

# Memorandum

Economic Development Office



BUDGET COMMITTEE  
MEETING: February 1 2011  
ACTION ITEM 50

**DATE:** January 28, 2011  
**TO:** Chair and Members of Budget Committee  
**FROM:** Larry Petovello, Ec.D.  
Director  
**RE:** 2011-14 Business Plan & Budget - Economic Development Office

This is in response to the request by Councillor Adams for additional information with respect to the Economic Development program and FTE for international outreach to market Mississauga. Councillor Adams also requested that staff ensure they report to Council prior to approving funding of conference/travel expenses.

**I. Additional information regarding the international marketing program:**

In support of the City Strategic Plan, the Mississauga Economic Development Strategy "Building on Success" approved by Council in 2010 includes the following goal and objectives:

Mississauga: A Global Business Magnet

Primary Objectives:

- Target opportunities in high growth areas
- Ensure a supportive business environment
- Provide a compelling global brand to attract business investment and jobs

Based on the above, the following short term actions are planned:

Actions:

1. Develop a detailed international marketing program to recruit companies involved in areas of high growth and innovation such as bioinformatics, medical devices, clean technologies and renewable energies.

Budget:

2011  
\$40,000

2. Explore opportunities to co-market the City of Mississauga and Mississauga-based companies whose own brands and profile will resonate with an international audience.

Existing  
resources.

3. Establish a new position to lead and manage the international marketing program. Role could include working directly with international site location intermediaries including Canadian embassies and consulates abroad, as well as foreign embassies and consulates in Canada, arrange and coordinate international business delegations to and from Mississauga and participate in select business events abroad and in Canada.

2012  
\$ 120,000

1 FTE: Manager, International Business Development

4. Resources to implement the above-referenced international marketing program which could include international marketing collateral, enhanced website with international language capabilities, hosting select international business delegations and registration and travel for select business events. 2012 \$ 40,000

As the implementation of a new international marketing program is not anticipated until 2012, the following is the planned EDO business event activities for 2011:

<i>2011 Business Event:</i>	<i>Date:</i>	<i>Location:</i>	<i>EDO Objective:</i>	<i>Budget:</i>
MIPIM - Largest real estate investment conference in the world. - Director EDO invited by MIPIM. - Complimentary registration and hotel.	March 7-11	France	Exhibitor with Ontario. Promote Mississauga and meet international investors.	\$ 2,500
International Economic Forum of the Americas - Largest Canadian CEO economic forum.	June 6-9	Montreal	Promote Mississauga and meet international investors. Sponsor.	\$ 6,000
International Indian Film Festival, Business Forum - First time outside of India.	June 23-26	Toronto	Promote Mississauga and meet international investors.	\$ 1,000
BIO International - Largest Biotech & Pharma conference in the world.	June 7 - 30	Washington, D.C.	Promote Mississauga and meet international investors. Support Mississauga firms.	\$ 3,000
Society of Industrial & Office Realtors - Toronto Chapter AGM.	Sept.	GTA.	Exhibitor. Meet location influencers in the GTA.	\$ 5,000
BIOContact - Largest Bio / Pharma Conference in Canada.	Oct. 5,6	Quebec City	Promote Mississauga and meet Canadian investors. Support Mississauga firms.	\$ 2,000
International Economic Forum of the Americas - Toronto Forum.	Oct. 21-24	Toronto	Promote Mississauga and meet international investors. Sponsor.	\$ 5,000
Greater Toronto Marketing Alliance, - Brazil Business Mission.	To be confirmed	Brazil	Promote trade with Mississauga firms and meet international investors.	\$5,000
Real Estate Forum - Largest real estate investment conference in Canada.	Dec. 2,3	Toronto	Promote Mississauga meet national location influencers. Sponsor.	\$ 6,000
Solar Canada - Largest solar energy conference in Canada.	Dec. 5,6	Toronto	Promote Mississauga and meet international investors.	\$ 1,000

## II. Review by City Council of planned business events/expenses:

The EDO Business Events plan is presented annually to the Economic Development Advisory Council for review and feedback. It is proposed that the new International Marketing Program, along with associated events and budget, be reviewed and endorsed by Council annually as well.

For your information, attached you will also find a comparison of municipal Economic Development Office budgets for the top nine cities in Canada. The attachment is an excerpt from the background report for the City's new Economic Development Strategy.

Please let me know if I can be of any further assistance.



Larry Petovello, Ec.D.  
Director  
Economic Development

Attachment:  
Implementing Mississauga's Economic Development Strategy, Page 5

- Will we have the resources required to implement this strategy and make it a priority within the city's agenda over the long term?
- Is our current structure appropriate to fulfilling the City's economic development goals and requirements?

In consideration of these questions, recommendations have been provided where there are immediate and long-term opportunities to organize economic development delivery in Mississauga to better align with the strategic priorities of the EDO and the City at large. These recommendations are based upon Mississauga's current delivery model, and refer to an evaluation of best practices and competitive benchmarks conducted in full below as well as information collected from other sources.

#### 1.4.1 Short Term Recommendations

In the short term, there are notable issues confronting the current economic development delivery structure. As mentioned above, with an annual net budget of just under \$1.5 million (including MBEC) and 14 staff, Mississauga's economic development function is seen as relatively small compared to other jurisdictions of similar size and influence across Canada, as seen in the table below.

#### *Economic Development Funding in Canadian Cities<sup>1</sup>*

	2010 Economic Development Budget	City Population (2006 Census)	Per Capita Funding	Staffing
Toronto	\$ 11,273,800	2,503,281	\$ 4.50	286
Montreal	\$ 60,194,300	1,620,693	\$ 37.14	n/a
Calgary	\$ 4,752,000	988,193	\$ 4.81	35
Ottawa	\$ 3,530,000	812,129	\$ 4.35	6
Edmonton	\$ 7,983,000	730,372	\$ 10.93	302
Mississauga	\$ 1,462,000	668,549	\$ 2.19	14
Winnipeg	\$ 1,796,000	633,451	\$ 2.84	5
Vancouver	\$ 2,020,000	578,041	\$ 3.49	12
Hamilton	\$ 2,418,664	504,559	\$ 4.79	28

As such, the immediate focus of the City's economic development delivery review should be placed on optimizing the effectiveness of the current department and its staff. In this context, Mississauga needs to question whether their current "internal" model is properly resourced and organized to address the emerging opportunities identified in the economic development strategy.

The cities profiled below with the most similar structures and resources to Mississauga – Toronto and San Jose most notably – work in cooperation with either regional structures (e.g. the Silicon Valley Economic Development Alliance) or City-owned arms-length organizations (e.g. the San Jose Redevelopment

<sup>1</sup> To ensure consistency and comparability, 2010 Economic Development Budget and per capita funding figures directly reflect municipal expenditures on core economic development activities only (excluding Culture, Tourism and other activities). 2006 Census data is used for city populations. Sources and further descriptions for the cities above Mississauga are provided in Section 1.5 below. Additional sources:

- Winnipeg: City of Winnipeg Preliminary 2010 Operating Budget.
- Vancouver: 2010 Business Plan and Budget, Vancouver Economic Development Corporation
- Hamilton: City of Hamilton 2010 Tax Supported Operating Budget

However, staffing figures reflect the total complement for economic development offices and agencies, which will in some cases correspond to larger budget allocations (specifically Toronto, Edmonton, Hamilton).