



Program: Economic Development

Program Based Budget

2013 – 2015

Program: Economic Development

Vision Statement:

To be recognized by companies as the premier town in Canada in which to locate.

Mission Statement:

To support existing businesses and attract new ones so that Oakville's business environment is strong, diversified and prosperous.

Program Description

Economic Development

The Economic Development department is one of four departments in the Town of Oakville's Planning and Development Commission, along with Building, Planning and Development Engineering departments. Economic Development can be viewed as a first point of contact for businesses, providing access to the various departments with which businesses engage. The basis for the work of departmental staff is the town's Economic Development Strategy 2009 - 2019, which includes three main goals:

- Attract knowledge based industries in the professional services, advanced manufacturing, digital media & animation, and life sciences sectors;
- Respond to the needs to the business community in order to foster business retention and expansion; and
- Explore international business opportunities.

Tourism

Tourism services are delivered by The Oakville Tourism Partnership Inc, (OTP), a not-for-profit organization comprising volunteer stakeholders in the local community. OTP focuses on tourism activities that will position the Town of Oakville as a desirable place to visit, enjoy attractions and restaurants, and to shop. It functions as a hub that connects people and coordinates the activities in tourism including provincially funded Regional Tourism Organizations; town departments and facilities; BIAs; Oakville Chamber of Commerce; Halton Region; and local businesses such as hotels, restaurants and retailers.

Program Services

The Economic Development department provides activities through the following services:

- Marketing to attract new companies and investment.
- Corporate Calling Program and business assistance.
- Site selection services and employment land supply.
- Industry development in targeted sectors.
- Research and analysis.

The Oakville Tourism Partnership Inc., an external not-for-profit organization, provides activities through the following services:

- Marketing.
- Visitor and Community Services.
- Industry Engagement.
- Product Development.
- Customer Service Training and Coordination.

Staffing Overview

Program: Economic Development	2011 Approved FTE	2012 Approved FTE	2013 Capital Impact	2013 Base FTE Change	2013 Reallocation of Staff	2013 Total FTE	Net Change 2013 vs 2012
Economic Development	4.0	4.0			0.3	4.3	0.3
Tourism	1.0	0.0				0.0	0.0
Total Economic Development	5.0	4.0	0.0	0.0	0.3	4.3	0.3

- An administrative assistant position is shared between Building Services and Economic Development; therefore, 30% of this position has been allocated to Economic Development.

Program Services Budget Overview

Program: Economic Development	2012 Restated		2013 Requested		Net Change 2013 vs 2012	Net Change 2013 vs 2012 (%)
	Gross Budget	Net Budget	Gross Budget	Net Budget		
Services/Activities:						
Administration	219,100	219,100	223,900	223,900	4,800	2.2%
Economic Development	361,900	361,900	384,100	384,100	22,200	6.1%
Tourism	39,000	39,000	39,000	39,000	0	0.0%
Total Economic Development	620,000	620,000	647,000	647,000	27,000	4.4%

Note: 2013 economic increases for all employee groups with the exception of Fire and Transit unionized employees have been included in the Corporate Revenue and Expenses budget pending contract negotiations.

Overall, the Economic Development program has increased by \$27,000 or 4.4%. The increase is primarily attributable to changes in benefit requirements and funding for business outreach events and initiatives.

Level of Services Offered

- Most municipalities provide standard services for business retention, expansion and attraction; sector development; and research.
- Not all municipalities provide tourism services. A review of three neighbouring municipalities revealed that tourism is not provided in Mississauga, but is provided in Guelph through the city's economic development department and in Burlington through the city's financial support of Tourism Burlington.
- Additional services noted in the comparator municipalities include, Mississauga, which runs a Small Business Enterprise Centre (SBEC) for start-up companies, and Guelph, which provides financial support for a Small Business Enterprise Centre. In Halton, these small business services are provided at the regional level.
- Services provided by Oakville are consistent with standard municipal practice.
- The effectiveness and efficiency of these services is reviewed through the town's performance-based, program based budgeting process.

Key Objectives (Initiatives) for 2013 – 2015

The following objectives for Economic Development will help meet council's strategic objectives to enhance our economic environment and to be highly valued and widely celebrated for the innovative and outstanding way we satisfy the needs of our businesses:

- Grow targeted knowledge-based industries through sector development
- Provide site selection services and implement marketing plan for business attraction
- Provide outreach to the business community through information, corporate calling program, business facilitation, and events

2013 Program Budget Drivers

	2012 Restated Budget	2013 Base Budget	2013 Capital Impact	2013 Budget Efficiencies	2013 Requested Budget	\$ Change From 2012	% Change From 2012
EXPENSES:							
Personnel Services & Benefits	495,000	513,400	0	0	513,400	18,400	3.7%
Materials & Supplies	9,200	10,200	0	0	10,200	1,000	10.9%
Purchased Services	78,300	85,900	0	0	85,900	7,600	9.7%
Payments & Grants	37,500	37,500	0	0	37,500	0	0.0%
Internal Expenses & Transfers	0	0	0	0	0	0	0.0%
Total EXPENSES	620,000	647,000	0	0	647,000	27,000	4.4%
REVENUES:							
External Revenues	0	0	0	0	0	0	0.0%
Internal Recovery & Fund Transfers	0	0	0	0	0	0	0.0%
Total REVENUES	0	0	0	0	0	0	0.0%
TAX LEVY	620,000	647,000	0	0	647,000	27,000	4.4%

Note: 2013 economic increases for all employee groups with the exception of Fire and Transit unionized employees have been included in the Corporate Revenue and Expenses budget pending contract negotiations.

In 2013, the Economic Development program has increased by \$27,000 or 4.4%. The main drivers for the change are the following.

- Personnel Services and Benefits have increased by \$18,400 primarily due to changes in benefit requirements and a minor adjustment in salary for step increase.
- Purchased services has increased by \$7,600 due to funding for business outreach events hosted for industry sectors following the action plan from Business Leaders forum.

2014 - 2015 Expenditure Summary

	2013 Requested Budget	2014 Forecast Base Budget	2013-2014 Change (%)	2015 Forecast Base Budget	2014-2015 Change (%)
GROSS EXPENDITURES					
Economic Development:					
Economic Development	608,000	619,700	1.9%	631,500	1.9%
Tourism	39,000	39,000	0.0%	39,000	0.0%
Total GROSS EXPENDITURES	647,000	658,700	1.8%	670,500	1.8%
TAX LEVY					
Economic Development:					
Economic Development	608,000	619,700	1.9%	631,500	1.9%
Tourism	39,000	39,000	0.0%	39,000	0.0%
Total TAX LEVY	647,000	658,700	1.8%	670,500	1.8%
GROSS EXPENDITURES by Type					
Personnel Services & Benefits	513,400	519,700	1.2%	526,400	1.3%
Materials & Supplies	10,200	10,500	2.9%	10,500	0.0%
Purchased Services	85,900	91,000	5.9%	96,100	5.6%
Internal Charges	0	0	0.0%	0	0.0%
Other Expenditures	37,500	37,500	0.0%	37,500	0.0%
Minor Capital & Transfer to Reserves	0	0	0.0%	0	0.0%
Total EXPENDITURES	647,000	658,700	1.8%	670,500	1.8%
REVENUES by Type					
Activity Revenue	0	0	0.0%	0	0.0%
Internal Recoveries	0	0	0.0%	0	0.0%
Grants	0	0	0.0%	0	0.0%
Other Revenue	0	0	0.0%	0	0.0%
Total REVENUES	0	0	0.0%	0	0.0%
TAX LEVY	647,000	658,700	1.8%	670,500	1.8%

Note: 2014 and 2015 economic increases for all employee groups with the exception of Fire and Transit unionized employees have been included in the Corporate Revenue and Expenses budget pending contract negotiations.

Service: Economic Development

Mission

To support existing businesses and attract new ones so that Oakville's business environment is strong, diversified and prosperous.

Major Responsibilities

- Grow targeted knowledge- based industries through sector development
- Provide site selection services and implement marketing plan for business attraction
- Provide outreach to the business community through information, corporate calling program, business facilitation, and events

Strategic Priorities (Initiatives)

- Provide analysis and recommendations for sector development in life sciences; advanced manufacturing; professional & financial services; and digital media.
- Implement the Action Plan developed at the 2012 Business Leaders Forum including:
 - Implement a marketing plan for business attraction;
 - Investigate a job board for Oakville; and
 - Conduct forums/events for targeted industry sectors.
- Assist the Bronte BIA in the implementation of the 2012 Action Plan to improve the business conditions in Bronte.
- Follow-up business opportunities resulting from the 2012 Trade Mission to China.
- Develop a process approval guide for business.
- Coordinate business activities related to the 2013 Canadian Open.

Key Outcomes

- A growing and diversified economy as measured by the square footage of commercial land developed. The 2012 target of 300,000 sq. ft. has been met and exceeded. Major commercial developments include the 150,000 sq. ft. office building housing PricewaterhouseCoopers; the 55,000 sq. ft. Porsche dealership; and the 35,000 sq. ft. addition to the Weather Network. Commercial development at year end 2012 (excluding alterations and improvements) is estimated to reach 350,000 sq. ft. The 2013 target is 300,000 sq. ft.
- A growing and diversified economy as measured by the square footage of industrial land developed. The target of 150,000 sq. ft. in 2012 has not been met. The developments totaling approximately 24,000 sq. ft. include smaller industrial buildings. Industrial development at year end (excluding alterations and improvements) is estimated to be 30,000 sq. ft. Oakville has a relatively better competitive position in the office market than in industrial; future industrial development is expected to be lower than 5 and 10 year averages. The 2013 target is 55,000 sq. ft.

2013 - 2015 Operating Budget Summary

	2012 Restated Budget	2013 Base Budget	2013 Capital Impact	2013 Budget Efficiencies	2013 Requested Budget	\$ Change From 2012	% Change From 2012	2014 Forecast Budget	2015 Forecast Budget
EXPENSES:									
Personnel Services & Benefits	495,000	513,400	0	0	513,400	18,400	3.7%	519,700	526,400
Materials & Supplies	9,200	10,200	0	0	10,200	1,000	10.9%	10,500	10,500
Purchased Services	78,300	85,900	0	0	85,900	7,600	9.7%	91,000	96,100
Internal Charges	0	0	0	0	0	0	0.0%	0	0
Other Expenditures	37,500	37,500	0	0	37,500	0	0.0%	37,500	37,500
Minor Capital & Transfer to Reserves	0	0	0	0	0	0	0.0%	0	0
Total EXPENSES	620,000	647,000	0	0	647,000	27,000	4.4%	658,700	670,500
REVENUES:									
Activity Revenue	0	0	0	0	0	0	0.0%	0	0
Internal Recoveries	0	0	0	0	0	0	0.0%	0	0
Grants	0	0	0	0	0	0	0.0%	0	0
Other Revenue	0	0	0	0	0	0	0.0%	0	0
Total REVENUES	0	0	0	0	0	0	0.0%	0	0
TAX LEVY	620,000	647,000	0	0	647,000	27,000	4.4%	658,700	670,500
TAX LEVY By Activity:									
Economic Development	620,000	647,000	0	0	647,000	27,000	4.4%	658,700	670,500
TAX LEVY	620,000	647,000	0	0	647,000	27,000	4.4%	658,700	670,500

2013 Key Budget Drivers

- Personnel Services and Benefits have increased by \$18,400 primarily due to changes in benefit requirements and a minor adjustment in salary for step increase.
- Purchased services has increased by \$7,600 due to funding for business outreach events hosted for industry sectors following the action plan from Business Leaders forum.

2014 - 2015 Budget Highlights

- Budgets reflect inflationary increases and a \$5,000 annual increase for official promotion.