



County of Elgin Economic Development Plan Update 2015-2018

Action Plan and Recommendations

February 2015





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1. Re-Focusing Our Economic Development Efforts

July 2006 saw the creation of the Economic Development and Tourism Services department in the County of Elgin. Along with a mandate to deliver economic development programming and services for the County, the new department also assumed the role of the former St. Thomas and Elgin Tourist Association (STETA) effectively taking the lead role for tourism development and marketing in the County.

Since the creation of the Economic Development and Tourism Services Department in 2006, the County of Elgin has overseen the development of an Economic Development Strategy (2007-2011), subsequently updated in 2011, a Tourism Development and Marketing Plan (2009), an Agri-Business Investment Attraction Strategy (2013), as well as the ongoing implementation of a business retention and attraction program. The department has also been actively engaged in promoting economic development and tourism opportunities in the County through its online presence, print material and attendance at relevant trade shows and conferences. Savour Elgin, the County's marketing initiative for culinary and agricultural tourism in Elgin, is the most noted of Elgin's marketing campaigns. The department is also participating in the implementation of the Elgin and St. Thomas Labour Force Development Strategic Plan and continues to provide significant ongoing financial support for the Elgin Business Resource Centre satellite offices located in Aylmer and Dutton.

While the underlying economic conditions in the County and southwestern Ontario remain positive, changing global economic conditions and the 2008 global recession have had an impact on the area's economy in the form of lost investment and tax assessment and a decline in local employment levels. Manufacturing employment in particular, was dealt a significant blow with the closure of the St. Thomas Ford Assembly Plant in 2011. This decline followed a larger trend across the province due in part to the historic underinvestment in manufacturing operations, together with the high value of the Canadian dollar. While the Canadian dollar is now below par compared to U.S. currency, manufacturing in Ontario continues to underperform relative to North American peer states in terms of both output and employment.

Despite these recent challenges, Elgin County as a whole has seen an increase in population growth with much of that growth occurring in Bayham, Central Elgin and Dutton-Dunwich. However, the loss of population in communities like West Elgin and Aylmer coupled with the overall decline in employment levels across the County must be viewed as a warning flag for the community and addressed to the extent possible by the County's economic development efforts.

Given the time that has lapsed since the last economic development plan and marketing strategy coupled with the changes evident in the marketplace, a review and refresh of the strategies and actions intended to guide economic growth in the County is required.



1.1 Current Economic Development Plan

Elgin County's current economic development plan (2011) was a deliberate effort to be more innovative in the approach to economic development. To this end, the plan recognizes the fact, that as a predominantly rural community, quality of place and attractive local amenities can draw talented people, which in turn can attract business investment, whether manufacturing, agri-business, retailers or tourism operations.

This notion of 'culture-led' economic development emphasizes the value of *place and of place-making* in a community – from historic towns and villages to accessible waterfronts, culinary trails and farmers markets. The County of Elgin, as evidenced through its economic development and tourism programming has a unique quality of place, offering residents and visitors idyllic rural landscapes, historic towns and villages, agri-tourism and waterfront living, as well as a wide variety of recreational and cultural pursuits. This in turn has provided the region with a strong competitive advantage on which to attract investment, talent, future residents and visitors and supports the premise of Elgin as a creative rural economy.

The 2011 plan's intent of building on Elgin's agricultural and manufacturing roots continues to be the basis for economic growth in the County.

FIGURE 1 – ELGIN COUNTY ECONOMIC DEVELOPMENT PLAN (2011)

BUILD SOCIAL CAPITAL

- Develop civic pride
- Enhanced networking

ENHANCE THE BUILT ENVIRONMENT

- Fully utilize employment lands
- Protect our heritage
- Create engaging public spaces

DEVELOP TALENT AND ENTREPRENEURS

- Strengthen linkages to research institutions
- Support enterprise development
- Engage in and reinforce life-long learning

TELL OUR STORY

- Focus and target the message
- Engage local leaders



1.2 Tracking our Progress

As anyone who is familiar with economic development will appreciate, sustainable economic development is a complex undertaking and an ongoing process. Building a successful plan requires an understanding of how different aspects of a larger regional economy can interact to create local economic development opportunity, having the tools to leverage these opportunities and the sustained commitment to make it happen. This includes first and foremost, building and leveraging local capacity – a major theme in the 2011 plan, as well as the necessary resources including labour, location, capital, entrepreneurs and business composition.

While there have been many successes associated with the 2011 Plan, several of the actions in the implementation plan are still ongoing and will require additional efforts or resources to be fully realized including the need for greater collaboration and input from local municipalities. The importance of tourism related activities to regional economic growth means it is also essential that the economic development plan better reflect the current tourism opportunities for the County and the ongoing efforts of both local and regional partners. Updating the County's current marketing activities and programming to more effectively leverage strategies and tactics that reflect best practices including the use of digital technology and social media is also a major consideration for updating the County's economic development plan.

As part of the County's commitment to keeping local partners and external stakeholders informed of the progress and status of the economic development plan moving forward, a monitoring report will be prepared and shared. A similar report has been compiled for the 2011 economic development plan and 2009 tourism strategy, as part of the review of the implementation effort of these two plans. The results of this review are included in **Appendix A**. Ongoing efforts considered relevant to the 2015 economic development plan have been carried forward to ensure continuity.

1.3 Notes on Data

This report has used a wide variety of data to support of the County's most recent economic performance. Every effort has been made to ensure consistent time series, and that the most recent data has been used where available.

To this end the report has relied on available 2006 and 2011 population Census and National Household Survey data available for the County of Elgin, its member municipalities and the Province of Ontario. Business patterns data for 2008, 2012 and 2013 was obtained from Statistics Canada.

Data obtained from the 2011 Census of Agriculture, Elgin-Middlesex-Oxford Workforce Planning and Development Board, OMAFRA EMSI Analyst Tool and Ontario Marketing Partnership Corporation's Consumer Insights Research Database has also been incorporated.



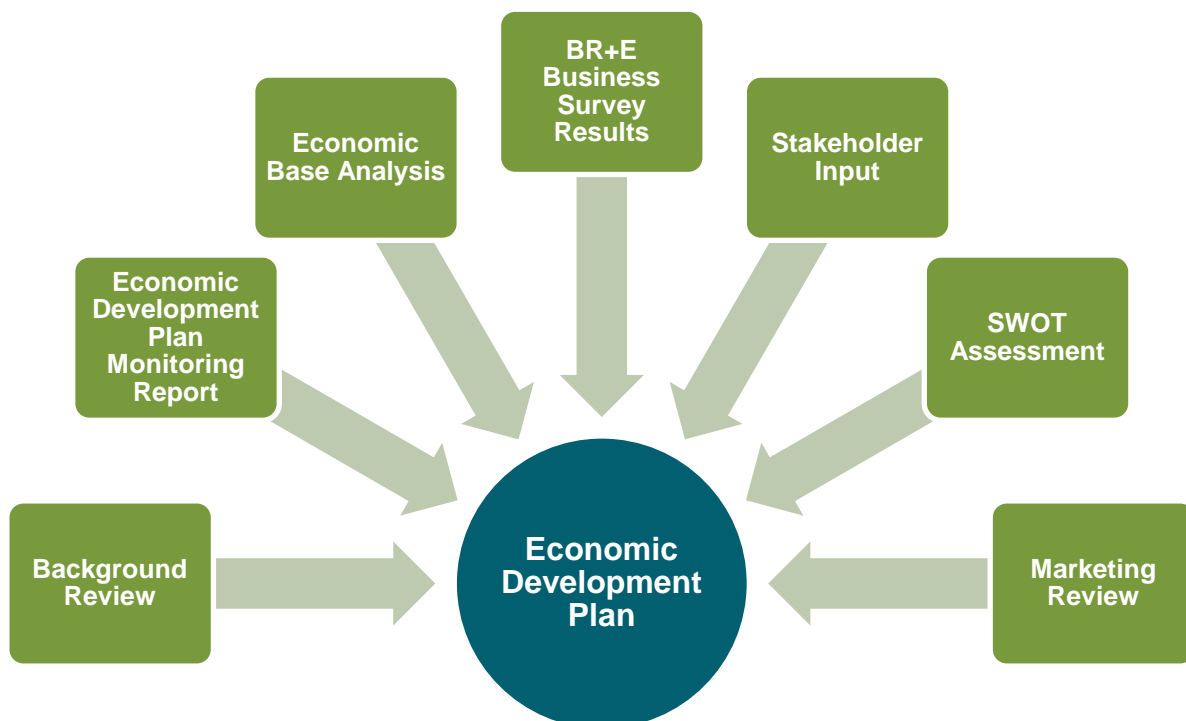
2. Rational For Updating the Economic Development Plan

As noted previously, a critical consideration to the updating of the County of Elgin economic development plan is an understanding of the community's recent performance against a range of local and regional socio-economic indicators. Combined with an analysis of current and emerging business investment trends, input from the County's ongoing business retention and expansion (BR+E) program and an evaluation of the County's current marketing program, this information is used to inform a discussion of the County's economic performance and quality of place experience and the degree to which this can be further leveraged or supported for future economic growth.

This analysis, together with input from select stakeholders, elected officials and senior staff from the local municipalities and an updated SWOT assessment (strengths, weaknesses, opportunities and threats) were then reviewed to determine the county's ongoing value proposition for the attraction of business, investment, tourists and residents to the community. The narrative that follows summarizes some of the key findings that emerged during this process. The appendices to the report provide a more detailed understanding of the range of issues and factors impacting economic growth in the County.

Figure 2 illustrates the process for updating the County of Elgin economic development plan.

FIGURE 2: STRATEGIC PLANNING PROCESS





2.1 Our Recent Economic Performance

Since the adoption of the 2011 Economic Development Plan, Elgin County's economic development department has focused their efforts on activities and programming that support the four goals of *building social capital; enhancing the built environment; developing talent and entrepreneurs; and telling the County's story*. While it is always challenging to directly attribute improvements in a local economy to the implementation of an economic development plan, the County's recent economic performance efforts suggest that the County's economic performance, as a whole has improved since 2006.

Elgin's population continues to increase

Elgin experienced a moderate rate of population growth between 2001 and 2011. This was lead in part by the appeal of communities like Bayham, Dutton Dunwich and Malahide, which in turn has resulted in a median age of the population that is on par with the province. While the rate of growth in recent years has been tempered somewhat, this can be attributed in part to the impact of a global recession and the general decline of manufacturing across southwest Ontario. In particular, the closure of the St. Thomas Ford Assembly Plant in Southwold has had a dramatic impact on the growth of that community, but the impact can be felt across the region. The County's 2011 Official Plan projects that the County and St. Thomas will jointly experience an increase of more than 19% in their total population over the next 20 years (2031). This is a strong rate of growth for a predominantly rural area of the province and consideration should be given to how best to accommodate this opportunity including the need for additional housing, the demand for industrial and commercial land and buildings, and the quality of public spaces (e.g. waterfronts) and downtowns that support this growth.

Manufacturing is still a predominant sector in Elgin

Despite the general decline of manufacturing in Ontario, the manufacturing sector continues to dominate the local and regional economy with more than 17% of the local workforce employed in this sector. While a significant loss in manufacturing employment between 2006 and 2011 contributed to a drop in Elgin's total employed workforce, the number of manufacturing operations in the County is again on the increase, as evidenced by 2013 business patterns data from Statistics Canada. The result of the recent Manufacturing BR+E Survey also reinforces the strength of the County to attract and retain small to medium sized manufacturing operations. The majority of those businesses consulted suggested that they have plans to expand in the short term due to increase demand for their product which will require the hiring of additional staff.

The current economic development plan (and other reports before it) highlights the lack of serviced employment land and suitable leasable industrial space, as a serious deterrent to the growth of the County's manufacturing base. However, an important consideration in the servicing of additional land (a municipal cost) is the need to provide the asset where demand is likely the greatest in order to see a timely return on investment. Currently, the majority of vacant employment land in the County is privately held which means the County and the local municipalities are not able to influence the pricing or the timing of development. In addition the County is restricted in its ability to purchase and service employment land.



It is also important to note, that future demand for employment land and buildings is likely to take the form of small, niche based manufacturing operations. This is likely to drive demand for vacant existing buildings rather than purpose-built greenfield development.

Major shifts underway in agricultural sector

The province's agriculture sector has a significant impact on the economic growth and stability of rural communities across Ontario. It has the potential to create employment, build the economy in rural communities and grow Ontario's Gross Domestic Product¹. The impact in Elgin County is evident both in the number of people employed in agriculture and the number of businesses and diversity of the sector and the related supply chain. Currently, Elgin's agricultural operations include producers, processing and related food manufacturing. The sector is also seen a primary contributor to the growth of the region's tourism sector.

As with other sectors of the economy, the integration of technology and need for economies of scale has contributed to the decline in the number of farms across Ontario and Canada. The 2011 Elgin County Agriculture and Labour Force Analysis Study completed by the Elgin-Middlesex-Oxford Workforce Planning and Development Board reported that the number of farms in Elgin County declined from 1,764 in 1991 to 1,489 in 2006, a decline of 15.6 percent. The 2011 Census of Agriculture suggests that this trend is continuing with a further loss of 143 farms since 2006.

Also trending across Canada and Elgin County is the consolidation of small and medium farms into large farm corporations. The Agriculture and Labour Force Study consultation process revealed that most farmers have indicated the need to 'go big' in order to profit from their farming operations. One of the reasons contributing to this is the low price received for their commodities. The Study showed average prices of major commodities received by Ontario farmers from 1981 to 2009 have not increased much from their 1980s levels. With little fluctuations in the price of many commodities, smaller farms have seen decreases in their total gross farm receipts while larger farms have been more profitable.

Figure 3 illustrates the trend towards larger farms in the agricultural community.

FIGURE 3: TOTAL FARM AREA CLASSIFICATION, ELGIN COUNTY

	Census Years			Difference		Percent Change	
	2001	2006	2011	2001-2006	2006-2011	2001-2006	2006-2011
Under 10 acres	73	76	66	3	-10	4.1%	-13.2%
10 to 69 acres	413	417	376	4	-41	1.0%	-9.8%
70 to 129 acres	349	262	269	-87	7	-24.9%	2.7%
130 to 179 acres	177	134	116	-43	-18	-24.3%	-13.4%
180 to 239 acres	114	98	106	-16	8	-14.0%	8.2%
240 to 399 acres	192	152	157	-40	5	-20.8%	3.3%

¹ "Rural Economic Development" Ontario Federation of Agriculture, <http://www.ofa.on.ca/issues/overview/rural-economic-development.aspx>



	Census Years			Difference		Percent Change	
	2001	2006	2011	2001-2006	2006-2011	2001-2006	2006-2011
400 to 559 acres	71	67	78	-4	11	-5.6%	16.4%
560 to 759 acres	31	51	64	20	13	64.5%	25.5%
760 to 1,119 acres	39	41	57	2	16	5.1%	39.0%
1,120 to 1,999 acres	24	35	45	11	10	45.8%	28.6%
2,000 to 3,499 acres	10	11	10	1	-1	10.0%	-9.1%
3,500 acres +	1	3	2	2	-1	200.0%	-33.3%

Source: 2011 Census of Agriculture

The County's 2012 Agri-business Business Retention and Expansion Report highlights the local interest in diversifying existing business operations and the move towards value added activities which may help to offset the trend towards larger farming operations. Emerging investment opportunities suggest the need for strategies that will attract people to farming careers and encourage supporting research and development opportunities around agricultural issues, processes and product development.

In this regard, the County has acknowledged the need to continue strengthening linkages with nearby research institutions around key agricultural sector research opportunities.

The county continues to attract entrepreneurs and small business

While the local economy shows evidence of diversification, it is overwhelmingly characterized by small companies and enterprises that employ less than 10 people – a trend playing out through much of rural Ontario. In 2013, excluding the businesses consisting of the self-employed – themselves small enterprises – there were over 1,320 businesses in the County that employ 1-4 people and a further 818 businesses that employ less than 10 people - almost 89 percent of all businesses.

Recent data also indicates that the number of small businesses has continued to increase since the completion of the 2011 plan. Between 2008 and 2013 the total number of business establishments across the County grew from 4,987 to 5,680 (13.9 percent) with much of that growth occurring in Malahide, Bayham and Dutton Dunwich. It is important to note that both Alymer and Southwold lost businesses over this period, but likely for very different reasons. In Alymer's case this is more likely to be attributed to the lack of available space to accommodate business expansion (and its proximity/boundary with Malahide), while Southwold was most directly impacted by the loss of the St. Thomas Ford Assembly Plant.

To support future growth and investment in the County, it is essential to understand and support the needs of established small and medium sized businesses across all sectors of the economy. The 2011 economic development plan recognized the need to support local entrepreneurial growth and the County has subsequently provided financial support to the Elgin Business Resource Centre for the operation of satellite offices in both Dutton and Alymer. The County's ongoing BR+E program is also providing insight and understanding into the needs of this element



of the local economy which needs to be shared with the area municipalities and business community.

It should be noted however, that the County is home to a number of larger scale business operations that could be more effectively supported through enhanced marketing and promotion activities.

Creative businesses and enterprises provide economic stability

The County's current economic development plan has been built around the emergence of a more integrated rural economy that supports a broad range of small-scale businesses, with notable strengths in agri-business, tourism, commerce and industry, knowledge based industries, and arts and culture enterprises – a so called 'creative rural economy'. While much of the business and entrepreneurial activity takes place in the more urban areas of the region, business growth is increasing in homes and on farms; a trend consistent with the experience of many small urban and rural communities across the province.

The 2011 National Household Survey data suggests that 23 percent of the total employed labour force in Elgin County are working at creative-based occupations. This is a slight increase over the 22.7 percent reported in the 2006 and the 21.3 reported in the 2011 economic development plan. This is particularly relevant given the impact of the 2008 global recession, as it implies a level of stability in the local economy despite the major economic upheaval that resulted from the recession. OMAFRA's EMSI Analyst Tool also suggests that Elgin County had 883 creative-based businesses operating as of December 2013, an increase of 18 businesses since 2008.

Business support for these creative economy businesses and entrepreneurs is also strong. The Elgin Business Resource Centre supports a mixed-use business incubator (ICE Elgin Incubator) that has attracted trades, bio-tech industries, agricultural businesses, culinary arts and electronics businesses. A privately operated facility (Elgin Innovation Centre) is also providing flexible space options for business tenants and promoting the co-location of small business operations. The Elgin and St. Thomas Labour Force Development Strategic Plan has also identified business support to entrepreneurs and small business operations as a priority. One of the tactics in this regard will be to showcase local creative and emerging industry entrepreneurial success stories through job fairs and municipal websites. This is critical to building awareness and supporting small creative businesses.

2.2 Emergence of Community Based Economic Development

The County has established a strong platform for regional economic development and building on the success of the 2011 economic development plan will be integral to moving forward. Elgin has a strong competitive advantage based on its brand and marketing of the County's quality of place characteristics but the economic and fiscal realities emerging at the local level highlight the need to more directly link the County's economic development planning and implementation efforts to the needs of area municipalities (e.g. downtown revitalization, waterfront development, business retention and attraction etc.).



The 2011 economic development plan was premised on a ‘Grow Elgin’ model – an approach centered on driving economic development programs and actions through a creative rural economy lens. The plan is supported by three pillars; Place-based development (place), Economic Gardening (enterprise), cultivating creativity and talent (people). These pillars are intended to capitalize on the development of the characteristics of the ‘new economy’ that has emerged in Elgin County.

FIGURE 4: CHARACTERISTICS OF THE OLD ECONOMY VS THE NEW ECONOMY

Old Economy	New Economy
<i>Inexpensive place to do business was the key</i>	Being <i>rich in talent and ideas</i> is the key
<i>Attracting companies was key</i>	Attracting <i>educated people</i> is key
<i>A high-quality physical environment was a luxury, in the way of attracting cost-conscious businesses</i>	<i>Physical and cultural amenities</i> are key in attracting knowledge workers
Success = fixed <i>competitive advantage</i> in some resource or skill; the labor force was skills-dependent	Success = organizations and individuals with the <i>ability to learn and adapt</i>
Economic development was <i>government-led</i>	<i>Partnerships</i> with business, government and non-profit sector lead change
<i>Industrial sector (manufacturing) focus</i>	Sector diversity is desired and <i>clustering</i> of relation sectors <i>is targeted</i>
<i>Fossil fuel-dependent</i> manufacturing	<i>Communication-dependent</i> but energy smart
<i>People followed jobs</i>	Talented, well-educated people <i>choose locations first</i> , then look for a job
<i>Location mattered</i> , especially relative transportation and raw materials	<i>Quality places</i> with a high quality of life matter more
Dirty, ugly and <i>poor quality environment</i> were common outcomes that did not prevent growth	<i>Clean, green environment and proximity to open space</i> and quality recreational opportunities are critical
Connection to <i>global opportunities</i> was not essential	Connection to <i>emerging global opportunities</i> is critical

Community based economic development has similar aims, but places more of an emphasis on building local capacity, collaboration and co-operation. The following concepts of community based economic development are important considerations for the 2015 economic development plan and represent opportunities to support the growth of a sustainable and creative rural economy at the local level.

Placemaking in Economic Development



Placemaking is a community and economic development tool that attempts to capitalize on local assets to create appealing and unique places where people want to live, work and play. Unlike other economic development tools, Placemaking requires the support and participation of planning and economic development departments, and a re-thinking of land-use planning.

Historically, being a low cost community was the key to attracting business investment. Many municipalities have waived development fees, frozen property tax rates and levied tax incentives such as tax increment financing, as a means to attract businesses and investment to their community. The challenge in today's economy however, is that businesses that want to locate in a community, want to do so in a timely manner, often require an increasingly skilled workforce, rely on the adoption and deployment of technology for their business operations including broadband infrastructure and need to know that local municipal services (water and sewer) can accommodate their business needs. They are also more likely to consider vacant buildings than vacant land. Consider the rapid growth of small businesses and entrepreneurs in the County and the types of demands they are likely to have in the selection of a business location.

The attributes of a community however, is an important consideration in the attraction and retention of both businesses and workforce. The quality of a downtown, the quality and availability of housing stock, access to recreation and cultural amenities and community and retail services all factor into the decision making. Communities that ignore this, do so at their peril.

For this reason, placemaking has taken on increasing importance for communities big or small, as a means to foster a stronger bond between people and the places they live and visit. This can be characterised as support for arts and cultural amenities, community gathering places, development of waterfront parks and trails, architectural design standards and historic preservation, or walkable streets.

While there are a wide variety of elements and community assets in Elgin County that can contribute to the concept of placemaking, they are largely local in nature. Building local buy-in to a regional placemaking approach to support the growth of cultural tourism, inspire local business development and attraction and encourage residential development will be important to the County in its efforts to build a strong sense of place and ultimately a sustainable economy.

The Growth of Social Enterprises

The non-profit sector is being widely recognized as an important contributor to not only the health and wellbeing of communities, but also the local and provincial economies. Non-profits or often named 'social enterprises' are businesses whose primary purpose is the common good. They use the methods and disciplines of business and the power of the marketplace to advance their social, environmental and human justice agendas.

Social enterprises also represent an important opportunity for rural communities. They mobilize considerable assets in creative ways to serve community needs and contribute to overall quality of life. It is a way of meeting the needs within a community and generating added value that blends social, environmental and economic benefits. It is also an important element for creating vibrant communities with good jobs and strong community support.

The Foundation for Rural Living recently completed a Rural Social Enterprise Project (RSEP) which highlights the predominant needs and issues inhibiting social enterprise investment and



growth. What they found were similar needs and issues to that of any entrepreneurial business (i.e. business models and idea development, support and funding, and lastly partnership development). The research also suggested that those organizations best positioned to support social enterprises were local community economic development departments and/or Community Future Corporations.

There is considerable interest in the social enterprise model in rural Ontario and in particular, opportunities for Elgin County. As of March 2014, a total of 94 Ontario registered non-profit enterprises were operating in Elgin County². In total 59,605 social enterprises are registered with the Province of Ontario³. The Arts and Cookery Bank, the farmers' market initiative along with other aspects of the region's local food movement are examples of the importance of social enterprise operations to the region's economy. Many local food initiatives are social collaborations that combine the interests of farmers, food security and anti-poverty activists, municipal economic development and tourism staff, food businesses, and health-related organizations. Given this diversity of interests building local capacity and networks is often essential for effective collaboration.

Social enterprise development is also a form of employment within rural communities. The growth and expansion of social enterprises can turn significant volunteer hours at a non-profit organization into paid employment.

Renewed Attention to Downtown Revitalization

Downtowns play a significant role in supporting a community. They are a representation of the heritage and character of a community. The downtown is a reflection of a community's prosperity, image and pride. For a downtown to be successful and thrive, it needs to convey a positive image of the community, establish itself as a destination for residents and tourists, provide opportunities for a wide range of employment, foster a strong tax base, act as an incubator for business growth, create community meeting places, enhance the surrounding areas, and provide a feeling of community pride. An active and attractive downtown will leave residents and tourists with a positive feeling about the municipality.

The concept of Downtown Revitalization emerged in the United States around a program known as The Main Street Initiative⁴. This program was developed in the late 1970's, by the National Trust for Historic Preservation, to help preserve the historic built environment by engaging in the preservation of historically significant areas and buildings⁵ at a time when many downtown cores were experiencing a trend of declining traffic and economic growth. Towns and communities have turned to the revitalization program to help position their downtowns as a thriving area for business while providing a safe and pleasant place to visit.

Museums and theatres, farmers' markets and agricultural societies, conservation initiatives, nursery co-ops, and youth-run cafes are just a few examples of social enterprises.

Spruce the Bruce (STB) is a downtown improvement program created by the County of Bruce with its goal to enact positive change to support livable, economically viable communities.

2 <https://www.services.gov.on.ca/locations/serviceDetails.do?locale=EN&id=11590>

3 List Of Ontario Non-Profit Corporations, Blumberg Segal LLP, March 20, 2014

4 The National Trust for Historic Preservation. 2013. A Brief history of the National Trust. The National Trust for Historic Preservation. <http://www.preservationnation.org/who-we-are/history.html>

5 *ibid*



The Ontario Ministry of Agriculture and Food and Ministry of Rural Affairs (OMAFRA) have adapted this model to create a product for Ontario communities. The program is based on the four point approach in the Main Street Initiative that includes targeted strategies for Economic Development, Marketing and Promotions, Management and Leadership, and Physical Improvements.

Given the importance of the County's village cores and downtowns to both tourism development and business and resident attraction, a standardized regional approach/toolkit for downtown revitalization would be of great benefit to the county as a whole. In this regard, the economic development department can play a significant role in supporting local improvement and revitalization efforts.

The STB program offers more than just grants and includes organizational support for communities in the form of design services, policy research and action plan development.

A Shared Approach to Services

Shared service arrangements create opportunities for local governments to provide improved services and reduce costs. Such arrangements also may enable local governments to better identify and act on regional challenges and opportunities through shared decision making and service delivery structures (e.g. serviced employment land, water/waste water capacity and systems, recreational facilities, libraries etc.). This in turn can benefit local landowners and foster additional private sector investment. Local governments also benefit, as it allows continued independence and self-determination on the local matters combined with cost and co-ordination advantages on the issues that transcend municipal boundaries.

Service sharing is a common practice among local public sector organizations and municipalities in Ontario and indeed Canada (e.g. Alberta, British Columbia and Newfoundland and Labrador). Out of 400 municipalities surveyed by the Ministry of Municipal Affairs and Housing in 2012, 369 municipalities share some form of services. Shared service agreements can be organized informally or formally and they can operate through different governance vehicles. Available best practices can help municipalities take stock of their needs, identify opportunities, plan, implement and evaluate new shared service arrangements⁶. Advice on overcoming concerns and sustaining agreements over the long term can also help to streamline the implementation process and ensure the future success of cost savings initiatives.

Given the fiscal realities facing many rural communities, shared service agreements can be an important element to sustaining local services and ensuring long term financial stability. This is particularly true in Elgin County where there is opportunity to facilitate the servicing of much needed employment land thus providing options for the attraction of new business investment. While the County's role in this effort is limited, it can advocate for and support this local need by identifying and understanding the existing barriers to a shared service approach, as many municipalities may have little or no experience in this regard. The results of this investigation could be compiled in a tool-kit that includes: sample by-laws, dispute resolution, best practice inventory etc.

6 The Municipal Finance Officers' Association of Ontario (MFOA) has produced a local guide to Shared Services for Ontario's Local Public Sector. The guide contains best practices and toolkits on the necessities and formalities around Shared Service Agreements between Ontario municipalities. The guide can be accessed through the following link - <http://www.mfoa.on.ca/cmisis/views/encoded-d29ya3nwywnloi8vu3bhy2vzu3rvcmuvnzq4odhimtctmgzhms00n2rjlwe3otutntvinznmnzjztrmozeuma%3d%3d>



2.3 Integration of Tourism Planning and Development with Economic Goals

The 2009 Tourism Development and Marketing Plan was comprehensive and well supported by relevant research and consumer and industry data of the day, much of which was derived from the 2006 Travel Survey Residents of Canada. However, with the passage of time and the exit of the City of St. Thomas from the County's regional tourism marketing activities, it is essential that the County's economic development plan be updated to reflect the importance of tourism to the local economy, the changes in the Provincial tourism infrastructure (i.e. regional tourism organizations), current consumer and travel trends, as well as media consumption habits.

Implications of regional tourism organization

A primary outcome of the Province's 2009 report, *Discovering Ontario* was the creation of 13 regional tourism organizations (RTOs) representing all regions of Ontario. These RTOs now play an important role in supporting a competitive and sustainable tourism sector. RTOs are mandated to provide regional leadership and coordination and to work with industry partners to grow tourism through activities including strategic planning, research, product development, training, investment attraction and marketing.

The existence and activities of the RTO do not preclude local tourism initiatives, or those of Destination Marketing Organizations (DMOs) which typically represent a smaller sub-region within an RTO. The RTOs are designed to be industry led with its own unique programming and marketing strategies to attract its share of Ontario's tourism dollars. Programming at the RTO level cannot be accomplished without the support of local tourism partners including Elgin County and its network of tourism operators.

The Ontario government supports the RTOs annually through a \$40 million budget in addition to a Partnership Fund which is provided to each RTO in recognition of the coordinated approach to tourism service delivery. RTO 1 (Southwest Ontario Tourism Corporation) is third highest in Ontario in its level of funding from this annual budget, excluding the major cities of Toronto, Ottawa and Niagara and the large Northern Ontario RTO, which services an extensive population and geography. Southwest Ontario has an annual budget of \$2,014,000 which is used to fund initiatives in the areas of marketing, product development, investment attraction and workforce development.

The regional tourism organizations are now in their 5th year and have established priorities, strategies and partners to help develop and sustain Ontario's tourism sector. Given the alignment with the Southwest Ontario's marketing and product development goals, Elgin County together with local tourism providers need to build a stronger alliance with the RTO and partner more effectively with their marketing, product development, and industry training and support activities.

Tourism development and marketing plan must reflect consumer needs

Consumer Insights Research has provided data to all of Ontario's regional tourism organizations (RTOs) that characterizes the demographics of their visitors. This allows for the development of tourism marketing strategies that are more responsive to the consumer. Based on available data, Elgin County's visitors are primarily from the London Area and Greater Toronto Area and



Hamilton. This is considered a strong market of consumers seeking experiences in shopping, culinary, sightseeing, beaches, scenic landmarks and small towns/villages on their travels. The research has identified two types of visitors likely to be interested in the offerings of Southwest Ontario - **Connected Explorers** and **Up & Coming Explorers**. The research defines these groups as follows:

- **Connected Explorers** are young couples under 40, both with and without children. They are a confident, youthful, optimistic group with a deep-seated need to travel and expose themselves to many new experiences. Travel for them is about expanding their horizons, and they are looking for a fully packed schedule of activities. Technology is a key part of their travel and they use it at all phases of a trip including researching bookings, planning and especially in sharing their travel experiences once back home.
- **Up & Coming Explorers** consist of young families aged 18 – 34 with children, originating primarily from the U.S. Many have a diverse background with 40-45% being a visible minority or immigrant. This group is recently affluent and emerging into a new life phase that includes fresh experiences such as travel. As they define a new life for themselves travel is an opportunity to learn and explore as a nuclear family. Visiting friends and family is not a primary travel driver for them. While this group often wants to be adventurous and energetic, their travel experiences often start with what is nearby and typically considered a 'core' tourist attraction.

While Elgin County's visitors are not exclusively just these categories, this type of visitor is becoming more typical to the area as they are able to find the experiences they are seeking within the price range and distance from home they desire.

With this research in mind, the area's regional tourism organization has focussed its marketing strategy on these groups and is employing new and innovative technologies to reach this target audience. Elgin County together with the area municipalities will need to mirror this marketing effort if the county is to maximize its reach and increase the level of visitation and economic impact associated with tourism. In 2015, the RTO will be promoting waterfront and culinary activities and experiences, as well as a range of major events. This provides Elgin County with excellent partnership opportunities, as well as the ability to leverage its natural strengths, as part of a larger and sophisticated marketing initiative.

Product development must be a priority for Elgin County. However, it is equally importance that the product lives up to the marketing efforts and does not disappoint the consumer/traveller. In this regard, the County will need to continue to work with its tourism industry representatives and experience providers to ensure a good quality and relevant tourism product.

Adoption of new technologies

In consideration of Elgin County's targeted segmentation research, Elgin County must position itself on the leading edge of technology when planning its marketing and communications activities. Digital marketing, social media and internet based tourism planning is now the norm and expected by travellers.

New technologies have created a new language of services for travellers including travel technology (e.g. virtual tourism), tourism technology, hospitality, e-travel and e-tourism. While the



Internet and its role in tourism marketing continue to evolve, it is now well-established as a primary planning tool for most travellers. In RTO 1's Strategic Plan it has placed the commitment to match and ideally exceed the technology expectations of visitors, meeting planners, media and travel trade. Effective use of web-based tools is a primary means for RTO 1 to increase the collective reach and influence of the regional tourism industry through targeted use of such tools and technology as social media (Facebook, Twitter; Trip Advisor), opt-in e-newsletters (segmented by interest), audio/video clips, group buying initiatives (Groupon, Wag Jag etc.) and presence on specialized portals to support areas of strategic priority.

As Elgin County's visitors rely on the use of technologies to plan and share their travel experiences, the County and its tourism providers need to adopt the use of digital tactics. A detailed approach to the adoption of digital tactics has been described in the 2015 County of Elgin Marketing Plan (Appendix C). This includes digital platforms such as Google Display Network, YouTube, Google Paid Search, The Weather Network and Social Media Sites. Note that digital marketing requires more maintenance, often with weekly or monthly insight reporting and allocation adjustments. Additional resources may be required to provide planning, implementation and optimization of digital tactics.

It may also be possible to use technology to overcome the lack of roofed accommodation in Elgin County. This is a region wide issue that can be addressed through an innovative accommodations strategy. The economic development plan recommends Elgin County undertake an Accommodation Strategy to assess alternative/innovative options for visitor experiences and overnight accommodations. This would include looking at the inventory, market readiness and potential of farmhouse, rural home and cottage rental properties. As part of its Strategic Plan, the RTO 1 is also pursuing this type of accommodation promotion - providing another partnership opportunity for the County, the RTO and local tourism providers.

2.4 Securing a Greater Return on Investment

In principle, a municipality should not pursue an economic development program or service without an understanding or appreciation for the effects that such a project will have on the community or region. For this reason, local officials engaged in economic development need to consider the direct effects on the public treasury, local employment and the general quality of life effects of economic development.

To effectively measure this 'return on investment' however, requires the use of metrics or performance measures that illustrate the relationship between an economic development program or service and the jobs, assessment or economic impact that may result. A best practice review undertaken for the Economic Development Association of Canada (EDAC) provides the following guidelines for the development of metrics to be used by economic development departments or related organizations.

- Measures should reflect activities, but also outputs and most importantly outcomes. Some aspect of quality and customer satisfaction should be part of the outcome measures as well.
- Measures should be identified for major activities as opposed to all activities.



- Targets should be specified separately from measures.
- Some measures may make sense to track on a monthly basis, whereas others will only be meaningful on a quarterly, semi-annual or even annual basis. This then will drive the computing platform for data maintenance.
- All measures must be explicitly defined.
- All measures must have a specified data source.
- All measures should be revisited following a period of data collection (for at least 6 months) to determine their usefulness and value.
- Measures that require client input/feedback will involve the development of data collection instruments.”⁷

The County of Elgin's updated economic development plan proposes programs and services aimed at growing the area economy. As with previous implementation efforts there is a need for understanding and transparency around the return on investment for these activities given the County's financial commitment to economic development. This is particularly important given the need to involve the area municipalities in the implementation effort. It should be noted that while programs will be relatively easy to quantify in terms of effectiveness and by establishing performance targets, services are less tangible and often more difficult to measure because they are demand based and subject to uncontrollable variables.

Regardless, services like business attraction, retention and expansion, business facilitation and marketing are critical to creating a positive business environment for the County and the area municipalities. For this reason, there is value in assigning and reporting on performance measures that demonstrate effectiveness of the County's economic development activities and investment. This will be a key consideration in the development of regular monitoring reports on the implementation of the economic development plan.

2.5 Defining Investment Readiness

With economies undergoing fundamental changes and increased competition to attract desired investment, it is essential that economic development departments focus its core programming around business retention and expansion opportunities. However, with expectations that economic development practitioners will be able to do the required work to retain, grow and attract business and investment, what does it mean to be investment ready, particularly in a rural context like Elgin County.

Investment attraction is a complex and challenging component of economic development. Understanding the businesses that you are competitively positioned to attract, the needs of those investors whether they be small business, retailers, agri-business operators or larger industrial operations is essential. Important too, is the capacity of local communities to receive these investment opportunities (e.g. availability of serviced employment land and vacant building, land

⁷ "Performance Measurement in State Economic Development Agencies" Andrew Young School of Policy Studies at Georgia State University, 2004



use planning framework, housing options and pricing, workforce considerations, concentration of support activities, availability of local amenities etc.). While the County can support investment attraction through marketing and promotion, intelligence gathering and research, many of the opportunities for investment attraction require action and understanding on the part of the area municipalities.

A variety of investment readiness tool-kits have already been developed for downtown revitalization, agri-business, workforce attraction, industrial site selection, tourism development and creative economy support and retail attraction etc. (see Appendix D). These can assist the County and its area municipalities in identifying investment readiness gaps, determine the effectiveness of the County's existing planning and economic development efforts moving forward and the further determine the programming and services required to support economic development at the local level.

The County should undertake to share and adapt these toolkits to reflect the realities and opportunities associated with Elgin County's economy.



3 SWOT Assessment

The SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis that follows reflects on the information and insight that has been gathered through the preparation of the economic development plan. It provides further indication of Elgin County's ability and capacity to support the attraction, retention and expansion of business investment.

Defining the SWOT

For the purposes of this report a SWOT is characterized in the following terms:

- **Strengths (Positive, Internal):** Positive attributes or assets currently present in Elgin County
- **Weaknesses (Negative, Internal):** Local issues or characteristics that limit the current or future growth opportunities for the County
- **Opportunities (Positive, Internal and External):** Areas where the County can remedy its weaknesses (e.g. learning from others, provincial / regional assistance, strategic initiatives, aggressive marketing or promotion, targeted investment, etc.)
- **Threats or Challenges (Negative, Internal and External):** trends that threaten the County's future and attractiveness to new residents and investment, from local weaknesses, global changes or shifts in consumer demand.

The SWOT analysis also provides insight into the challenges and opportunities for Elgin County with an emphasis on those factors impacting the economic development of the County. The following highlights the elements considered most relevant in the context of an economic development strategy:

3.1 Strengths

- **Access to economic development partners and resources**
 - A network of post-secondary partners
 - Collaboration opportunities with Southwest Ontario RTO
 - Strong relationship with Elgin Business Resource Centre
 - Strong relationship with Workforce Planning and Development Board
 - Range of support activities being undertaken by larger regional economic development organizations
 - Private sector support for entrepreneurs and small business development
- **A concentration of attraction based activities that support growth of tourism sector**
 - Waterfront recreation



- Culinary trail and farmers markets
- Cultural assets and events including and arts trail
- Historic downtowns and villages
- **Proximity to markets and consumers benefits visitors and export development**
 - Able to draw visitors and investors from the Greater Toronto Area and Hamilton market
 - Accessibility to U.S. market facilitates visitor travel and export development
 - London market is a primary source of day trippers and future residents
- **An agricultural economy interested in value-added agricultural opportunities**
 - Growth in value-added agricultural business operations
 - Investor interest in value-added agricultural activities including food processing, food warehousing and distribution
- **An established base of manufacturing and warehousing operations**
 - Growth in small manufacturing businesses
 - Majority of out of town manufacturing based workers still live in Elgin
 - Skill development opportunities available for advance manufacturing operations
- **A growing small business economy**
 - Increasing number of business service requests through Elgin Business Resource Centre Satellite Offices
 - Small businesses have increased across several sectors including manufacturing and construction
 - Availability of incubator space and co-location space for entrepreneurs and small business
 - Local municipal taxes are competitive with surrounding markets (London, St. Thomas)
- **Highly focused marketing efforts targeting tourists, new residents and businesses**
 - Consistent and attentive social media management
 - Development of several tourism and sector based guides

3.2 Weaknesses

- **A negative stigma connected to Elgin's economic growth**
 - Perceived dependence on auto-sector despite evidence of diversification
 - Labour force challenges both regionally and provincially are impacting economic growth. Businesses are not hiring and continue to reduce staff requirements
 - Underperforming tourism products and tired infrastructure has led to lower visits annually
 - Vacant storefronts and deteriorating downtowns signal an economy in decline



- **Infrastructure issues are impeding growth**
 - Insufficient inventory of available land and buildings for business enquiries and expansion opportunities
 - Lack of broadband infrastructure
 - Quality and availability of housing inventory
 - Lack of roofed accommodation, campgrounds minimizes impact of tourism sector
- **Economic development message is disparate leading to mixed information for potential investors and residents**
 - Call to actions are not always clear
 - Database marketing is underdeveloped and requires continuous updating
 - Lack of success stories that profile the direction of the local economy

3.3 Opportunities

- **Improve the County's tourism product**
 - Leverage the RTO and its product development and marketing initiatives
 - Provide unique community narratives and improve the visibility of the County's tourism products
 - Leverage the social enterprise model as a means to support tourism development
- **Expand understanding of county's agricultural sector and demand for value-added and agri-business operations**
 - Leverage local thought leadership
 - Support research development and partnerships with post-secondary institutions
 - Promote the use of the Southwest Ontario RTO agri-tourism toolkit
- **Leverage external partners to advance economic development agenda**
 - Develop an FDI strategy in partnership with St. Thomas
 - Support the efforts of the WOWC to expand broadband infrastructure

3.4 Threats

- **Lack of investment readiness is hindering economic development**
 - Lack of progress on the sale/redevelopment of Ford plant
 - Vacant storefronts and deteriorating downtowns deters investment
 - Lack of serviced employment lands in high demand areas limit the economic growth of regional economy
 - Development approvals and permitting at the local level is deterring investment



- **Farming becoming more commodity based**
 - Consolidation of farming operations is putting pressure on small farm operations
 - Large scale cash crop (corn and beans) operations reducing the amount of land associated with fruit/vegetable growers and smaller niche farming opportunities
 - Lack of farm/agricultural succession planning and a high cost of entry for new farmers may impact growth of agricultural sector

- **Inter-municipal competition is undermining economic development across the county**
 - Lack of a shared vision for economic development
 - Heightened level of competition among neighbouring municipalities rather than a desire for collaboration



4 Strategic Priorities

Without question, the County of Elgin's small business economy has benefited from the economic development programs and services that are operating in the County. The County and the Elgin Business Resource Centre's support for small business and the continued research and initiatives around business development (all types) provide positive benefits for residents of Elgin in the form of employment and business growth. The strength of the County's tourism development and marketing has created awarded tourism programs and product development initiatives such as culinary, arts and waterfront promotion that have raised the profile of the region's tourism sector.

The County's efforts to advance economic sustainability through regular updates of its Economic Development Plan, also sends a positive message to area businesses and investors. A more deliberate effort to integrate the investment opportunities associated with the County's tourism sector, coupled with a more progressive marketing plan will further enable the County of Elgin and the area municipalities to capitalize on the momentum in the local economy and draw people and investment to the region.

Elgin's future success however, is contingent on having the needed resources and local leadership to move its economic development agenda forward. Presently, the County administrative structure does not provide the tools to support large investments surrounding infrastructure inefficiencies (water and sewer), nor is it able to purchase land for the purposes of development (e.g. industrial parks), these remain a municipal or private sector responsibility. The County is also not able to act unilaterally on official plan and zoning matters (unlike Prince Edward County) that would foster/support development and investment in the region. This too must be done by, or in conjunction with the area municipalities.

However, as part of the effort to launch an updated economic development plan, the County has created a leadership group consisting of elected officials, senior staff from the area municipalities and area business (Elgin Economic Development Advisory Group - EEDAG) that could be leveraged in a way that draws attention to these issues. EEDAG's mandate is to provide advice from a municipal and business perspective to the County's Economic Development department's programs and strategies and provide the County with a better conduit to discuss local economic development needs and initiatives within the context of a broader regional environment.

While there was a strong implementation effort associated with the 2011 economic development plan, there is recognition that greater collaboration and input from local municipalities going forward will be essential to having a strong local economy and a successful economic development plan. With the formation of EEDAG, the County has the opportunity to foster the necessary leadership and support at the local level.

The discussion that follows summarizes the consensus that has emerged from the strategic planning process and consultation, as to the priorities for updating the County of Elgin's 2015 economic development plan.



4.1 Improve Support for Local Business

Significant changes in the business community have been observed in recent years, including a growing number of sole proprietor and entrepreneurial businesses. The consultation process revealed a need to improve support for the businesses already present in the County, to address issues such as succession planning, e-marketing and financial planning.

Supporting future growth and investment in Elgin begins with understanding the needs of the business community across all sectors of the economy. While the County has been diligent in the completion of business retention and expansion programming combined with targeted investment attraction activities, the results of this information has not been effectively shared with the area municipalities or the business community. The lack of local economic development personnel or an economic development advisory committee to receive this information compounds this problem, particularly as issues raised may be more local in nature (e.g. delays in development approvals, permitting process etc.). Having the municipalities (through the BIA, Chambers of Commerce etc.) and EEDAG more directly involved in the outcomes of the BR+E programming will help to address local business issues as they emerge.

Elgin businesses currently have access to a range of services and resources through the Elgin Business Resource Centre, Elgin Innovation Centre and the County of Elgin Economic Development department. However, there is no standardized approach to lead generation/business support activities currently in place. Nor is there a single repository/inventory of available vacant employment land and buildings (or underutilized buildings), that could be purposed for industrial or industrial/commercial activity. Given the nature of investment enquiries and the need to support the growth and expansion of local businesses, there needs to be a better balance between attracting/supporting larger scale investment opportunities and the needs of small and medium sized businesses already present in the region.

4.2 Revitalization of Downtowns

The need for focused attention on enhancing the quality of place, vibrancy and aesthetic appeal of the various commercial areas or 'downtowns' across the County was a common theme in the consultation process. There was general consensus that more needs to be done to foster and promote investment and development in commercial areas that combines commercial (including upper storey office), residential, and improvements to public spaces – parks, waterfront etc. Business attraction activities are also required to address the growing number of vacant storefronts, as this detracts from the overall vibrancy of the downtowns.

A vibrant downtown should be the centerpiece of any community's residential, cultural, commercial and recreational growth agenda. Downtown residential development can support local retail activity and contribute to a 'sense of place' in a community. Community services (e.g. libraries, recreation facilities, and parks); special events and farmers markets can also create a destination for both residents and visitors. Given the importance of place to the County's tourism development and marketing efforts, having a network of healthy downtowns or commercial core area (and plans to support this) can create vibrant tourism destinations and stimulate additional investment interest.



Promoting development in the County's key commercial areas (e.g. Alymer, Port Stanley, Port Burwell, Dutton and West Lorne) using a variety of economic development and planning tools and incentives can strengthen these communities' quality of place. There are tools to assist with animating public and private spaces (e.g. public art, festivals and events programming, community gardens and local food initiatives such as farmers markets), rejuvenating structures and streetscapes (e.g. façade improvements, streetscaping and beautification), improving local business viability (e.g. business recruitment, upper storey offices and housing, pop-up retailers) and public safety (e.g. increased pedestrian activity). In turn this will ensure that these 'downtowns' provide a space that is vibrant, walkable, and create a 'buzz' that encourages street-level interaction year round. This can also have the effect of attracting more people to live in these communities.

The forthcoming County of Elgin Community Improvement Plan anticipates this level of support for the urban centres, hamlets and villages in the County. However, the local municipalities will need to be supportive partners to ensure the effective implementation at the community level. The development of a community toolkit that helps to standardize the approach to downtown revitalization would be well received by area municipalities. This will also help to develop local leadership and creativity around the uniqueness of a community and provide guidance on how to move forward in a coordinated way. It is worth noting that in 2014, Bruce County received \$345,000 through partnerships between the County, the province (RED Funding) and local municipalities to support downtown revitalization efforts in 7 of its communities⁸. More than half of these monies have been directed towards a community branding efforts that incorporate into larger regional scale tourism initiatives and targeted business recruitment and marketing.

It should be noted that Port Stanley and Bayham have both completed waterfront plans for their community. The implementation of these plans however, will be impacted by the availability of local resources to fund the recommended improvements/investments and the capacity of local staff to manage the implementation.

4.3 Investment in Local/Regional Infrastructure

When businesses are deciding where to locate their operations, or what location would be ideal for expansion, available 'infrastructure' is often a key factor in their decision making. Community Infrastructure however, can take many forms – available land or buildings, access to water and sewer, as well as the quality of the housing stock, broadband accessibility, or access to community amenities such as hospitals, schools or recreation facilities. The County of Elgin together with the area municipalities need to be more responsive to the demands of the businesses they are looking to attract as well as the business community already present in their community or region, if they are to remain competitive.

Employment Land

The recent Employment Land Strategy gave consideration to the demand for and availability of local employment land and the competitive position of the region relative to the surrounding

⁸ <http://www.brucecounty.on.ca/business/spruce-the-bruce/media.php>



markets. The County's current inventory of serviced employment land is considered inadequate to attract small and larger scale business and industrial operations. Future development potential is limited by the lack of designated land and servicing capacity in areas closest to Highway 401.

While the availability of serviced employment land is an important consideration for the economic development of the County, there are other challenges. The majority of employment land is in private ownership which means the County and area municipalities cannot control the pricing or timing of development, unless they are prepared to become the developer. While the County and area municipalities can expedite the development of employment lands through the approvals and permitting process, it is the area municipalities that bear the burden of front ending the cost of development. Many of the area municipalities have suggested that this is cost prohibitive at present. The County is committed to maintaining a dialogue with the area municipalities and private land owners in strategic employment areas and offering assistance and support where possible; however this is largely limited to the marketing and promotion of these lands. The County of Elgin Community Improvement Plan is a step towards providing an incentivized environment for the attraction of new business investment but more needs to be done to facilitate the development of serviced employment land in priority areas of the County.

Broadband Infrastructure

While land and utility services and costs will be scrutinized as part of the broader site selection process, advances in technology have also elevated the importance of the Internet in economic development and business site selection regardless of the size of business or sector of the economy. As with other utilities, the availability, quality and competitiveness of broadband service is a concern for the attraction and retention of business investment.

It has been suggested that the rural areas surrounding the towns in the County are underserved and that the internet solutions offered to businesses by internet service providers are inadequate for the needs of these businesses. The availability of broadband infrastructure is an issue being explored by the Western Ontario Wardens' Caucus (WOWC) and a study is underway to determine the feasibility of a Regional Area Network in South Western Ontario. This work is intended to address options and costs, as well as funding partners and market interest in the project. The County should be an active partner in this effort and support the WOWC to determine an appropriate response for delivering these services that is efficient, cost effective and timely.

Tourism Infrastructure

A further concern is the lack of infrastructure and investment in the County's waterfront (e.g. docking, related services, boat ramps, picnic areas, public washrooms etc.). This acts as a deterrent to increasing visitors and tourism expenditures and the attraction of investors to the region. It should be noted while many visitors to and residents of Elgin County participate in water based recreational activities the predominant means to experience the county is by road.

The lack of roofed accommodation and campgrounds is a further challenge to the development of the tourism sector. Given the importance and economic impact associated with the tourism sector, consideration must be given on how the County can best address this issue including support for the development/re-development efforts in Port Stanley, Port Burwell and Port Glasgow.



Housing Supply and Choice

The county's housing inventory is dominated by older single family homes, many of which could be described as character or heritage homes. If it is the county's and area municipalities intent to attract younger families and young professionals to the region, then more must be done to provide an adequate choice of housing options at various price points in proximity to community services and amenities. It is worth noting that the younger age cohorts (18-35), most commonly referred to as Gen Y are more likely to consider rental accommodation instead of single family homes.

It should also be pointed out that an aging population – both naturally, and as a result of the migration of retirees to the region, creates a challenge for the provision of health care, access to affordable housing and ability to age in place. Even with no growth, or the moderate growth projection for Elgin County, ongoing reductions in household size will drive a demand for smaller residential units, and likely more seniors style housing. This does not take into consideration the perceived popularity of the region for recreational properties. There is some interest in the development opportunities associated with a number of the area municipalities and the County should be proactively engaging the local/regional development community and area municipalities in an assessment of future housing needs to determine the appropriate housing mix that will be required.

4.4 Improved Marketing and Promotion of Local and Regional Assets

A key consideration in updating the economic development strategy is a comprehensive assessment of the County's current marketing and promotional activities to attract investment, visitors and new residents the County. This will include a shift from a predominantly print based plan to one that is more digitally focused.

In general, five years in the context of today's marketing environment is too long a period for strategic review. For example, there have been significant shifts in Ontario tourism marketing with the introduction of the Regional Tourism Organizations; a continued shift in the demographics of Ontario residents and travelers, and the proliferation of digital online media consumption and planning tools that enhance the consumer experience and assist with business marketing and promotion. Moving forward, the County will need to complete a marketing review process at three year intervals.

In particular, the County marketing efforts should mirror the Southwest Ontario RTO's core attractors' strategy and identify specific opportunities for product and marketing development. This will require better engagement with local tourism operators and experience providers around the need for standards for experience clusters, partnerships coordination, packaging and experiential development. The County also needs to work with experience providers across the region to help build new product, enhance or reframe existing experiences, make new connections, source funding opportunities and provide marketing support. Without tourism operators we have little to sell and little economic impact to derive from local tourism assets.



Consultation feedback suggests that the County of Elgin needs to more effectively engage and inform existing and prospective businesses, investors and senior levels of government of its local and regional economic development activities and programming. This includes a stronger online presence (website content) on the part of the County and area municipalities, but also involves a more active and substantive role in regional economic development organizations, as appropriate.



5 An Economic Development Plan for Elgin County

5.1 Vision, Goals and Objectives

Vision Statement

Vision statements present an image of future success, based on what is attainable in reality – it should be built on the strengths, opportunities and capacity of a community.

With the completion of the County's first Official Plan in 2013, it is appropriate to reflect a vision of what is to be achieved through the effective implementation of the 2015 economic development plan.

Vision

To provide opportunities for economic development that fosters competitiveness and a positive and attractive business environment

To cultivate creativity and talent in our rural communities to ensure continued economic growth

To capitalize on our distinctive local characteristics including local cultural heritage and historical traditions to create appealing and unique places where people want to live, work and play

Goals and Strategic Objectives

The current Economic Development Plan is underpinned by four high level goals, intended to anchor and qualify all strategic initiatives or ensuing actions on the part of the County. These goals support the County's overarching vision as stated in the County Official Plan and remain relevant in the context of the local economy and input from key stakeholders. They have been adapted slightly to reflect the outcomes of the strategy review process.

For the purposes of the 2015 Elgin Economic Development Plan the goals, objectives and actions are defined as follows:

GOALS: the desired outcomes that emerged from the strategic planning process and a view of the aspirations of the County's citizens and stakeholders

OBJECTIVES: how these goals are to be achieved and what must be accomplished in the next five years



ACTIONS: direct the County and its stakeholders to those essential issues or opportunities that must be addressed over the length of the plan.

The plan's four goal statements will support the growth of Elgin County's creative rural economy. These are:

1. **Build Community Capital**
2. **Enhance the Built Environment;**
3. **Develop Talent and Enterprise; and**
4. **Tell the County's Story**

The implementation plan that follows prioritizes actions as high, medium and low. High priority actions should be initiated in 2015-2016, medium priority actions in 2017 and low priority actions are intended to run out beyond 2018.

5.2 Actions and recommendations

Goal 1: Build Community Capital

Action/Recommendation	Priority	County Role	Partners
Continue to leverage web marketing resources to promote the quality of life in Elgin to present and future residents	High	Lead	Area municipalities, business community, community organizations
Invest in imagery and video development to better illustrate the unique quality of life and visitor experience in Elgin County	High	Lead	Area municipalities
Continue to develop the Experience Elgin blog, include more local success stories and experiences	High	Lead	As required
Create a comprehensive cultural asset inventory guided by the new definition of cultural resources that illustrates the assets and experiences unique to Elgin County and supports broader economic and community development goals	High	Lead and Partner	Area residents, community organizations, tourism providers
Continue to host the Elgin County Conference Series where community members come together to talk about ideas that support the economic growth of Elgin. Topics should focus on the outcomes of the County's BR+E initiatives	High	Lead	Chambers of Commerce, SWOTC
Work in conjunction with the Rural Ontario Institute to host a workshop on the opportunities associated with social enterprise development (not-for-profit sector). Develop and implement recommendations in partnership with the workshop participants and ROI to effectively support and recognize this segment of the local economy	High	Lead	Ontario Rural Institute, Volunteer Elgin, Ontario Nonprofit Network, EBRC, post-secondary institutions



Action/Recommendation	Priority	County Role	Partners
Host a Cultural Tourism workshop to showcase the value in a place based approach to tourism marketing and product development	High	Lead	Area municipalities, business and community organizations
Continue to seek opportunities to co-sponsor events and learning sessions with existing clubs and associations	High	Lead	As required
Continue to support and actively participate in the investment attraction efforts of the Ontario Food Cluster initiative Give consideration to participating in one trade mission a year.	High	Partner	As required
Investigate opportunities to liaise with City of London's Agricultural Advisory Committee	Medium	Partner	Workforce Planning and Development Board
Work effectively with representatives of EEDAG to identify and respond to emerging opportunities for economic development	High	Partner	Area municipalities, business community
Give consideration to completing an Elgin County Corporate Strategic Plan as a way to foster a stronger a strong relationship between the County's economic development efforts and the priorities of the Area municipalities	High	Lead	Area municipalities

Goal 2: Enhance the Built Environment

Action/Recommendation	Priority	County Role	Partners
Maintain an inventory of available commercial and industrial properties, including underutilized and surplus properties(e.g. former churches, community halls, provincial properties etc.) that can be re-used or re-purposed for commercial and industrial enterprises	High	Lead	Area municipalities
Continue to investigate opportunities for the re-use of the former Regional Mental Health Care facility	Medium/Low	Partner	Ontario Ministry of Health
Maintain a dialogue with land owners of industrial land in strategic employment areas	High	Lead	Area municipalities, property owners
Discuss the feasibility of publically owned employment lands or joint venture opportunities with local municipalities and private land owners in the strategic employment areas	Medium	Lead	Area municipalities, property owners
Support the development of marketing initiatives for priority employment lands in Aylmer, Central Elgin, Bayham and Dutton/Dunwich.	High/Medium	Partner	Area municipalities, property owners



Action/Recommendation	Priority	County Role	Partners
<p>Promote and attract appropriate investment opportunities for creative economy enterprises including wineries, craft distilleries and breweries and food processing</p> <p>Give consideration to the need for additional research to support the business case for investment in wineries in the region</p> <p>Give consideration to the development of an online tools to attract interest and investment in craft distilleries and breweries (e.g. http://www.startabrewery.ca)</p>	High/Medium	Lead	Area municipalities, EBRC, Niagara College
Support the timely development of a business park in Dutton Dunwich	High	Partner	Dutton Dunwich, property owners
Identify barriers to a shared service approach for the servicing of additional employment land and compile a community tool-kit that includes: sample by-laws, dispute resolution, best practice inventory etc.	High	Lead	Area municipalities
<p>Maintain regular contact with the listing agents/owners of the former St. Thomas Ford Assembly Plan and regularly report on the status of the sale/redevelopment of these lands to EEDAG</p> <p>Initiate discussions with provincial and federal government representatives to determine opportunities to expedite the sale and development of these lands to secure the greatest economic benefit to the region</p>	High/Medium	Lead	Area municipalities, MPP, MP
Pursue the opportunity to develop a FDI strategy in conjunction with St. Thomas economic development	High/Medium	Partner	St. Thomas, Area municipalities
Cultivate relationships with federal and provincial foreign investment intermediaries that support the investment attraction goals of the County	High/Medium	Lead	OMAFRA, OMEDEI, OMTCS, Agriculture and Agri-Food Canada
Focus marketing and promotional efforts on advanced manufacturing, agriculture/agri-business and tourism investment opportunities to gain better visibility with prospects and increase the number of investment leads	High/Medium	Lead	SOMA, OMAFRA, OMEDEI, DFATD, OMTCS
Revisit support for and participation in SOMA once serviced employment lands are available	Low	Lead	Area municipalities
Engage the residential development community in a discussion of housing needs and investment opportunities in Elgin County as a way to support investment attraction efforts	Medium	Lead	Area municipalities, home builders association
Engage local municipalities in a discussion of the use of municipal CIPs as a way to provide for the sustainability of their downtowns and commercial areas	High	Lead	Area municipalities, Planning Department
Encourage the re-use of undesignated heritage buildings for retail / commercial uses particularly those properties located in the County's commercial cores	High/Medium	Partner	Area municipalities, Planning Department



Action/Recommendation	Priority	County Role	Partners
Promote retail and façade improvements of heritage buildings as part of the implementation of the county's community improvement plan	Medium	Partner	Area municipalities, BIAs
Develop and promote a community toolkit that helps to standardize the approach to downtown revitalization across the county and develop distinctive local brands (e.g. http://www.brucecounty.on.ca/business/spruce-the-bruce/community-toolkits.php) Develop criteria for the selection of pilot project communities that will receive financial support from the county	High	Lead	Area municipalities, chambers of commerce, BIAs, business community
Encourage and promote member municipality's participation in Communities in Bloom	High	Partner	Area municipalities
Encourage and promote member municipality's participation in Doors Open Elgin	High	Partner	Area municipalities
Support opportunities to create historic conservation districts	Medium	Partner	Area municipalities
Identify opportunities to support the implementation of the Port Stanley Economic Development Plan and the Bayham Waterfront Plan including incentives to encourage new business development	Medium/Low	Lead and Partner	Central Elgin, Bayham
Continue to engage Port Glasgow developers to ensure timely progress on their waterfront development	Medium/Low	Support	
Develop a four season Festival and Events strategy that prioritizes funding support and marketing efforts to a select number of festivals and events that contribute to the growth of local/regional tourism	Medium	Lead	Area municipalities, tourism providers, BIAs, Chambers of Commerce

Goal 3: Develop Talent and Enterprise

Action/Recommendation	Priority	County Role	Partners
Continue to connect regional research institutions and post-secondary institutions with businesses and organizations to develop opportunities for cross pollination and sharing of resources	High/Medium	Partner	University of Guelph Ridgetown Campus, University of Western Ontario, EBRC
Continue to pursue opportunities for partnerships with Ridgetown Campus – University of Guelph as it relates to on-farm apprenticeship and mentoring programs	High/Medium	Partner	University of Guelph Ridgetown Campus
Pursue funding to support the development of value added agribusiness sector i.e. organic food, wineries, craft distilleries and breweries, food processing and aquaculture e.g. http://www.startabrewery.ca/	High/Medium	Partner	EFA, Niagara College, EBRC, OMAFRA
Develop an Agriculture/Agribusiness sector strategy that provides clear direction on matters related to the growth and sustainability of the agricultural economy in the County	High	Lead	EFA, OMAFRA



Action/Recommendation	Priority	County Role	Partners
Pursue the creation of an Agricultural Advisory Board to advise on agricultural and rural issues related to the growth and sustainability of agriculture/agribusiness sector in the County	Medium	Lead	Area municipalities, agricultural producers, agribusiness operators
Encourage the creation of economic development advisory committees at the local level	High/Medium	Support	Area municipalities
Continue the implementation of Business Retention and Expansion program. Refresh older BR+E surveys (Tourism and Agri-Business)	High/Medium	Lead	Area municipalities
Strengthen reporting relationship between EBRC and County to better support EBRC satellite offices and align economic development initiatives	High	Partner	EBRC
Promote the existing resources available to support small business and start-ups as it relates to training, employee recruitment, business counselling, market research, business planning, marketing, event planning and legal and financial resources.	High/Medium	Partner	EBRC, Workforce Planning and Development Board
Work with EBRC, local chambers of commerce to promote and deliver small business seminars geared to e-marketing and sales, succession planning, website development etc. recognizing the uniqueness of the County's business community	High/Medium	Partner	EBRC, Chambers of Commerce, Area municipalities
Identify opportunities to participate in London's Digital Creative Cluster initiative as a means to attract technology based enterprises and entrepreneurs to Elgin County	Medium/Low	Partner	St. Thomas, Area municipalities
Engage Junior Achievement of London and District in discussions on how to improve support for and foster youth entrepreneurship in Elgin County	Medium	Lead	EBRC, Elgin Innovation Centre
Review the need for a lead generation protocol for the management of business attraction/support opportunities. Manage investment leads to the extent possible and be the central point of contact for DFAIT, MEDT and OMAF/OMRA.	Medium/Low	Lead	EBRC, Area municipalities
Continue to support both the Summer Company and Starter Company Programs	High/Medium	Partner	Elgin-St. Thomas Small Business Enterprise Centre
Continue to participate on the Workforce Development Committee to access research and contribute to conversations regarding workforce planning development	High	Partner	Workforce Planning and Development Board
Work with Workforce Planning and Development Board and partners to update the region's workforce strategy	Medium	Partner	Workforce Planning and Development Board, EBRC, educational institutions



Goal 4: Tell the County Story

Action/Recommendation	Priority	County Role	Partners
Establish an overall creative messaging strategy that reflects the region's primary strengths of nature, agriculture and community and incorporates the emotional appeal of living, visiting and investing in the County	High	Lead	Area municipalities, tourism organizations
Shift a significant portion of the County's paid media efforts to digital marketing (e.g. Google Display Network, YouTube, Google Paid Search, TWN, Social Media Channels etc.)	High	Lead	As required
Develop an annual editorial calendar in conjunction with local writers, journalism students etc.	High	Lead	As required
Continue to work with SWOTC to identify leaders and blogs/social media world and recruit them for a trip to Elgin	Medium	Lead	SWOTC
Update the County's 'progressive by nature' website in accordance with the recommendations in the 2015 Marketing Plan	High	Lead	As required
Continue to liaise with representatives of the Ministry of Tourism, Culture and Sport's Investment Development Office to identify third party tourism investment opportunities	High/Medium	Lead	OMTCS
Aggressively promote SWOTC Partnership Program to local industry partners and leverage industry partnerships to access funding. Assist in the application process as required	High	Lead	SWOTC, Area municipalities, tourism operators
Investigate available program funding (RED, SWOTC Partnership Fund, etc.) that will support the County's tourism development and programming efforts	High	Lead	SWOTC, Area municipalities, tourism operators
Consider leveraging proven events and experiences of other operators in Southwest Ontario to include Elgin County pre or post event– use mobile and search to reach people looking for those experiences online	Medium/Low	Partner	As required
Facilitate partnership opportunities by supporting and enabling the packaging of tourism experiences (e.g. market readiness toolkit for Savour Elgin, Arts Trail membership)	High/Medium	Support	SWOTC, tourism operators
Offer workshops/sessions with speakers that will inspire product development and quality improvements – utilize TIAO for speakers and assistance in planning for product development initiatives	Medium	Partner	SWOTC, TIAO, OMTCS, tourism operators, investors
Continue to explore opportunities to partner with communities and/or operators outside of Elgin that offer complementary product	Medium	Lead	SWOTC, other municipalities as identified



Action/Recommendation	Priority	County Role	Partners
Allocate funding (e.g. County of Elgin Municipal Economic Development Program) to assist with product development to ensure that the market delivers the quality and quantity of product and experiences expected by visitors to the County	Medium	Lead	As required
Given consideration to the use of incentives (e.g. tax reduction based on assessment value, tax deferral, free advertising, marketing etc.) to encourage product development or experience enhancement for existing tourism operations/activities	Medium	Lead	As required
Introduce an ongoing process to provide standards to those wishing to be involved in agri-tourism (parking, washrooms, education, pricing, signage etc.) and coordinate packaging of experiences and promotion	High	Partner	SWOTC, tourism operators
Develop an innovative Accommodation Strategy to assess alternative/innovative options for visitor experiences and overnight accommodation. This should include an inventory, market readiness and potential farmhouse, rural home and cottage rental properties	High	Lead	Area municipalities, tourism operators
Seek greater alignment with the RTOs goals of promotion of its wine and beer assets in their provincial promotions	High	Lead	As required
Promote Blue Flag Status as a benchmark for all beaches in the County	High/Medium	Partner	Area municipalities
Conduct a visitor tracking survey in the summer months to determine visitor needs and preferences in terms of services and amenities	Medium	Lead	As required
Develop a visitor data base for future newsletters and tourism lure information	Medium	Lead	As required
Leverage the success of the Cruise the Coast initiative to encourage repeat visits through needs research with this demographic	Medium	Partner	SWOTC, Area municipalities
Develop cycling tours infrastructure such as mapping, signage, trail development and services including roofed accommodations and camping	High/Medium	Lead	SWOTC
Consult with members of the Mennonite community to determine how to engage them in an authentic and realistic tourism experience	High/ Medium	Partner	SWOTC, Area municipalities, community leaders
Create an inventory of all funding opportunities that can assist with product development, infrastructure and capital investment. Provide this information to industry and continue to update and promote	High/Medium	Lead	SWOTC



5.3 Implementation

The foregoing action plan assumes that Elgin County will continue to take an active leadership role in the delivery of economic development programming and services in the region, albeit with greater collaboration and input from the Area municipalities. A review of the goals and objectives of the 2011 economic development plan confirms the continued relevance of approach to programming and services. However, modifications have been made to reflect the level of accomplishments to date and input derived during the strategy development process. As with the previous economic development plan the recommendations incorporates short, medium and long term priorities and articulates the partners required to move forward with the strategy's implementation.

The findings from the supporting background research and analysis presented in Appendices to this report have informed the update of the goals, objectives and actions contained in the plan. Taking into consideration the County's operating and administrative structure, it is essential that area municipalities understand how their communities can contribute to the economic growth and development of the region.

One of the key considerations in the implementation of the proposed economic development program will be an understanding and communication of how the strategy is to be resourced. While this includes the financial resources required to move forward, there is a growing sense of need to provide clarity around the vision for economic development in the County of Elgin and the roles and responsibilities of both economic development staff and external community organizations and agencies. This is relevant from the perspective of potential investors and their desire for a one stop approach to gathering information and assistance, but also in terms of how to leverage partnership opportunities and business development particularly as it relates to the development of the county's tourism sector. With a high level of community interest and engagement in economic development, consideration will need to be given to a delivery model that will achieve the greatest results for the County over the long term.