

ECONOMIC DEVELOPMENT STRATEGY

ECONOMIC DEVELOPMENT AND TOURISM

EXECUTIVE SUMMARY



2017 2022

PART A INTRODUCTION

A note from your Economic Development Team

A lot has changed since St. Catharines' last Economic Development Strategy was written in 2009. Despite an uncertain global economy, the City has seen some incredibly positive changes, including one million square feet of care at the new hospital, a state-of-the-art research facility at Brock University, and a transformation of our downtown core with the addition of the new Meridian Centre, the FirstOntario Performing Arts Centre, Brock University's Marilyn I. Walker School of Fine and Performing Arts, McMaster University's Michael G. Degroote Clinical Teaching Unit, and the Carlisle Parking Garage.

We know, however, that the work is far from over. Recently, the City of St. Catharines engaged the Global Investment Attraction Group (GIAC) to develop an Economic Development Strategy and Action Plan to help prioritize and direct the City's economic development efforts through 2022.

As this detailed document will serve as the roadmap for our department's efforts over the next five years, we felt it was important for both our team and our stakeholders to begin with a solid understanding of the journey ahead. As a first step, we have crafted a concise summary of the 115-page strategy document to provide a high-level overview of the course of action our City and our team is set to embark upon.

This Economic Development Strategy is a living, breathing document that may require periodic refinements to reflect unforeseen challenges, whether global, national, regional or local. The ability to adapt to future change is a key to our success.

We're excited to get started, eager to deliver results and hopeful that you'll join us in its execution.

Sincerely,



The master Economic Development Strategy emanates from the vision established in the 2015-2025 City of St. Catharines Strategic Plan:

**OUR VISION FOR THE FUTURE IS:
for St. Catharines to be the most
innovative, sustainable, dynamic
and livable city in North America.**

In this guiding Strategic Plan, economic sustainability is identified as one of the four pillars for achieving "a bold plan for a great city."

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PART B THE BROADER CONTEXT

1. Global Economic Trends and Policies

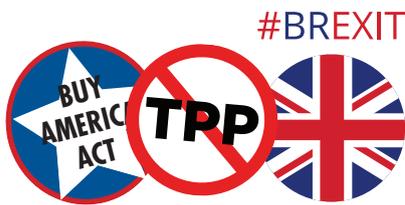
St. Catharines competes and collaborates in a global economy. Wide-ranging macro-economic trends and a complex web of policy initiatives directed by international, federal and provincial governments combine to present opportunities and threats alike to municipalities. They must guide the objectives, tactics and implementation of the City's Economic Development Strategy.

STABLE BUT MODEST GROWTH PROJECTIONS

Estimated GDP annual growth 2019-2021



EMERGING PROTECTIONISM AND TRADE POLICY CHANGES



OPPORTUNITIES: FEDERAL & PROVINCIAL POLICY PRIORITIES



2. Foreign Direct Investment

Foreign Direct Investment (FDI) in greenfield sites (new locations or expansions) has been flat since the 2008-09 financial crisis, but it is important to note that existing foreign investors are comfortable investing in existing facility expansions in Ontario. They typically know how to connect to highly qualified labour and how to capitalize on available incentives and innovation support. This underlines the importance of business retention and expansion activities.

DIVERSE, MULTI-NATIONAL SOURCES OF FDI IN ST. CATHARINES

OPPORTUNITIES: FDI GROWTH INDUSTRIES



FDI in food manufacturing doubled in Canada between 2010 and 2015



FDI in transportation equipment manufacturing is expected to grow following 2016 auto-sector labour settlements



PART B THE BROADER CONTEXT

3. Trade and Economic Agreements

The Comprehensive Economic and Trade Agreement (CETA) could position Canadian locations as preferred North American sites for European, Asian and U.S. firms doing business across the Atlantic. Provided that the U.S. market remains open with ratification of the new Canada-United States-Mexico Agreement (CUSMA), Canada may become a more attractive location for investment as a result of the country's openness to new Asian agreements and immigration policies.



4. Relative Competitiveness

Studies of Niagara Region's relative competitiveness shows that it ranks favourably, especially on overall costs of doing business. Statutory and effective corporate tax levels in Ontario were lower than other major developed countries at the end of 2015. Canada has a Total Tax Index (TTI) of 52.4, meaning that total tax costs are 47.6% lower than in the U.S.

CLOSE BORDER PROXIMITY
5-30 MINUTES

NIAGARA REGION
MORE COST COMPETITIVE THAN EVERY U.S. CITY SURVEYED
 Source: KPMG Competitive Alternatives 2016 report

SHARE OF TOTAL U.S.-CANADA TRADE
13.6%
1 MILLION TRUCKS
 USE NIAGARA'S INTERNATIONAL BORDER CROSSINGS ANNUALLY - EACH WAY!

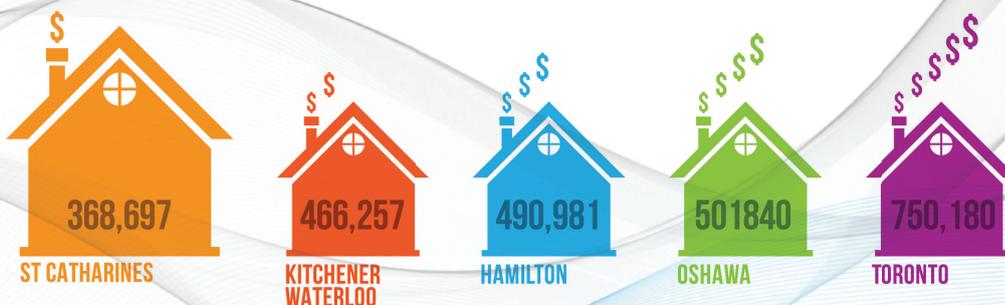
NIAGARA REGION
RANKED 2ND IN INDUSTRIAL AND COMMERCIAL DEVELOPMENT COSTS
 Source: MDB Insight Report, 2016

MAJORITY OF DEVELOPMENT LANDS WITHIN
1 MILE
 OF MAJOR HIGHWAY ACCESS

5. Livability

Recent local real estate trends confirm that St. Catharines is an increasingly attractive location for employees that are seeking more affordable housing with great amenities and a close-to-nature lifestyle. St. Catharines offers a great alternative for entrepreneurs and micro-employers whose main business requirement is high-speed fibre and flexible work arrangements.

AFFORDABLE HOME OWNERSHIP



Source: Local Associations of REALTORS®; Toronto Real Estate Board

PART C BUILDING ON STRENGTHS, ADAPTING TO CHANGE

1. Niagara's Urban and Business Hub

St. Catharines is Niagara Region's only provincially designated urban growth centre. The City's advocacy and economic development strategies should give primacy to retaining and building its position, including ensuring an unequalled urban lifestyle choice.

INHERENTLY CONNECTED



The Queen Elizabeth Way (QEW), connecting Toronto with Buffalo, passes through the heart of St. Catharines. The city is also the terminus for Highway 406, a key corridor in the Niagara Region. Inter-municipal transit partnerships will offer greater connectivity in moving people throughout the city and region.



St. Catharines businesses are conveniently serviced by Niagara District Airport, Toronto's Pearson International Airport, Hamilton International Airport, Billy Bishop Toronto City Airport, Buffalo-Niagara International Airport and Niagara Falls International Airport.



Major railways and two international border rail crossings connect Niagara with ports in Montreal, Halifax and the U.S. Midwest.



The Welland Canal links Lakes Ontario to Erie, connecting St. Catharines to the world thanks to the binational St. Lawrence Seaway system (Hwy H20). The city also offers extensive docking facilities with heavy lifting capacity.



St. Catharines is connected to a major Canadian east-west fibre optic trunk line. Service will be strengthened by Niagara Region's participation in the \$281 million SouthWestern Integrated Fibre Technology (SWIFT) Network, expanding coverage throughout southwestern Ontario. A fibre hub pilot project is being investigated.



The provincial government expanded full daily GO Train services into Niagara as of January 2019, with future track and station upgrades planned for St. Catharines.

HIGHER LEARNING DRIVES INNOVATION



 **19,000+**
STUDENT
POPULATION



 **9,000**
STUDENTS
(FULL-TIME)

 **15,000**
CONTINUING EDUCATION
REGISTRANTS



MICHAEL G. DeGROOTE
SCHOOL OF MEDICINE

 **28** MEDICAL
STUDENTS

HEALTH AND WELLNESS

St. Catharines offers an impressive health and wellness network driven by public and private organizations, research resources and academic institutions.

Highlighted by a new state-of-the-art hospital, as well as recent investments by Brock University, Niagara College and McMaster University, the health care sector is among the fastest growing industries in the city today.

NEW ST. CATHARINES HOSPITAL

1 BILLION
DOLLARS
INVESTED

1 MILLION
SQ.FT.
OF CARE

PART C BUILDING ON STRENGTHS, ADAPTING TO CHANGE

2. Population

Population growth in St. Catharines has occurred at a steady, modest 1.7% rate over the past two decades, and the city shares Niagara's wider demographics with proportionally fewer young people and young families than the Ontario average. Growth opportunities arise thanks to the city's unique position – with two universities and a college nearby, in a world-renowned location with close proximity to the border – to leverage its strengths and take the lead in establishing itself as a desirable destination for people of all ages. Recent housing market trends confirm the area's population growth potential.

3. Jobs

Ever since the 2008-2009 global recession, employment in St. Catharines has been steadily improving. The local unemployment rate, at 6.6% in 2018, is much improved since reaching 10.4% during the recession, but lagging a bit behind the national and provincial rates of 5.6%.

68,700 JOBS

3.6% INCREASE
(2011-2016)



ST. CATHARINES
...THE REGION
WORKS HERE!

Source: EMSI Q3 2017

4. Economic Structure

Like other cities in advanced industrialized countries, St. Catharines is witnessing a broad and continuing shift from traditional manufacturing to professional, scientific and technical jobs, although the city is still a **preferred location** for manufacturing in the Niagara region.

MANUFACTURING ESTABLISHMENTS IN NIAGARA REGION



LARGEST EMPLOYMENT SECTORS

Retail	10,720 JOBS	+5.1%
Health Care & Social Assistance	8,916 JOBS	+7.6%
Education	6,076 JOBS	+6.8%
Manufacturing	5,710 JOBS	+1.0%

FASTEST GROWING SECTORS

Professional, Scientific & Technical	+19.2%
Accommodation & Food Services	+12.1%
Health Care & Social Assistance	+7.6%
Education	+6.8%

Jobs data: 2016. Percent change data: 2011 to 2016.

PART D POSITIONING ST. CATHARINES FOR SUCCESS

1. Asset Leveraging

The City of St. Catharines has committed itself to leveraging existing and new assets as a central catalyst for change, to attract investment and talent, and to create an innovative, future-oriented community.

DOWNTOWN

The 2008 **Downtown Creative Cluster Master Plan** outlined a framework for a comprehensive multi-year downtown revitalization, of which the major anchor projects are now in place (see below). Over **\$200 million** has been invested in residential condo, townhouse, retirement and student developments. Over **100,000 square feet** of commercial retail and office space has been filled.

The original plan and the accomplishments to date should be revisited, evaluated and an updated and renewed Downtown Plan developed and adopted, focusing on what more is needed to sustain the momentum and accelerate further private sector involvement and investment. Two new federal initiatives stemming from the 2017 Budget should be examined for a possible fit: **Smart Cities Challenge Fund** and the **Canadian Cultural Spaces Fund**. Key Downtown Plan areas of study should include:

CONTINUED PRIVATE AND PUBLIC SECTOR INVESTMENT	BROADENED RETAIL INCLUDING GROCERY	COMMERCIAL OFFICE SPACE TARGETING PROFESSIONALS	INCUBATE & ATTRACT INNOVATIVE DIGITAL & CREATIVE FIRMS	ENCOURAGE WINE ROUTE & ALE TRAIL VENTURES	INVESTIGATE PUBLIC WI-FI
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AN URBAN RENAISSANCE

MAJOR DOWNTOWN INVESTMENTS

\$42M
MARILYN
I. WALKER
SCHOOL OF FINE AND
PERFORMING ARTS
600
STUDENTS
AND FACULTY

\$50M
MERIDIAN
CENTRE
SPECTATOR FACILITY
5300
SEAT HOCKEY ARENA
AND 6000
SEAT VENUE

\$62M
PERFORMING
ARTS CENTRE
4 THEATRE SPACES
800
SEAT MAIN THEATRE
TO BRING APPROX.
125K NIGHTTIME
AND 25K DAY TIME
VISITS PER YEAR

\$90M
BURGOYNE
BRIDGE
REPLACEMENT
OF EXISTING
STRUCTURE
WITH LANDMARK
CROSSING
SIGNATURE
BRIDGE

\$200M
NEW PRIVATE
INVESTMENT
ACROSS SECTORS:
**RESIDENTIAL
COMMERCIAL
OFFICE**
AND MORE, DRIVEN BY
**DOWNTOWN
REVITALIZATION**

PART D POSITIONING ST. CATHARINES FOR SUCCESS

2. Availability of Industrial and Commercial Sites and Buildings

COMPARATIVE SALE PRICES AND LEASE RATES

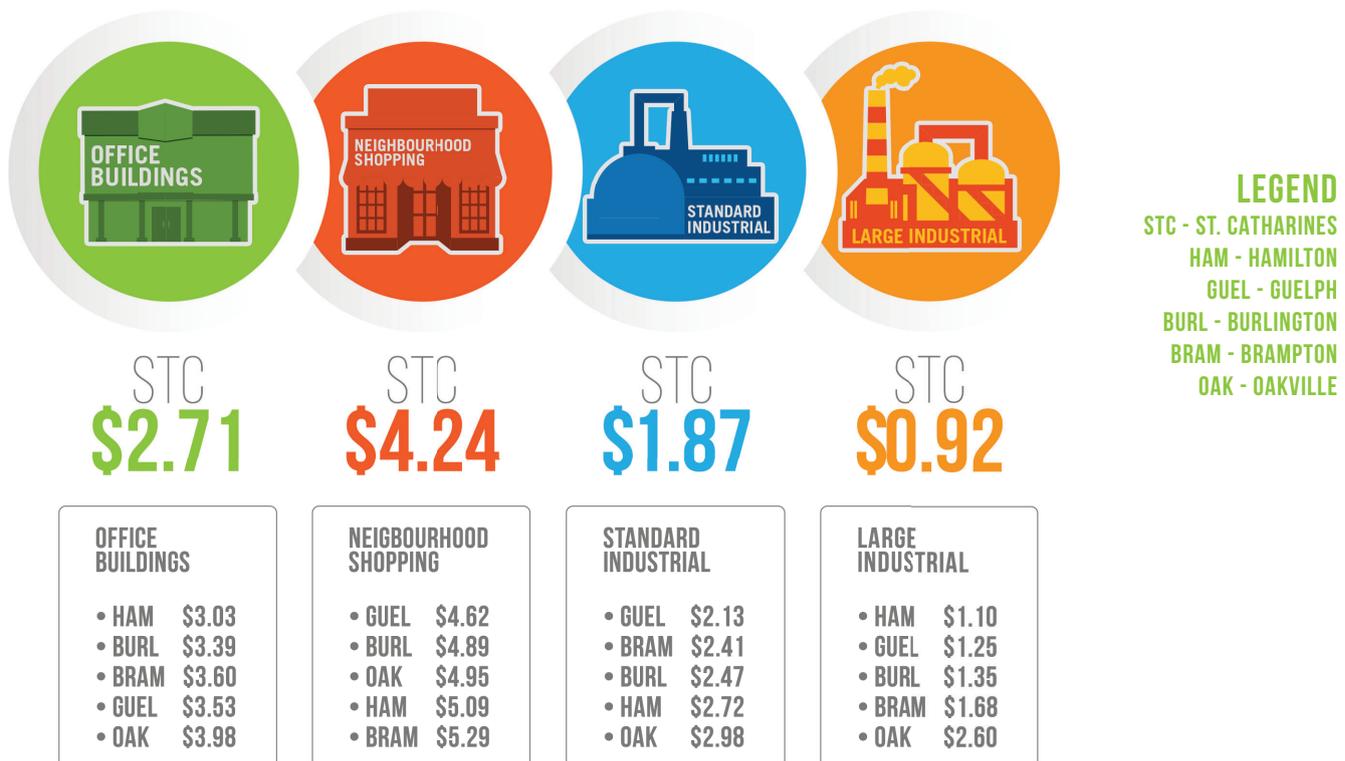
Having readily available summary information on comparative industrial and commercial sale prices and lease rates is highly desirable. Team Niagara arranged to contract for the preparation of such a report in 2016, showcasing very attractive sales prices and lease rates compared to the GTA and outlying areas.

INDUSTRIAL AND COMMERCIAL PROPERTY TAXES

St. Catharines generally benefits from low, competitive property taxes compared with similar-sized municipalities in the Greater Golden Horseshoe, but assessment increases over the next four year period may require further discussion and policy review to maintain this outlook.

2016 PROPERTY TAXES PER SQ. FT. IN \$CAD

Source: BMA Municipal Study, 2017



LEGEND
 STC - ST. CATHARINES
 HAM - HAMILTON
 GUEL - GUELPH
 BURL - BURLINGTON
 BRAM - BRAMPTON
 OAK - OAKVILLE

PART D POSITIONING ST. CATHARINES FOR SUCCESS

3. Economic Development and Investment Readiness

IT IS ABSOLUTELY ESSENTIAL, prior to undertaking any proactive initiatives, to work with existing companies to identify and target new prospects. Resources should be focused on ensuring that the response systems are in place and that staff are clear on procedures. The competitive environment for new investment demands that the St. Catharines Economic Development team be fully investment ready.

BECOMING FURTHER INVESTMENT READY



DATA RICH

Maintain comprehensive, detailed and up-to-date data on demographics, workforce, education and infrastructure. Analyze 2016 Census data as it is released.



CONCIERGE SERVICE

Economic Development team staffed with capacity to work in a "hands-on" manner, facilitating expansion and new investment decisions and processes.



PARTNERS & ADVICE

Partner and coordinate with other Economic Development organizations and put structured mechanisms in place for private sector stakeholder consultation and advice.



APPROVAL FLOW CHART

Update the Development Approval Flow Chart for prospective investors and ensure that it is prominently posted on the website.



FOREIGN TRADE ZONE

Leverage St. Catharines' role as the region's business hub and position the City to take advantage of the Niagara Region Foreign Trade Zone designation, the first such FTZ point in Ontario.



EXPEDITOR INITIATIVE

Create a concierge service team that includes the Council-approved Project Expeditor position to assist proponents through approval processes for expansions and new investments.



HIGHER EDUCATION

Encourage access to Brock University, Niagara College and McMaster University as sources of talent, lifelong learning, research, development, advice, testing, prototyping and other needed services.



BUSINESS COMMUNITY

Promote systematic interaction between the Economic Development team and the local business community as a fundamental ingredient in building a foundation for community success.

PART D OBJECTIVES & ACTIONS

OBJECTIVE: Support signature place making initiatives to encourage economic development and talent attraction

- Action 1** Provide economic development perspectives and input to the development of an updated and renewed Downtown Master Plan
- Action 2** Seek funding from initiatives in the 2017 Federal Budget
- Action 3** Support the addition of a contract Project Manager in Planning and Building Services to assist with preparatory initiatives for development
- Action 4** Participate in the evaluation of further asset leveraging initiatives: new development near any future GO train station, the Brock District Plan, development opportunities along the Welland Canal, and tourism-related investments
- Action 5** Support the attraction and maintenance of future and existing cultural assets

2017-2018
ONGOING

2017

2017

ONGOING

ONGOING

PERFORMANCE METRICS

- New private sector investment
- Return on tax incentives
- Commercial vacancy rates
- Retention of start-ups Downtown
- Downtown tourism attraction
- Downtown events
- Safety
- Environmental gains

OBJECTIVE: Promote availability and competitiveness of industrial and commercial sites and buildings

- Action 1** Ensure the Niagara Region Economic Development Site Finder includes full information on all industrial and commercial properties available for lease or sale in St. Catharines
- Action 2** Develop summary profiles of notable emerging projects
- Action 3** Encourage Niagara Region Economic Development to contract for quarterly data on comparable industrial and commercial sale prices and lease rates
- Action 4** Monitor and reassess the effectiveness of City incentives, and advocate for St. Catharines' interests in Regional incentive reviews
- Action 5** Monitor and compare industrial and commercial property taxes in St. Catharines and Regional development charges relative to other Greater Golden Horseshoe locations

ONGOING

ONGOING

2018

ONGOING

ONGOING

PERFORMANCE METRICS

- Internal assessments where St. Catharines was considered but not chosen
- Were more attractive incentives by other jurisdictions consequential?

OBJECTIVE: Facilitate development application review processes for expansions and new investment

- Action 1** Create a concierge service team that includes the Council-approved Project Expeditor position to assist proponents through approval processes for expansions and new investments
- Action 2** Update the Development Approval Flow Chart for prospective investors and ensure that it is prominently shared and communicated
- Action 3** Identify and promote situations where the application of Niagara Foreign Trade Zone (FTZ) programs fit well with a St. Catharines location
- Action 4** Take steps to make St. Catharines "investment ready," especially with respect to a Customer Relationship Management (CRM) system and providing up-to-date data

2017
ONGOING

2017

2017
ONGOING

TBD

PERFORMANCE METRICS

- Evaluation of effectiveness of responses to inquiries and leads - timeliness and completeness
- Frequency of Expeditor services
- Impact of Expeditor services in terms of outcomes

OBJECTIVE: Establish a mechanism to facilitate structured ongoing dialogue with private & institutional stakeholders

- Action 1** Evaluate and implement new mechanisms for structured on-going dialogue with St. Catharines businesses and community leaders and stakeholders, including post-secondary institutions

2017-2018
ONGOING

PERFORMANCE METRICS

- Member input and feedback
- Formal member surveys

PRIORITY LEVELS LEGEND



HIGHEST PRIORITY & VERY TIME-SENSITIVE



IMPORTANT & TIME-SENSITIVE

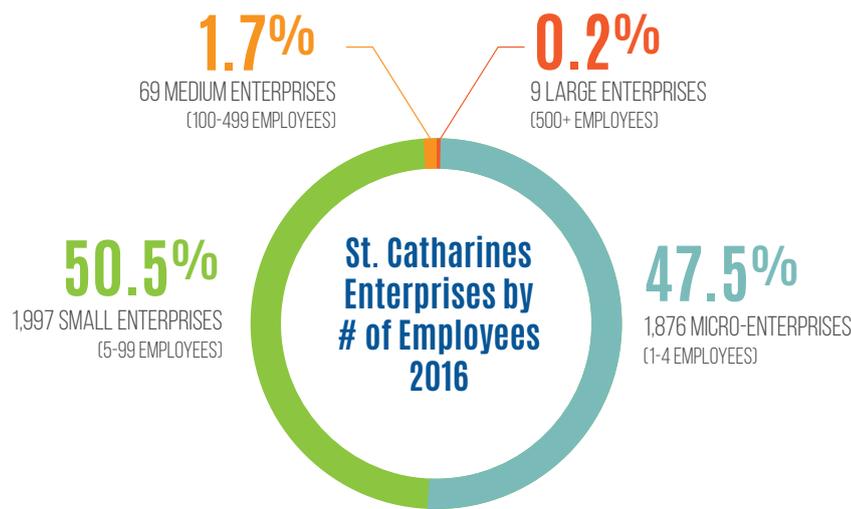


DESIRABLE & LESS TIME-SENSITIVE

PART E KEY ECONOMIC DEVELOPMENT THRUSTS

1. Business Retention and Expansion

The retention and expansion of existing businesses and agricultural enterprises is the core economic development objective. Accepted wisdom is that as many as 70% to 80% of new jobs may be generated through expansions within the local business base. As with any company's sales efforts, it is generally easier and less expensive to keep existing clients, as compared to the ever-challenging task of identifying and attracting new ones.



ST. CATHARINES ECONOMIC DEVELOPMENT CORPORATE CALLING PROGRAM HIGHLIGHTS

- Candid front-line assessments
- Better understand issues and trends
- Strengths & weaknesses of City support
- Strengths & weaknesses of City's messaging
- Share opportunities for accessing support
- Identify potential champions
- Identify potential investment opportunities
- Conducted weekly
- The Mayor and Councillors often accompany the Economic Development Team

BUSINESS RETENTION & EXPANSION OBJECTIVES & ACTIONS

OBJECTIVE: Reach out, engage, support, understand and report upon the issues and intentions of local businesses

- | | |
|--|---|
| <p>Action 1 Undertake regular systematic business and retention programs that provide summary reports on the intentions and preoccupations of local businesses</p> <p>Action 2 Support and promote programs that will assist local businesses to sustain their competitiveness and expand and diversify their markets, such as Export Development Canada, Walker Advanced Manufacturing & Innovation Centre, Innovate Niagara, BioLINC and BrockLINC to name a few</p> <p>Action 3 Arrange initiatives that will ensure local businesses are informed about municipal, regional, provincial and federal opportunities, such as financial support programs for industry and procurement opportunities</p> <p>Action 4 Reach out to local businesses to communicate important policy changes emanating from all levels of government</p> | <p>ONGOING</p> <p>ONGOING</p> <p>ONGOING</p> <p>ONGOING</p> |
|--|---|

PERFORMANCE METRICS

- Number of BR&E calls and meetings
- Business retained
- Expansion projects
- Value of investment retained
- Value of investment in new projects
- Jobs retained
- Jobs created

PART E KEY ECONOMIC DEVELOPMENT THRUSTS

2. Innovation and Entrepreneurship

New business creation and entrepreneurship have become ever more crucial to healthy, vibrant economies. An appetite for innovation and calculated entrepreneurial risk on the part of established companies is also essential if they are to grow, earn acceptable returns and survive in markets that are subject to such rapid change and disruption.

NIAGARA'S INNOVATION-RICH ECOSYSTEM KEY PARTNERSHIPS



- BioLINC
- BrockLINC
- Brock Institute for Scientific Computation
- Cool Climate Oenology and Viticulture Institute
- Environmental Sustainability Research Centre



- Walker Advanced Manufacturing Innovation Centre (WAMIC)
- Rankin Technology Centre
- Southern Ontario Network for Advanced Manufacturing and Innovation (SONAMI)
- Agriculture & Environment Innovation Centre
- Augmented Reality Research Centre
- Canadian Food & Wine Institute Innovation Centre (CFWIC)
- ncTakeOff entrepreneurship hub



- World class horticultural science research and innovation
- Specializing in Applied Genomics, Consumer Insights, Horticultural Production Systems and Robotics & Automation



- One of 18 Regional Innovation Centres in Ontario
- Downtown incubation facilities for start-ups and established high-growth projects
- iHub
- The Generator at One



- A new centre for tech innovation and entrepreneurial acceleration
- Modern and creative themed offices in renovated downtown landmark building
- Personalized mentorship and programming
- 15+ partners and 50+ members

INNOVATION AND ENTREPRENEURSHIP OBJECTIVES & ACTIONS

OBJECTIVE: Play a leadership role in building a collaborative, evolving innovation and entrepreneurship ecosystem

- | | | |
|-----------------|---|--|
| Action 1 | Leverage the City's funding, coordinating and governance roles to ensure the growth of a connected business community | |
| Action 2 | Review and develop strategies with local partners, related to innovation funding and programs announced in the 2017 Federal and Ontario budgets | |
| Action 3 | Encourage initiatives to involve established firms in research and innovation | |
| Action 4 | Develop a municipal procurement initiative to make the City a first or early public sector client for emerging technologies | |
| Action 5 | Make the necessary investments and look into processes that will allow St. Catharines to achieve Smart City designation and recognition | |

PERFORMANCE METRICS

- Generally developed and data gathered by the organizations that the City is funding
- Focused on outcomes rather than activities
- Comparables to other communities

PRIORITY LEVELS LEGEND

- HIGHEST PRIORITY & VERY TIME-SENSITIVE
- IMPORTANT & TIME-SENSITIVE
- DESIRABLE & LESS TIME-SENSITIVE

PART E KEY ECONOMIC DEVELOPMENT THRUSTS

3. Attracting New Investment

Direct investment attraction is exceptionally competitive. In two-tier Canadian municipalities like Niagara Region, the approach invariably is a collaborative one in which the Region takes the lead role for external investment attraction, as represented by the Team Niagara model. St. Catharines Economic Development continues to partner with the Region and complements their initiatives with St. Catharines-focused insight that the team at the City knows best.

PROMOTING A 1,000,000-STRONG MEGA-REGION



ECONOMIC DEVELOPMENT COLLABORATION KEY PARTNERSHIPS

REGIONAL PARTNERS & STAKEHOLDERS

- Niagara Region Economic Development
- Niagara Development Corridor Partnership
- Niagara Industrial Association
- Greater Niagara Chamber of Commerce
- Welland Enterprise Centre

INTER-REGIONAL PARTNERS

- Hamilton-Niagara Partnership
- Binational Research & Innovation Corridor

PAN-REGIONAL PARTNERS

- Ontario Mayors' Auto Caucus
- Ontario Food Cluster
- Ontario Manufacturing Communities Alliance

ATTRACTING NEW INVESTMENT OBJECTIVES & ACTIONS

OBJECTIVE: Work within the Team Niagara context to target and pursue new investment prospects

- Action 1** Identify, develop and keep current compelling value propositions for high priority sub-sectors and niches
- Action 2** Contribute St. Catharines' perspectives and intelligence and ensure that St. Catharines' assets, interests, priorities, differentiating factors, and sites and buildings are reflected in Team Niagara investment attraction efforts
- Action 3** Participate in Regional investment attraction initiatives where leads are facilitated by the Region and the Province of Ontario
- Action 4** Host and demonstrate to investment prospects how St. Catharines meets their requirements, led by Economic Development staff

ONGOING

ONGOING

ONGOING

ONGOING

PERFORMANCE METRICS

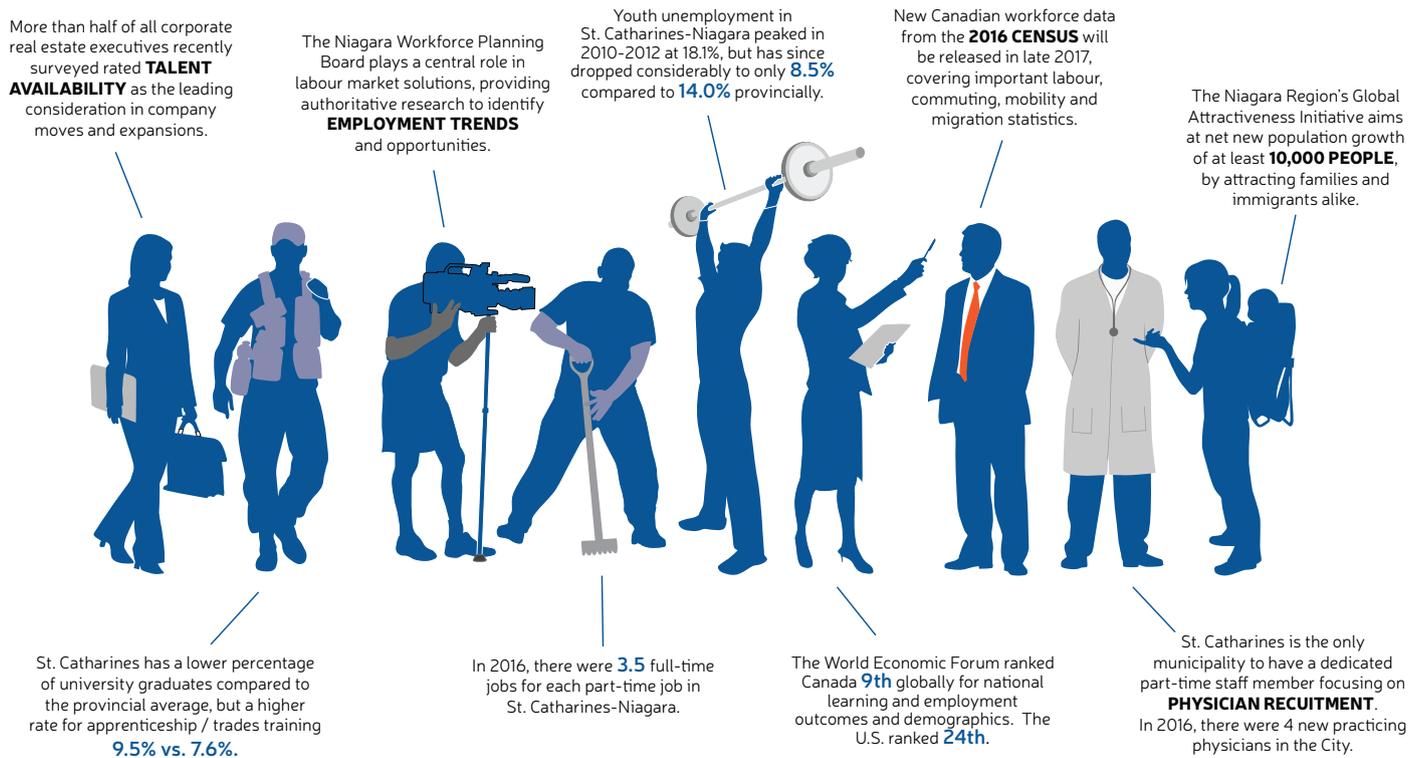
- Number of sub-sector value propositions developed
- Evaluation of use and traction of value propositions
- Number of new investments
- New investment jobs created
- Investment-related events
- Contacts and leads established

PART E KEY ECONOMIC DEVELOPMENT THRUSTS

4. Talent and Workforce

Highly qualified personnel are the assets that global firms frequently seek above all and want to access for expansions and new investments in developed countries such as Canada, the U.S., and western Europe. Working with our local educational, apprenticeship and employment institutions such as the Niagara Workforce Planning Board will be key in identifying shortfalls in training and/or skill sets required to attract specific industry.

RETAINING AND ATTRACTING TALENT WORKFORCE HIGHLIGHTS



TALENT AND WORKFORCE OBJECTIVES & ACTIONS

OBJECTIVE: Develop, encourage and support initiatives that will attract, retain and adapt a talent pool that will align with evolving requirements of existing and new businesses

- Action 1** Engage, in collaboration with others, in the identification and analysis of comprehensive up-to-date data on local talent pools
- Action 2** Collaborate in the Niagara Workforce Planning Board's research, activities and initiatives, including those that will facilitate response to changing market conditions, identify new opportunities and workplace dislocations
- Action 3** Participate actively in initiatives to attract and retain talent and entrepreneurially oriented individuals, including newcomers
- Action 4** Support initiatives that will better align workforce skills with evolving employer requirements (eg. Networking educational institutions to local businesses)
- Action 5** Revisit roles and responsibilities in relation to shared service opportunities (eg. physician recruitment, Welland Enterprise Centre)

2017
2018

ONGOING

ONGOING

ONGOING

2017

PERFORMANCE METRICS

- Detailed data that identifies attractive and accessible talent pools
- Data availability aligned with the interests of new investors or local businesses seeking to expand
- Initiatives to attract talent, entrepreneurs, creative professionals and immigrants and devise metrics that set goals and measure the response

PRIORITY LEVELS LEGEND

- HIGHEST PRIORITY & VERY TIME-SENSITIVE
- IMPORTANT & TIME-SENSITIVE
- ▼ DESIRABLE & LESS TIME-SENSITIVE

PART E KEY ECONOMIC DEVELOPMENT THRUSTS

5. Marketing

The marketing of St. Catharines must consider the range of economic development programs and priority geographic targets, though there is a considerable degree of overlap in both cases. Marketing also supports the City's economic development goals by promoting the City as a tourism destination, including the attraction of major international and national events, reflective of sport and those of cultural significance.

ECONOMIC DEVELOPMENT MARKETING BEST PRACTICES THRUSTS

- Coherence in branding and messaging
- Solid value propositions
- Marketing automation campaigns
- Targeted familiarization (FAM) tours, events, trade shows
- Persuasive testimonials from local champions of industry

ECONOMIC DEVELOPMENT COMMUNICATIONS

PRIMARY TARGET MARKET: BUSINESSES, SITE SELECTORS AND TALENT IN THE GTA
SECONDARY MARKETS: BUSINESSES AND SITE SELECTORS IN WNY, NORTHERN/WESTERN PA, NORTHEAST OH
PRIORITY INTERNATIONAL MARKETS: EUROPE, LATIN AMERICA, CHINA/TAIWAN

TOURISM COMMUNICATIONS

PRIMARY TARGET MARKET: 25-64; MID-UPPER INCOME; UNIVERSITY EDUC.
PRIMARY GEO.: K-W, WNY, ROCHESTER, SYRACUSE
SECONDARY GEO.: HAMILTON, BURLINGTON, OAKVILLE, GUELPH, NIAGARA



OBJECTIVE: Present a consistent, focused and current St. Catharines brand and image

- Action 1** Initiate a brand evaluation and update of economic development and tourism brand and marketing collateral, taking into account regional, provincial and federal branding and messaging
- Action 2** Eliminate multiple St. Catharines economic development websites, ideally having one website that is largely distinct from the City website, with extensive links to City, Regional and partner websites
- Action 3** Develop greater depth of messaging in future marketing collateral, including compelling value propositions for the priority sub-sectors and niches
- Action 4** Use new stakeholder mechanisms to work toward shared community messaging, story telling and celebration of local and regional successes
- Action 5** Initiate marketing automation campaigns
- Action 6** Collaborate with Niagara Region Economic Development on site selection, familiarization (FAM) tours and media visits

2018

2017

2018 ONGOING

ONGOING

2018

ONGOING

PERFORMANCE METRICS

- Industry standard website, social media, news release, and print, TV and radio metrics
- Detailed metrics generated by marketing automation campaigns
- Though difficult to measure, a greater sense that stakeholders are united and consistent in their messaging
- New collateral pieces developed: eg. champion piece and sector profiles

PART F SECTORS OF FOCUS

Choosing Sectors of Focus

As with any economic development strategy, St. Catharines must judiciously focus its efforts, to prioritize a limited number of sectors where it has demonstrable advantages and can truly differentiate its offering in an exceptionally competitive world.

Highly focused, well-researched and sustained proactive initiatives are required to target and reach prospects and generate the impact needed to win new investment. In-depth value propositions and substantial staff resources are required for each.

Choosing sectors of focus does not mean that others are unimportant and should be neglected. The St. Catharines Economic Development team will continue to field and identify an extremely varied range of leads and must be ready to respond quickly and adequately.

COMMON END GOALS

RETAIN

GROW

ATTRACT

6 STRATEGIC SECTORS



CROSS-CUTTING TECHNOLOGIES

Digitally-Based
Technologies

RETAIN GROW ATTRACT

Creative

RETAIN GROW ATTRACT

Entertainment

RETAIN GROW ATTRACT

Film

RETAIN GROW ATTRACT



PROFESSIONAL, ENGINEERING, SCIENTIFIC, BUSINESS SUPPORT AND TECHNICAL SERVICES

Professional
Engineering
Scientific
Technical Services

RETAIN GROW ATTRACT

Business Support

RETAIN



TOURISM

All Subsectors

RETAIN GROW ATTRACT



AGRICULTURE, FOOD AND BEVERAGES

Agriculture

RETAIN

Food & Beverages

RETAIN GROW ATTRACT



HEALTH CARE

All Subsectors

GROW ATTRACT



MANUFACTURING

Automotive/
Mobility

RETAIN GROW

Supply Chain

RETAIN GROW

Greenhouse
Related
Systems

GROW ATTRACT

PART 5 SECTORS OF FOCUS

1. Cross-Cutting Technologies

The first identified sector of focus is not a traditional industry-based sector. The pace and breadth of technological changes across all industries make it difficult to package related priorities into a single neat sector package.

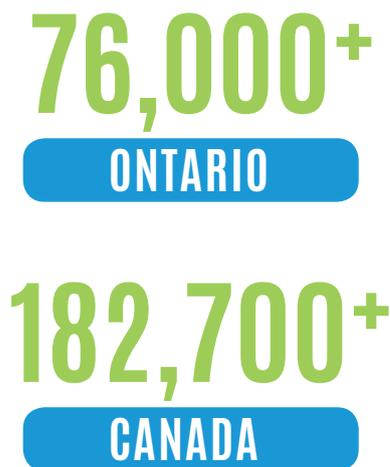
This new paradigm for economic development has been described by some observers as a “**convergence**” or as the “**Fourth Industrial Revolution**.” Talent is the key, as it can move across all traditional sectors and nurture overall economic growth.

TECHNOLOGIES BLURRING TRADITIONAL PRODUCT SECTOR BOUNDARIES

- Internet of Things
- Big Data
- Cloud Computing
- 3D Printing
- 3D Visualization
- Augmented/Virtual Reality
- Cyber Security
- Machine Learning / Artificial Intelligence
- Autonomous Vehicles
- Nanotechnology

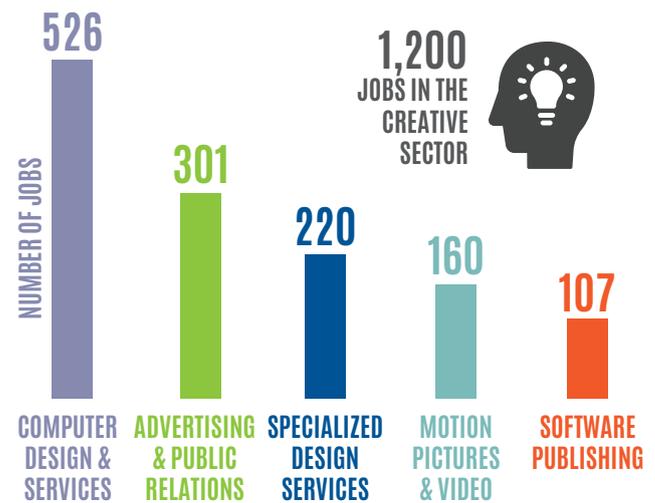
INFORMATION & COMMUNICATIONS TECHNOLOGY (ICT) TALENT IN HIGH DEMAND

By 2019, cumulative hiring requirements for ICT talent are expected to be:



Source: Digital Adoption Compass Community, Labour Market Outlook 2015-2019

ST. CATHARINES' STRONG DIGITALLY ORIENTED TALENT POOL



Source: EMSI 2019

CROSS-CUTTING TECHNOLOGIES OBJECTIVES & ACTIONS

OBJECTIVE: Encourage the evolution, application and adoption of converging digitally based technologies that are influencing nearly all sectors; promote the City's talent pool, research assets and innovation culture

- Action 1** Strengthen existing relationships/ networks with educational and institutional organizations via the City's corporate calling program
- Action 2** Assemble, keep current and present detailed information on the digitally enabled talent pool that can be accessed by businesses based in St. Catharines
- Action 3** Support initiatives to connect existing businesses across all sectors with relevant cross-cutting technologies and the creative sector



PERFORMANCE METRICS

- The key measure is the extent to which St. Catharines can demonstrate digitally based capacity and availability of talent and attract related investments

PART F SECTORS OF FOCUS

2. Professional, Engineering, Scientific, Business Support & Technical Services

St. Catharines has a long-standing concentration of business support centres – often referred to as call centres – providing specialized outsourced services to other larger companies. While ensuring a close relationship with these local operations to support their presence and facilitate expansion opportunities, the City has the potential in the future to attract higher skilled engineering, finance, technical, professional and scientific services jobs.

Such operations are often staffed with professionals who do not need to have frequent face-to-face personal interaction with clients and who welcome the opportunity to work in more affordable locations that offer lifestyle advantages. Regional and satellite operations for GTA-based companies represent attractive prospects.

SECTOR OPPORTUNITIES STEMMING FROM THE ONTARIO GOVERNMENT'S 2016-2020 CLIMATE CHANGE ACTION PLAN

- Net-zero carbon emission buildings
- Energy audits for home resales
- Low-carbon clean technology accelerators
- Methane demonstration projects
- Low emission fueling stations
- Global centre for low-carbon mobility
- Green bank
- Greenhouse gas pollution reduction challenge fund

ST. CATHARINES 2011-2018 PROFESSIONAL/TECHNICAL SECTOR JOB GROWTH



Source: EMSI Q3 2018

OBJECTIVE: Promote St. Catharines as a location for professional, engineering, scientific, business support and technical services

- Action 1** Retain and strengthen the presence of existing firms via the City's corporate calling program
- Action 2** Define the best near-term prospects and identify / develop value propositions for St. Catharines as a location for professional and technical service sub-sectors
- Action 3** Monitor and promote the availability of suitable commercial office space, outlining incentives within the Community Improvement Program
- Action 4** Participate in the evaluation and pursuit of relevant opportunities related to the Ontario Climate Change Action Plan for the City of St. Catharines, post-secondary educational institutions and businesses
- Action 5** Identify processes that will allow St. Catharines to achieve Smart City Designation

ONGOING

2017
2018

ONGOING

2017
ONGOING

ONGOING

PERFORMANCE METRICS

- Number of business retained
- Expansion projects
- New investments
- BR&E calls and meetings
- Contacts and leads established
- Investment-related events

PRIORITY LEVELS LEGEND



HIGHEST PRIORITY & VERY TIME-SENSITIVE



IMPORTANT & TIME-SENSITIVE



DESIRABLE & LESS TIME-SENSITIVE

PART F SECTORS OF FOCUS

3. Tourism

Travel is one of the largest and fastest growing economic sectors in the world, and, despite continued global uncertainties, increases in global travel revenue have actually exceeded GDP growth in recent years. The future outlook anticipates above average growth. As such, it invites attention on St. Catharines' part. Tourism is a major component of the City's economic development mandate, based on its formal Tourism Strategy 2009-2019.



MAJOR SPORTS TOURISM ACCOMPLISHMENTS

- Royal Henley Regatta
- BMO CHL/NHL Top Prospects Game 2015
- Pan-Am Games 2015 Rowing
- International Ice Hockey Federation U18 Womens Championship 2016
- Scotties Tournament Of Hearts 2017
- FIBA International Basketball Federation America's U18 Mens Championship 2018
- 2021 Canada Summer Games



LOCAL TOURISM PARTNERS



GREATER NIAGARA ACCOMMODATIONS PARTNERS



PORT DALHOUSIE DOWNTOWN ASSOCIATION

NIAGARA GRAPE & WINE FESTIVAL



CITY'S LARGEST SINGLE TOURIST ATTRACTION



110,800 VISITORS ANNUALLY

+28% since 2016



MOTORCOACHES

OBJECTIVE: Attract and welcome increased numbers of tourists to St. Catharines

- Action 1** Retain and strengthen the presence of existing firms via the City's corporate calling program
- Action 2** Leverage the new website, solidify gains and build on growing Wine Route, Niagara Ale Trail, parks and paths, arts and culture, and historic sites initiatives, enabled by the new website and social media capabilities
- Action 3** Increase focus on sports tourism, leveraging successes in attracting signature international and national events
- Action 4** Revisit tourism branding and develop a new multi-year tourism strategy to follow on the current one which runs through 2019.
- Action 5** Work with existing hotel and accommodation spaces, Cultural Services, Meridian Centre, FirstOntario Performing Arts Centre, Marilyn I. Walker School of Fine and Performing Arts, Wine Council of Ontario, and others to develop packaged weekend stay opportunities
- Action 6** Support programs to build capacity in the tourism sector, including culture, arts, heritage, Black History, wineries, craft breweries, parks and trails
- Action 7** Encourage hospitality training and management and workforce development that will ensure a superior visitor experience

ONGOING

ONGOING

2017 ONGOING

2018 2019

ONGOING

2018 2020

ONGOING 2018

PERFORMANCE METRICS

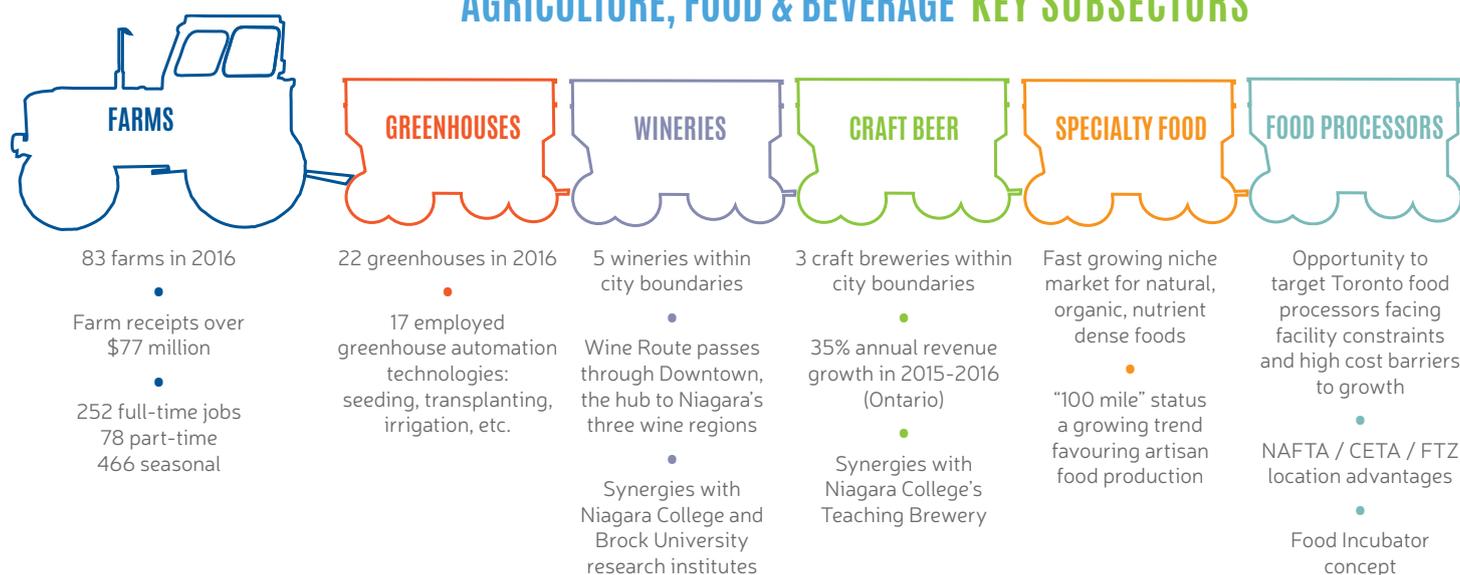
- City Guide distribution and inquiries
- Matched funding applications
- Tourism web and social media analytics
- Media coverage
- Visitor counts
- Hotel stays
- Sport events booked
- Travel trade missions and events attended
- Travel trade leads and inquiries

PART F SECTORS OF FOCUS

4. Agriculture, Food and Beverages

Thirty percent of St. Catharines' land area is designated Agricultural Area. The food and beverage segment offers substantial promise for St. Catharines, especially if well-equipped incubation and acceleration spaces are available and if the linkages with tourism, culinary, cultural and the creative industries can be fostered. Speciality and artisanal foods, craft brewing, micro-distilling and hard cider production are taking hold. College and university programs and facilities are vital assets in growing these niche markets.

AGRICULTURE, FOOD & BEVERAGE KEY SUBSECTORS



OBJECTIVE: Support the retention and growth of St. Catharines' agricultural sector and grow and attract beverage and food processing facilities

- | Action | Description | Priority Level |
|-----------------|---|----------------|
| Action 1 | Retain and strengthen the presence of existing firms via the City's corporate calling program | ONGOING |
| Action 2 | Promote and encourage new ventures, expansions and new investment in food processing, bakeries and beverage production, including access to purpose-equipped incubation and acceleration spaces | 2017 ONGOING |
| Action 3 | Support retention and growth of agricultural enterprises, notably the greenhouse floriculture sector, vineyards and fruit growers | ONGOING |
| Action 4 | Support profile-building partnerships and opportunities for wineries located in St. Catharines, and further leverage the Downtown position on the Wine Route | TBD |
| Action 5 | Attract businesses that manufacture and supply systems for greenhouses, horticulture & vineyards, seizing local research and partnership opportunities | TBD |
| Action 6 | Work in cooperation with the Ontario Ministry of Agriculture and Food (OMAFRA) where sources of funding may be available for specific initiatives | TBD |
| Action 7 | Work in cooperation with relevant Brock University and Niagara College institutes, as well as Vineland Research and Innovation Centre to identify market opportunities and provide linkages | TBD |

PERFORMANCE METRICS

- BR&E calls and meetings
- Food incubator outcomes and activities
- Businesses retained
- Expansion projects
- New investments
- Investment-related events
- Contacts and leads generated

PRIORITY LEVELS LEGEND

- HIGHEST PRIORITY & VERY TIME-SENSITIVE
- IMPORTANT & TIME-SENSITIVE
- ▼ DESIRABLE & LESS TIME-SENSITIVE

PART F SECTORS OF FOCUS

5. Health Care

A critical mass of health care assets is coming together in St. Catharines, through the strengthening of the Niagara Health System's presence in the City, Brock University's Cairns Family Health and Biosciences Research Complex, Brock's soon to be expanded incubation spaces, and McMaster University's satellite medical campus. The critical next steps to realizing commercialization are to strengthen collaboration and networks and to build a critical mass through partnerships in the Hamilton-Niagara-Buffalo corridor.

FOCUS ON HEALTH CARE AN EMERGING, GROWING CLUSTER

A GATEWAY TO EUROPE

Canada and Europe have similar approval regimes, giving nearby U.S. firms experience and precedents before tackling the European market.

HAMILTON-NIAGARA-BUFFALO

The new Binational Research & Innovation Corridor (BRIC) links universities and healthcare with nearly \$1 billion in annual research spending.



BROCK UNIVERSITY ASSETS

- Cairns Family Health & Bioscience Research Complex
- BioLinc incubator
- Incubation expansions plans
- Promising breakthroughs by Canada Research Chair holders

SOFT LANDING SPACE OPTIONS

- To nurture start-ups, ideally with laboratory space
- \$19 million BrockLINC facility (Under Construction)
- Downtown

HEALTH CARE OBJECTIVES & ACTIONS

OBJECTIVE: Grow an innovative health care sector

- Action 1** Retain and strengthen the presence of existing firms via the City's corporate calling program
- Action 2** Create/collaborate and build networks that can identify and commercialize products and processes and assist with the growth of a health care science cluster surrounding the existing hospital, given appropriately zoned lands
- Action 3** Partnerships may include McMaster University, Niagara Health System, Brock University, Niagara College, Buffalo-Niagara and Niagara Region, who can all speak to and help identify new opportunities and trends
- Action 4** Articulate and promote the case for St. Catharines, as part of the Buffalo-Niagara-Hamilton corridor, to be a hub that facilitates access to both the U.S. and Canadian markets and exports to Europe spurred by the Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

ONGOING

ONGOING

2018
ONGOING

ONGOING

PERFORMANCE METRICS

- Regular qualitative evaluations of the level and evolution of collaboration among representatives of the key stakeholders
- Businesses retained
- Expansion projects
- New investments
- Investment-related events
- Contacts and leads generated

PART F SECTORS OF FOCUS

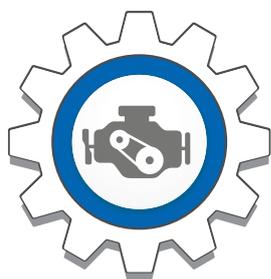
6. Manufacturing

The deep tradition of manufacturing in the city provides a workforce that is attractive to firms seeking specialized and innovative products and solutions. Retaining and expanding the presence of existing firms is paramount. There is a need to evaluate the changing market environment and how partnerships and associations will need to be leveraged as the Fourth Industrial Revolution ensues.

SHIFT TOWARDS SPECIALIZATION, SOPHISTICATION OPPORTUNITIES IN ADVANCED MANUFACTURING

AUTOMOTIVE / MOBILITY

RETAIN GROW



- 2,175 direct jobs
- 2016 labour agreement followed by GM investments in St. Catharines Powertrain
- The term “mobility” recognizes major technology shifts: fuel alternatives, ride-sharing models, autonomous vehicles

GREENHOUSE SYSTEMS

GROW ATTRACT



- Rise of sophisticated automated systems for lighting, irrigation, nutrients
- Leverage Niagara’s dominant role in Canada’s greenhouse industry

SUPPLY CHAIN

RETAIN GROW



- Leverage St. Catharines’ transportation and location assets (eg. Lakefront, HWY H2O, 400 series highways)
- New opportunities with GE’s Brilliant Factory in Welland and Solar City in Buffalo

OBJECTIVE: Support retention and growth of the St. Catharines manufacturing sector

- | | | |
|-----------------|--|--------------|
| Action 1 | Support retention and growth of local manufacturing companies via the Economic Development corporate calling program | ONGOING |
| Action 2 | Target opportunities to grow and attract manufacturing, research-based and service firms | 2018 ONGOING |
| Action 3 | Continued participation as an ex-officio board and committee member of the Niagara Industrial Association (NIA) to ensure knowledge of existing issues and trends. | ONGOING |
| Action 4 | Highlight alternative funding mechanisms to assist with growth (Inclusive of provincial, federal, and venture capital funding) | ONGOING |
| Action 5 | Identify future industries of growth (eg. electrification, autonomous vehicle production, solar). Educate and network our existing base of businesses to decision makers within government | ONGOING |
| Action 6 | Lobbying for complementary and fair policies for business, directly and through associations such as the Ontario Auto Mayors’ Caucus | ONGOING |
| Action 7 | Promote and facilitate supply chain opportunities associated with manufacturing, eg. the GE Brilliant Factory (Welland) and Solar City (Buffalo) | ONGOING |
| Action 8 | Leverage partnerships with secondary and post-secondary institutions to retain and build a highly skilled workforce | ONGOING |

PERFORMANCE METRICS

- Businesses retained
- Expansion projects
- New investments
- Investment-related events
- Contacts and leads generated
- Connections and introductions designed to encourage networking among local businesses

130
MILLION
PEOPLE
WITHIN
500
MILES

#OurHomeSTC

