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CONSULTATION ON THE ECONOMIC STRATEGY

The Planning and Economic Development Committee recommends the following:

1. The presentation by Donald Eastwood, Director of Economic Strategy, be received; and
2. The recommendations contained in the following report, August 21, 2003, from the Commissioner of Planning and Development Services be adopted:

1. RECOMMENDATIONS

It is recommended that:

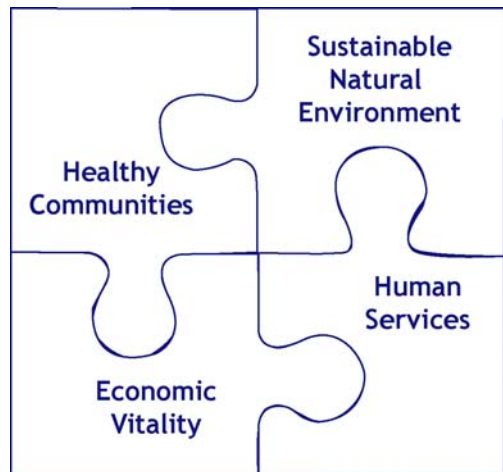
1. The work program for the consultation phase of the Economic Strategy as outlined in this Report be endorsed.
2. Staff be directed to bring forward to a future Planning and Economic Development Committee Meeting a Discussion Paper on strategic economic issues to be addressed during the consultation process outlined in this Report.

2. PURPOSE

The purpose of this report is to seek Council's endorsement of the proposed work program for consultation in the preparation of an Economic Strategy.

3. BACKGROUND

In November 2001 Council approved a staff report setting out the broad parameters and elements of the process to create an Economic Development Strategy for York Region. The strategy would serve to realize the long-term goals of "A Vibrant Economy" within *Vision 2026*. It would also reinforce the major cornerstone of economic vitality in the Region's Official Plan.



The strategy would establish the “niche” for the Economic Development Branch and articulate the Region’s complementary and supporting role to the economic development initiatives of the area municipalities.

The work program to develop the economic strategy comprises three phases:

- Phase One: Analysis
- Phase Two: Consultations
- Phase Three: Action Plan Development

This report outlines the status of work to date in Phase One and sets out a consultation process for Phase Two.

3.1 Status of Activities in Phase One

Phase One involved assembling and analysing a broad range of information related to the Region’s past and recent economic performance. It was comprised of the following elements:

- Analysing economic data to assess York Region’s competitive position in the investment market place.
- Evaluating the physical and social infrastructure within the Region that has the ability to support economic development.
- Assessing the economic development roles of the Region, the area municipalities, the business community, economic development partners and the province.

A Competitive Assessment Study of York Region was undertaken and completed in 2002. The final report “*A Competitive Assessment of York Region, November 2002*”, was presented to the Planning and Economic Development Committee on February 5th, 2003. The study was initiated to assess York Region’s competitive position in the investment market place relative to other comparable regional, national and international jurisdictions. The Report found that York Region was indeed a very attractive and competitive location for new and expanding business investment. The study underscored three key drivers, namely:

- transportation/transit
- housing
- a skilled workforce

that are critical to maintaining the Region’s competitiveness and ensuring future economic development.

3.2 Linkages to Other Regional Initiatives

“*A Competitive Assessment of York Region*” reinforced the importance of the Region’s many existing and future initiatives and programs that will ensure the Region remains competitive.

The economic development efforts of the Region must be integrated with other Council initiatives such as the Transportation and Transit Master Plans, the Housing Supply Strategy, the Human Services Strategy and the Tourism Marketing Program. The focus of the Region’s efforts to sustain economic diversity and vitality will have to increasingly be focussed on collaboration with other agencies and levels of government.

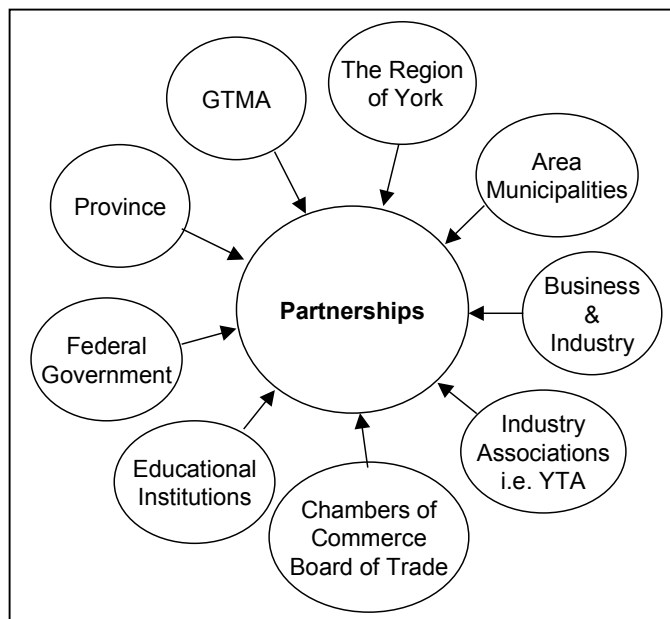
The capacity of the Region and the area municipalities to sustain economic development is dependent on both physical or “hard” infrastructure (transit, roads, water/sewer, and telecommunications) and social or “soft” infrastructure (education, health care, and human services).

The process that is set out in this report provides for a high degree of involvement and participation by regional staff from a number of functional areas that will impact on the Region’s economic development efforts. The process also provides for the involvement of outside agencies that are involved in the delivery of services that impact the Region’s economic vitality. The input of the business community and private sector stakeholders is also of critical importance in developing a strategy that effectively leverages the Region’s assets in attracting and supporting job creating investment.

3.3 Rethinking the Region’s Role

The evolution of new organizations and changing mandates within the public and private sector to pursue economics objectives means that the Regional Municipality of York needs to rethink its role in economic development. The number of stakeholders in economic areas is broad and varied as indicated in the chart below.

By employing a consultation process within the work plan for the creation of the strategy, we will be able to reassess the Region’s economic development role in relation to a range of stakeholders and partners. Opportunities for new co-operative partnerships with these organizations will arise.



4. ANALYSIS AND OPTIONS

4.1 Consultation Work Plan

The attached flowchart sets out the consultation process that staff proposes to gather input from internal and external stakeholders as part of the strategy development process (*See Attachment One*).

The process begins with Council approval of the consultation process in September.

Targeted for fall 2003, staff will bring forward a Discussion Paper to Planning and Economic Development Committee that provides a starting point for a dialogue about programs, services and infrastructure to support the Region's economic vitality.

The Discussion Paper will be structured to assess what factors influence the Region's capability to support the three key action areas of *Vision 2026*:

- Attracting and Supporting Business
- Encouraging Continual Learning
- Promoting and Supporting Innovation

The Discussion paper would serve to identify what strengths, weaknesses and opportunities need to be addressed in the Region's economic strategy. This document would serve as the basis for discussion and focus the input of stakeholders during the consultation process. If required, to facilitate a more thorough discussion of the strategy process, a workshop with the Planning and Economic Development Committee could be scheduled. Once Council review of this document is complete, the public consultation process would be commenced.

Late October or early November, staff will convene meetings with representatives of the area municipalities, Chambers of Commerce, and Board of Trade and other economic development partners. These meeting will identify and define their respective roles in promoting economic development within and outside the Region.

A sequential process is proposed for an external consultation program, similar to that used for Vision 2026. The consultation work program calls for a series of workshops and engagement of the various sectors such as:

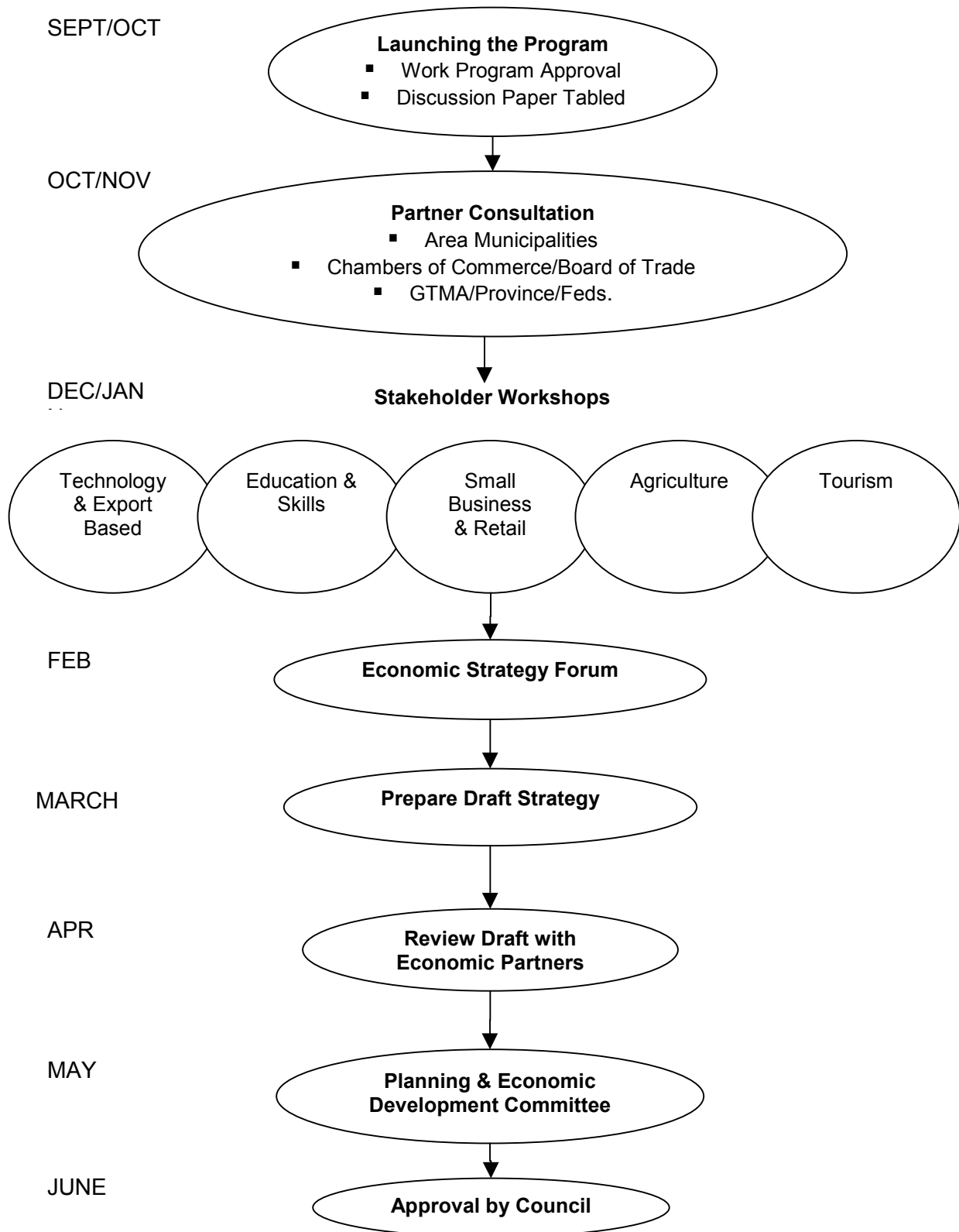
- Technology and Manufacturing Industries
- Education and Skills Development
- Tourism
- Small Business and Retail
- Agriculture

These would take place in December and January.

In February 2004 a Regional Economic Strategy Forum would be convened with a broad cross-section of business and economic stakeholders to validate the results of the sectoral

meetings and to identify and integrate key action items that need to be included in the Strategic Plan. Staff would then draft a preliminary strategy based on the results of the consultation.

ECONOMIC STRATEGY CONSULTATION WORK PROGRAM



In April staff would review the draft Strategy and Action Plans with the economic development partners and area municipalities.

A Council Workshop will be considered to review the draft strategy and action plans that have emerged from the consultation process. A final report to Committee and Council seeking endorsement of the Strategy and setting out an implementation plan would be presented in June.

This type of approach takes and builds upon the approach that has been used effectively to address other issue areas in the Region including the Tourism, Housing and Human Services Strategies. The co-ordinated efforts of all the stakeholders and partners is critical in ensuring that region-wide efforts are appropriately targeted and identified and will lead to the creation of a sustainable economic development plan.

It is anticipated that the initiative will take place over approximately ten months with the delivery of a final Economic Strategy document to the new Council in June 2004. In order to keep Regional Council, staff, stakeholders and the business community and public informed, a communications plan including status reports to Council, newsletters and briefings for area municipal staff throughout the process will be undertaken.

A dedicated Regional web page, email address and advertising in local business publications will inform the business community of the Strategy process and allow for feedback via email, phone and fax. Bulletins will be made available to the Chambers of Commerce, Municipal offices, Business Enterprise Centres, affiliated associations and public libraries for posting.

4.2 Managing the Process

The consultation work program for the Economic Strategy will be managed by the Director of Economic Strategy working under the direction of a Strategy Steering Committee comprised of members of the Senior Management Group.

The Strategy Steering Committee will provide overall direction for the process by ensuring that appropriate staff are included in the consultation and action plan development phases of the Strategy work program. The Steering Committee will also ensure that area municipal staff and representatives of outside agencies are included in the process. An Advisory Committee appointed by the Steering Committee of Directors and Managers of various Departments may be convened at various stages during the consultation program.

The role of the Advisory Committee will include reviewing the findings of the Competitive Assessment Study and Discussion Paper and providing input and feedback on the consultation process. Subsequent to the business community consultations, the Committee will review and suggest draft action plans for the Strategy.

The Sector Workshops and Economic Strategy Forum participants will be asked to validate the results of the Discussion Paper and to provide input for discussion in the creation of action plans for the Strategy. Key players will be identified for further participation in the drafting of action plans and to act as champions in the implementation and monitoring phase of the Strategy.

The Planning and Economic Development Committee will be accountable to the Regional Council for the preparation of the Strategy, approving the consultation work program and reviewing the results of the consultation process before recommending a Strategy to Regional Council for adoption.

4.3 Relationship to Vision 2026

This consultation work program supports and implements the “Vibrant Economy” goal as outlined in Vision 2026. By engaging the area municipalities, partners and stakeholders in a directed consultative process, the Regional Municipality of York will focus on the following action areas as the basis for the Economic Strategy:

- Attracting and supporting business
- Encouraging continual learning in support of a highly skilled workforce
- Promoting and supporting innovation and advanced technology

The Strategy will also integrate and complement strategic Regional initiatives and programs already in place such as the Housing Supply Strategy, the Human Services Strategy, Transportation and Infrastructure Master Plans and the Greening Strategy.

5. FINANCIAL IMPLICATIONS

The Region’s share of the project costs to undertake the final preparation of the Strategy and associated initiatives are included in the 2003 Operating Budget for the Economic Development Branch of the Planning and Development Services Department.

It is estimated that approximately \$25,000 will be required to assist in organizing, administering and facilitating the Working Group Sessions. An additional \$20,000 for communications and printing will also be required. Financial support from the Province of Ontario and HRDC will be sought.

6. LOCAL MUNICIPAL IMPACT

The Region and area municipalities have a complimentary role to play in attracting and nurturing economic development. Through consultation, development and implementation of the Regional Economic Strategy, area municipal councils and their staff will be called upon for their active involvement. By promoting opportunities and identifying new partnerships, the establishment of an Economic Strategy will serve to compliment the efforts between the area and regional municipalities and focus on economic development efforts.

7. CONCLUSION

The Economic Strategy Initiative brings together the Region, the municipalities, business community and partners to openly discuss and forge agreement on the creation of a strategic action plan. The draft timetable of the Consultation Process is attached. Workshops for stakeholder groups are planned for December/January. An Economic Strategy Forum will follow in February. All members of Regional Council, the area municipalities and identified business leaders will be invited to attend. The result of this process will be the creation of an Economic Strategy that will have established and defined action areas and identified roles for all economic development partners. It is

intended that the draft Strategy will be prepared for the new Council's consideration in June 2004.

The Senior Management Group has reviewed this report.

(A copy of the attachment referred to in the foregoing is attached to this report and is also on file in the Office of the Regional Clerk. A copy of the slide presentation is also on file in the Office of the Regional Clerk.)