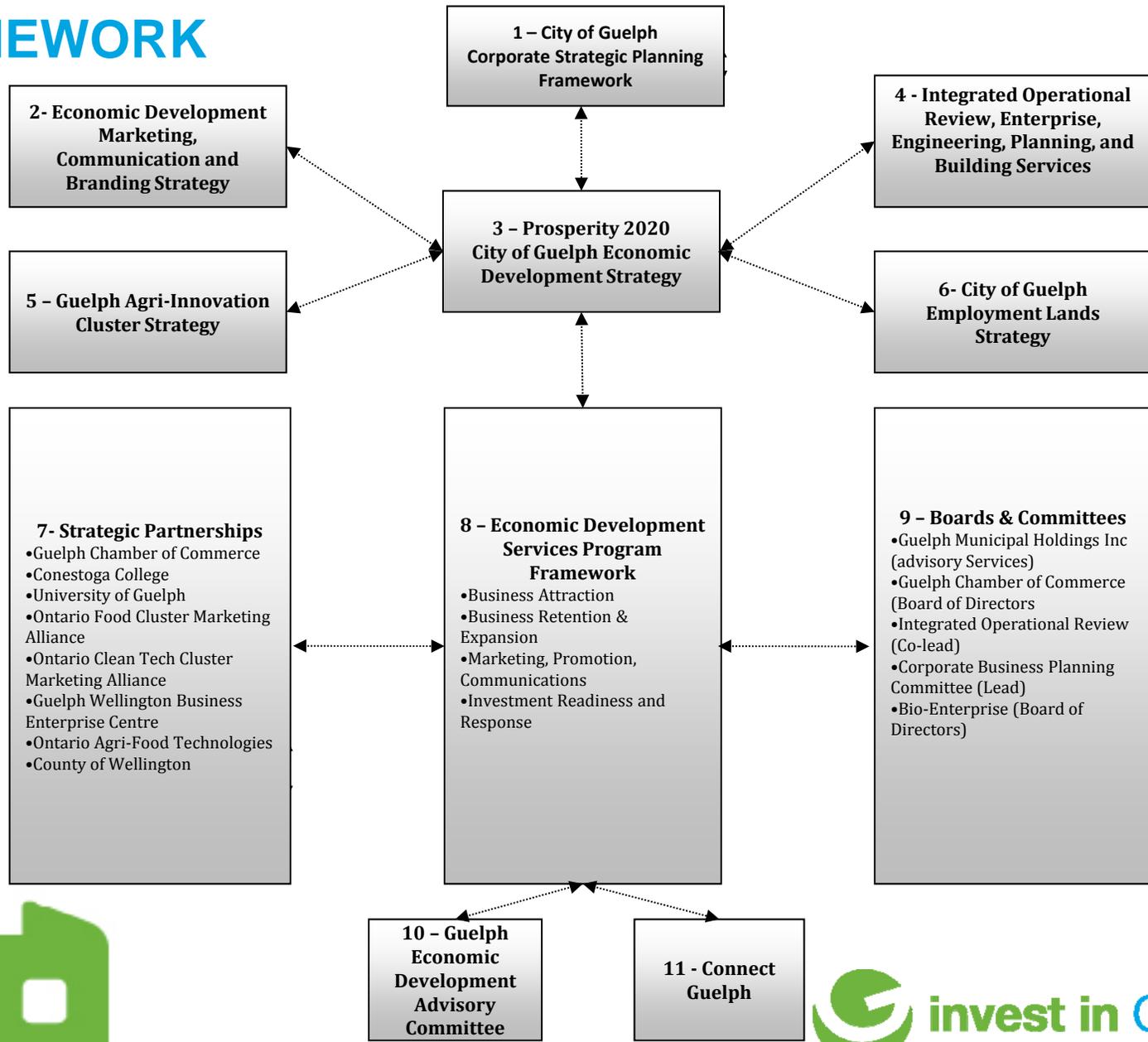


Economic Development 2012 Report

CORPORATE FRAMEWORK



DEPARTMENT FRAMEWORK



Program Focus: *Building Value*

Focus	Purpose
Business Attraction	<ul style="list-style-type: none">•Promote Guelph as a preferred location for new investment.•Primary target employment sectors include Advanced Manufacturing, Agri-tech, and Environmental Technology sectors.
Business Retention & Expansion	<ul style="list-style-type: none">•To connect with Guelph based industry.•Understand and respond to their needs.•Develop and delivery programs and events•Create awareness of business opportunities for industry•Act as an advocate for business within City Hall.
Investment Ready	<ul style="list-style-type: none">•Position the City as “investment ready” through:<ul style="list-style-type: none">• the creation of policy, practices and protocols;• the establishment of strategy partnerships;•the creation and positioning of investment opportunities;•Implementation of strategic plans/directions;•Assist private sector investment inquiries/opportunities.



Program Focus: *Building Value*

Focus	Purpose
Marketing, Promotion, Communications	<ul style="list-style-type: none">•To increase business investment•To engage and support the local business community•To improve and maximize collaboration with economic development partners.•To communicate that the City of Guelph is Business Friendly and Investment Ready.
Corporate Strategic Initiatives	Lead/support corporate strategic initiatives as identified by Enterprise Services, or directed by Executive Team/Council



2012 PROGRAM ACTIVITIES – Business Attraction

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
1.0 Focus Investment and Growth: <i>target sustainable competitive advantage in selected business sectors</i>			
1.1 Focus economic development investment on growth areas 1.2 Develop detailed sector strategies.	✓ Foreign Direct Investment (FDI) (Out-Going Missions)	✓ 6 Foreign Direct Investment Trade Missions ✓ 1,033 unqualified FDI investment leads ✓ 80+ qualified FDI investment leads ✓ 19 prospective FDI leads	   
	✓ In-coming trade missions.	✓ 3 In-coming missions ✓ Follow up Agri-tech & Clean-tech program opportunities	
	✓ Six local and regional marketing events	✓ 599 local and regional inquiries serviced	



2012 PROGRAM ACTIVITIES – Business Retention & Expansion

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: as a premier business investment location.			
2.3 Develop and implement a Business Retention and Expansion Program	<ul style="list-style-type: none"> ✓ “Business Champion” Activities ✓ Business needs assessment ✓ Business Retention & Expansion Strategy 	<ul style="list-style-type: none"> ✓ Responded to 12 requests for assistance ✓ Assisted with the creation of 680 new jobs ✓ City wide increase of 64 ICI building permits from 2011 ✓ Outreach to 49 businesses. ✓ Project Charter developed ✓ Program scoping commenced 	<ul style="list-style-type: none"> ● ● ● ● ●
3.0 Invest in people and ideas: make Guelph a community of choice for talent of the future			
3.1 Establish a Guelph Workforce Development Council	<ul style="list-style-type: none"> ✓ Business Retention & Expansion Strategy 	<ul style="list-style-type: none"> ✓ Commenced engagement of local and regional programs and stakeholders. 	●
3.2 Identify Workforce Development Strategies	<ul style="list-style-type: none"> ✓ 2013 Economic Summit Program Planned 		

2012 PROGRAM ACTIVITIES – Marketing, Promotion and Communications

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: as a premier business investment location.			
<p>2.5 Articulate the importance of benefits of strong business investment.</p>	<p>✓ New “Invest in Guelph” branding and messaging</p>	<p>✓ Brand developed and implemented. ✓ Brand platform and promise launched</p>	<p>●</p>
<p>2.6 Re-frame debate in Guelph to a focus on common interests, paths and action forward.</p>	<p>✓ Marketing and Communication Strategies</p>	<p>✓ Investment Attraction Marketing Strategy Implemented ✓ Economic Development Partnership Program Implemented ✓ Hanlon Creek Business Park Marketing Strategy Implemented</p>	<p>●</p>
<p>2.7 Incorporate demonstration of “business friendliness into City Brand and marketing.</p>	<p>✓ Digital Marketing Collateral Updated</p>	<p>✓ Real Estate Data & Search Site Launched ✓ Economic Development Web-site (27,858 hits) ✓ Social media capabilities developed (14,480 hits)</p>	<p>●</p>
	<p>✓ Joint Venture Marketing Partnerships</p>	<p>✓ Grow Guelph Program Delivered ✓ Connect Guelph - Joint Marketing Activities Coordinated (City/U of G)</p>	<p>●</p>

2012 PROGRAM ACTIVITIES – Investment Readiness

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
2.0 Re-position Guelph: as a premier business investment location.			
<p>2.1 Identify and implement “business friendly” initiatives.</p> <p>2.2 Establish a one-window approval process with clear timelines.</p>	<p>✓ Project managed Integrated Operational Review Report – Phase 2</p>	<p>✓ 23 recommendations provided to reposition Guelph</p> <p>✓ Project teams established to implement recommendations</p>	
3.0 Invest in people and ideas: make Guelph a community of choice for talent of the future			
<p>3.3 Promote and facilitate a stronger Community College presence in Guelph.</p>	<p>✓ New Post Secondary School Feasibility Assessment - Project Management</p>	<p>✓ Scoped the project - Project charter developed</p> <p>✓ Funding partnerships established with Conestoga College, University of Guelph, County of Wellington</p> <p>✓ Business planning consultant retained</p> <p>✓ Coordinated activities with Infrastructure Ontario, Ministry of Training, Colleges & Universities</p>	   



2012 PROGRAM ACTIVITIES – Investment Readiness

Prosperity 2020 Strategic Direction	2012 Activities	Performance Metrics	Performance Indicator
4.0 Invest in hard and green infrastructure: to maximize economic benefit			
<p>4.1 Implement the recommendations of the Guelph Employment Lands Strategy.</p> <p>4.2 Identify, prioritize and promote investment in community infrastructure.</p> <p>4.3 Promote the adoption of Community Energy Plan initiatives by business.</p> <p>4.4 Investigate programs and incentives to support the adoption of LEEDS standards on employment lands.</p> <p>4.5 Incorporate achievements in infrastructure development into economic development and tourism marketing.</p>	<p>✓ Hanlon Creek Business Park – Project Management</p> <ul style="list-style-type: none"> ○ Development related matters ○ Promotion of District Energy ○ Land Sale Activities ○ Cost sharing administration matters ○ Phase 3 engineering & environmental design <p>✓ Guelph Innovation District – City Liaison with Province with respect to Planning, Development and Marketing matters.</p>	<p>✓ Building construction totaling = \$4.7 m</p> <p>✓ 3 prospective purchasers. (on-going discussions with 2)</p> <p>✓ Draft secondary plan policies developed and reviewed (on-going process)</p> <p>✓ Adaptive re-use study of the former Guelph Correctional Centre for academic/institution purposes undertaken (on-going process)</p> <p>✓ Province’s disposition activities/implementation strategy.</p>	<p></p> <p></p> <p></p> <p></p> <p></p>

2012 Community Economic Performance

Local Employment Trends – Performance Indicator -

	2012 (March)	2013 (March)	Change	Change
	Thousands	Thousands	(Thousands)	(%)
Population	114.4	116.4	2	1.7
Labour force	83.4	79.7	-3.7	-4.4
Employment	78.6	74.5	-4.1	-5.2
Unemployment	4.7	5.2	0.5	10.6
Unemployment rate (%)	5.6	6.5	0.9	...
Participation rate (%)	72.9	68.5	-4.4	...
Employment rate (%)	68.7	64	-4.7	

Source: Statistics Canada

Municipal Tax Trends – Performance Indicator -

	2008		2009		2010		2011		2012	
Residential	\$		\$		\$		\$		\$	
	106.8 m	73.63%	112.8 m	72.48%	117.5 m	71.71%	120.1 m	71.12%	126.3 m	70.61%
Commercial	\$		\$		\$		\$		\$	
	23.8 m	16.38%	26.7 m	17.14%	28.8 m	17.56%	30.8 m	18.20%	33.4 m	18.71%
Industrial	\$		\$		\$		\$		\$	
	14.5 m	9.98%	16.2	10.38%	17.6 m	10.73%	18.0 m	10.68%	19.1 m	10.68%
	\$		\$		\$		\$		\$	
	145.1 m	100.00%	155.7 m	100.00%	163.9 m	100.00%	168.9 m	100.00%	178.8 m	100.00%

Source: City of Guelph Finance

2012 Community Economic Performance

Development Charge Trends – Performance Indicator -

	2008		2009		2010		2011		2012	
Residential	17.8	7.58%	20.0	13.02%	20.7	5.00%	29.4	14.46%	27.3	13.00%
Multi-Residential	56.9	24.24%	49.4	32.16%	81.6	19.70%	47.6	23.41%	72.3	34.71%
Industrial	47.8	20.37%	36.9	24.02%	192.3	46.43%	27.1	13.33%	48.3	23.00%
Commercial	43.1	18.36%	40.6	26.43%	43.2	10.43%	43.1	21.20%	40.7	19.38%
Institutional	69.1	29.44%	6.7	4.36%	76.4	18.45%	56.1	27.59%	20.8	9.90%
All values are \$m	234.7	100.00%	153.6	100.00%	414.2	100.00%	203.3	100.00%	209.4	100.00%

Source: City of Guelph – Building Services

2013 – 2014 Programs

•CURRENT (CONTINUED) PROGRAMS

- Business Attraction
- Business Retention and Expansion
- Marketing, Promotion and Communications
- Investment Readiness

• ADDITIONAL (NEW) PROGRAMS

- Regional Economic Development
- Workforce Development
- Integrated Operational Review – Implementation Strategy
- Performance Benchmarking
 - Economic Impact Assessment
 - Fiscal Impact Assessment