

# Memorandum

Date: December 3, 2019

To: Members of Council

From: Sandra Dolson, Economic Development Officer, Strategic Initiatives

Subject: Economic Development Strategy Project Update

Caledon Council's Work Plan and the Corporate Strategic Plan reflect the importance of our rural economy and the need for an Economic Development Strategy (Strategy) for the Town of Caledon.

On June 18, 2019 Council received an Economic Development Strategy Project Overview memorandum which outlined the purpose and next steps regarding the project.

The Strategy will provide relevant direction in the form of short, medium and long-term goals and actions to guide the Town's Economic Development initiatives for the next 10 years.

It will also provide important guidance to the Official Plan Review process regarding business attraction and retention.

This memorandum is provided as a project update and to highlight key findings from the research/consultation stage.

## Project Schedule

|                      |   |
|----------------------|---|
| July, 2019           | MDB Insight, an experienced consultant specializing in Economic Development hired |
|                      | Project commenced   |
| July – August        | Background review and economic base analysis                                      |
| September – November | Consultation, assessment, consultation report and SMT presentation                |
| December – January   | Best practice review, economic vision, action plan & implementation strategy      |
| March/April, 2020    | Final strategy and report to Council  |

The project has two components: 1. Research and, 2. Strategy & Implementation Plan Development

## 1. Research and Consultation

The Strategy will be based on relevant research using the most current data from various sources, consultation and best practices.

The background review, economic base analysis and consultation has been completed.

### Research: Key economic base factors

- 12% population growth from 2011 to 2016.
- 38,845 in the labour force.
- 22,000 residents travel to communities including Toronto, Brampton & Mississauga to work in retail, finance, insurance & healthcare. 6,000 residents work in Caledon.
- Caledon attracts 13,000 workers from other communities to work in manufacturing, transportation & warehousing & agriculture.
- 3,237 businesses, 68% sole-proprietorships and 27% employ 1-9 people.
- Concentration of transportation & warehousing, construction & manufacturing businesses.
- Growth in construction, retail, accommodation & food services.
- Caledon's agriculture sector accounts for 87% of Peel's total gross farm receipts - \$81 million.

### Consultation: Summary

- One on one interviews with Mayor, CAO, Councillors, and several staff
- One on one interviews with cross section of business owners: 10
- Online community survey: 213
- Online business survey: 42
- Random telephone Business Retention and Expansion survey: 85
- Business consultation session: 14 in attendance

### Consultation: Key findings

#### General Public:

- 89% indicated that '*Caledon is an excellent place to live*' and 62% indicated that '*Caledon is welcoming to newcomers*'.
- Satisfaction was highest with services including waste management, public library, community festivals and events, education, recreation facilities and services, housing choices and healthcare services.
- Satisfaction was lowest with services including planning and development, employment services, retail shopping environment and transportation infrastructure.

#### Business Community:

- Business satisfaction is quite strong at 79%; with 33% being very satisfied and 46% somewhat satisfied.
- 29% of all businesses indicated an increase in revenues compared to 36% decline and 33% no change over the last 12 months
- 51% of businesses expect revenues to increase in the next year

- 68% of businesses plan on maintain operations, while 17% of businesses aim to expand over the next 2 years.

The business community was asked “how satisfied they are with various services and factors of doing business in Caledon. For each item, they were asked to rank: *Very Satisfied, Somewhat Satisfied, Somewhat Dissatisfied or Very Dissatisfied.*”

- Water availability, cell service, roads & highways and medical services were rated as very satisfied
- Housing, taxes, skilled labour rated as somewhat satisfied
- Areas such as internet services, unskilled labour, property for purchase or lease, funding programs, development charges and development/building process were rated lower in satisfaction level.

Businesses and residents were also asked to “indicate how important each of the following factors are to the future growth of Caledon by rating: *Very Important, Somewhat Important, Somewhat Not Important, Not Important at All or Don't Know.*”

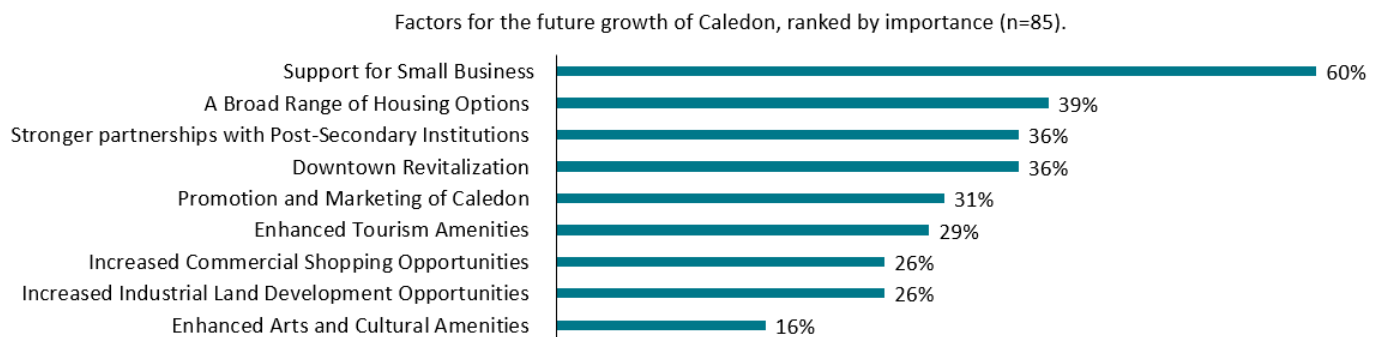


Figure 1

Through the interviews and consultation with the business community, the following were identified as priorities to achieve:

- Business support initiatives that promote business retention and expansion, innovation, supply chain growth and cluster development.
- Partnerships with post-secondary institutions and leveraging of regional innovation ecosystem to promote local innovation, entrepreneurial growth.
- Improved broadband and digital awareness for businesses to participate in the creative economy.
- Reduced red tape as it relates to development approvals and a more customer service approach in dealing with business and investors.
- Take a leadership role in the growth of food processing and agri-food business opportunities given the rural nature of Caledon.
- Walkable corridors and improved trail connections to connect villages and urban areas.
- Encourage densification and ensure a wide range of housing options to meet the demands of current and future residents.
- Targeted tourism initiatives that support a four-season market for visitors and investors.

- Improved storytelling and innovative message delivery about good news stories, sector strengths and opportunities/careers available in the municipality.

Identified challenges:

- Need for a timely and effective development approval process.
- The lack of adequate broadband service is a significant constraint in attracting and retaining businesses.
- Need to update and modernize OP and zoning bylaw; move from prescriptive approach to permissive approach.
- Gaps in transit infrastructure is affecting commercial development and the ability of business to attract/retain workers.
- Lack of affordable housing and rental options is affecting residential and commercial growth.
- Caledon's business community is not aware of business support funds and/or programs that Caledon Economic Development offers.
- Big box retailers affecting the ability to attract and grow niche retail, professional service firms, co-working spaces and alternative commercial uses.
- Lack of support for tourism and the promotion of community-based assets.
- Available employment land is in private ownership, limited public land available for development

## **2. Strategy & Implementation Plan Development**

The Strategy will consist of a vision, goals, strategies, and measurable action items to achieve diversified business attraction, business retention, downtown revitalization, support rural/agricultural businesses, development and growth of entrepreneurship and the tourism sector.

The Strategy will include an Implementation Plan (Plan). The Plan will include, but not be limited to:

- realistic and prioritized short, medium and long-term actions and tactics including roles and responsibilities, timeframes, evaluation criteria, and key performance indicators
- recommendations for improvement of investment readiness, including employment land needs
- recommendations for tools and tactics to encourage downtown revitalization
- recommendations to improve community capacity gaps to foster the development of the identified sectors and attract business
- identify financial implications, funding sources and potential partnerships
- recommend potential key sectors, newly identified or otherwise, to pursue for increased economic diversification including a plan to target those sectors
- recommendations of potential collaborative and alignment opportunities with partners
- identify staff capacity to execute actions and based on comparators and best practices, provide advice/recommendations should gaps exist

The Strategy will provide the Town of Caledon, its business community, leadership, and Economic Development and Tourism Division with a significantly improved understanding of trends and key policy

directions, actions and tactics to be undertaken by the Division and by municipal Departments and may include partnership with key businesses and organizations.

### **Next Steps**

Best practice review – December 2019  
Strategy & Implementation Plan – January 2020  
Report to Council – March/April 2020