



# INFORMATION REPORT

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	February 20, 2019
<b>SUBJECT/REPORT NO:</b>	2018 Annual Report on the 2016-2020 Economic Development Action Plan Progress (PED19036) (Outstanding Business List Item) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Graeme Brown (905) 546-2424 Ext. 2363
<b>SUBMITTED BY:</b>	Glen Norton Director, Economic Development Planning and Economic Development Department
<b>SIGNATURE:</b>	

## **Council Direction:**

To report back on the progress of implementing the 2016-2020 Economic Development Action Plan (EDAP) on an annual basis, providing a regular and consistent overview on the status of the 11 Stretch Targets and 61 Actions identified within the Action Plan.

## **Information:**

On December 7, 2016, the 2016–2020 EDAP was presented to and approved by City Council. The EDAP communicated the six high level goals identified by stakeholders as priorities, and further identified the nine areas of focus that staff would concentrate efforts and resources on to realize those goals.

The EDAP identified eleven measurable stretch targets and 61 specific actions that staff would pursue over the next five years and committed to having staff provide annual updates on the status of each one. The EDAP has been approved for over two years, and the Planning and Economic Development Department has delivered updates on progress made during the past two years in reports to Council in the first half of 2017 and 2018 (Report PED17041 and Report PED18066), providing a baseline for future progress reporting. This Information Report is the third annual update, covering progress made during the 2018 calendar year.

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**SUBJECT: 2018 Annual Report on the 2016-2020 Economic Development Action Plan Progress (PED19036) (City Wide) - Page 2 of 6**

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**Update on the Eleven Stretch Targets**

The EDAP identified 11 Stretch Targets, which were expected to be ambitious, multi-year objectives that have a quantitatively measurable state of completion, and that City staff could provide a regular status update on. Each of the eleven Stretch Targets have been connected to a relevant City Division, and information relating to the prior year's activities on each Stretch Target have been collected and documented. The information can be found in the attached Appendix "A" to PED19036–2018 Stretch Target Report Card, and summarized in the chart below.

Chart 1: High Level Overview of Stretch Targets Status

Stretch Targets	Current Status of Stretch Goal
Increase Hamilton's shovel-ready land supply 500 acres	On Target
Add seven million square feet of new Industrial/Commercial space	In Progress
Generate a total of \$2 B in Industrial and Commercial construction value	In Progress
Triple the municipal tax assessment from Stelco lands	Behind Target
Extend regular HSR service (connected to the broader BLAST network) to the interior of the Red Hill, Flamborough, and Stoney Creek Business Parks and offer 24/7 service to John C. Munro Hamilton International Airport	In Progress
Reduce Hamilton's office vacancy rate to 7%	In Progress
Add the following new Major economic development assets	
A major film studio	On Target
A data centre	ACHIEVED
An 800-1200 seat multi-use performance centre	On Target
A manufacturing incubation space	ACHIEVED
Have ten local companies on the PROFIT Magazine "Fastest Growing Businesses" list	ACHIEVED
Attract five major events (like the JUNOs) that generate a total combined economic impact of at least \$50 M	ACHIEVED
Achieve Intelligent Communities Forum Top 7 Ranking	ACHIEVED
Enhance Hamilton's Image as a Digital City by enabling access to broadband internet speeds of:	
250 megabit/second to all rural Hamilton	In Progress
1 gigabit/second to all urban Hamilton	In Progress
10 gigabit/second to all of our business parks and major commercial areas	In Progress

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**SUBJECT: 2018 Annual Report on the 2016-2020 Economic Development Action Plan Progress (PED19036) (City Wide) - Page 3 of 6**

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There has been significant progress made on the 11 Stretch Targets established in the EDAP, with two additional Stretch Targets and part of a third being achieved in 2018 including:

- Ten local companies on the PROFIT Magazine “Fastest Growing Businesses” list;
- Attract five major events (Like the JUNOs) that generate a total combined economic impact of at least \$50 Million; and
- Establishment of a manufacturing incubator space.

Two of the remaining ten Stretch Targets are currently assessed as being “On Target” to be achieved by the end of 2020, with five Stretch Targets being identified as being “In Progress”.

There has been a consistent materially negative trend as it relates to the municipal tax assessment on the Stelco lands since the establishment of the 11 Stretch Targets. The Stelco lands related stretch target has an ambitious goal of tripling of the 2016 municipal tax assessment for those lands by 2020. Considering the MPAC reassessment in 2018, and the City’s limited ability to affect the redevelopment of the surplus lands, the status of that Stretch Target has been flagged as “Behind Target”.

**Update on the 61 Actions**

The 2016-2020 EDAP also identified 61 Actions that City staff would pursue completion of over the five-year duration of the EDAP, in addition to their existing work plan responsibilities, with the assistance and partnership of external stakeholders. An overview of the status of all 61 Actions as of the end of 2018 can be seen in the chart below.

Chart 2: High Level Overview of the Status of the 61 Identified Actions

Completed in 2018	Total Actions Complete	In Progress Expected Completion in 2019	In Progress Expected Completion after 2019
12	22	13	26

All the 61 identified Actions have been started in some capacity, with staff reporting that 12 actions were completed in 2018, with an additional 13 actions expected to be completed by the end of 2019. In Report PED18066, staff provided an overview of the 2017 EDAP work plan, which forecasted that 15 Actions would be completed.

The following chart provides visibility into the status (as of the end of 2018) of those previously identified Actions and provides an update to that list to include additions to the Work Plan that took place over the course of the 2018 calendar year.

**SUBJECT: 2018 Annual Report on the 2016-2020 Economic Development Action Plan Progress (PED19036) (City Wide) - Page 4 of 6**

Chart 3: Overview of 2018 EDAP Work Plan Progress

2018 Workplan - Actions Completed or Deferred in 2018	Status
Complete an Internet of Things Cluster Feasibility Study	Completed
Develop a regional manufacturing asset map, identifying key service providers and supply chain linkages	Completed
Update Commercial Market Assessments for specific Business Improvement Areas	Completed
Create and implement a Creative Cultural Industries Sector Strategy	Completed
Create and implement a FIRE Sector Strategy	Completed
Develop and implement a Comprehensive Customer Service Program	Completed
Design and deliver an Annual Work Intentions Survey to current post-secondary students and workers commuting in and around Hamilton	Completed
Pursue potential funding and partnership opportunities related to the Premier's Highly Skilled Workforce Expert Panel report	Added and Completed
Create and implement an Incentive Program for Business Parks and Industrial Areas to increase the investment attractiveness for targeted investments	Added and Completed
Collaborate with stakeholders on a comprehensive review of the potential opportunities associated with Stelco lands	Added and Completed
Complete a re-zoning of the Port lands to accommodate appropriate uses and multi-modal activity	Added and Completed
Establish the Bi-National Research, Innovation and Education Corridor	Added and Completed
Obtain official designation for lands around the Hamilton International Airport as a Foreign Trade Zone Point	Significant Progress in 2018 - Completion in 2019
Complete a comprehensive asset mapping exercise of all ICT sector companies and infrastructure	Significant Progress in 2018 - Completion in 2019
Create and implement a Digital Strategy for the City of Hamilton that identifies strategies to improve the ICT infrastructure (broadband internet) in the City	Significant Progress in 2018 - Completion in 2019
Create an updated Global Hamilton Strategy (formerly known as the Immigration Attraction Strategy)	Significant Progress in 2018 - Completion in 2019
Redevelopment of the Tourism website	Significant Progress in 2018 - Completion in 2019
Develop and implement an ICT and Digital Media Sector Strategy	Deferred until 2019
Create and implement a Life Science Sector Strategy	Deferred until 2019
Conduct analysis on the viability of operating the SBEC across multiple sites in the City	Deferred until 2019

Of the 15 Actions originally scheduled to be complete in 2018, only seven were completed during the calendar year, but an additional five Actions that were not originally identified were started and completed, bringing the annual total of completed

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**SUBJECT: 2018 Annual Report on the 2016-2020 Economic Development Action Plan Progress (PED19036) (City Wide) - Page 5 of 6**

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actions to 12. Five Actions are close to completion and are expected to be complete in 2019, and the remaining three Actions were deferred until 2019 based on feedback from stakeholders and partners, or the identification of new partners or champions helping to deliver those Actions.

As done in the previous annual updates, this information report includes a list of Actions that are forecasted to be completed during the current calendar year. The following chart lists thirteen Actions that are expected to be complete during 2019.

Chart 4: Actions Expected to be Complete in 2019

Actions to be Complete in 2019	Area of Focus
Complete a feasibility study on a food business incubator to provide space, training, resources and distribution assets for entrepreneurs to access wholesale or retail markets	Agriculture/Food Processing - Key Sector
Obtain official designation for lands around the Hamilton International Airport as a Foreign Trade Zone Point	Goods Movement - Key Sector
Update the Goods Movement Sector Strategy	Goods Movement - Key Sector
Complete a comprehensive asset mapping exercise of all ICT sector companies and infrastructure	ICT/Digital Media - Key Sector
Create and implement a Digital Strategy for the City of Hamilton that identifies strategies to improve the ICT infrastructure (broadband internet) in the City	ICT/Digital Media - Key Sector
Develop and implement an ICT and Digital Media Sector Strategy	ICT/Digital Media - Key Sector
Create an updated Global Hamilton Strategy (formerly known as the Immigration Attraction Strategy)	International Connectivity
Create an international business "Soft-Landing" space in Hamilton	International Connectivity
Create and implement a Life Science Sector Strategy	Life Sciences - Key Sector
Conduct analysis on the viability of operating the SBEC across multiple sites in the City	Small Business Development
Pursue extension in scope and funding for programs delivered by the SBEC	Small Business Development
Redevelopment of the Tourism website	Tourism - Key Sector
Create and implement a comprehensive Business Succession Program	Workforce Development

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**Appendices and Schedules Attached:**

Appendix "A" to Report PED19036 – 2018 Stretch Target Report Card

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