

**Contributing Departments**

Corporate Account	74%
City Clerks	12%
Planning, Prop. & Devl.	8%
EPC Secretariat	6%
2007 Budget: \$6.0 million	

# Economic Development

**Includes:**

- *Business Liaison*
- *Economic Development- Agency Grants*
- *Economic Development – Financial Incentives*

## Service Overview

**DESCRIPTION**

To provide information to Council and economic development agencies as well as coordinate resources across City departments in order to respond effectively to high-priority projects of strategic and economic importance to the City. Service activities include:

- Work closely with Destination Winnipeg and CentreVenture.
- Coordinate interdepartmental technical assistance and due diligence on proposals and initiatives.
- Negotiate incentive strategies through Business Plan & Pro-Forma analysis.
- Manage strategic projects.
- Assist in the preparation of communication strategies.

**KEY GOALS**

1. Build a strong economic climate for Winnipeg.
2. Identify priority investments that support economic development activity.
3. Assist in the development of taxation policy that enables economic opportunity.
4. Broaden service access and convenience to customers wanting to do business with the City.
5. Capitalize on opportunities to establish Intergovernmental and Public-Private Partnerships.

**SERVICE LEVEL STATISTICS**

Description	2004	2005	2006
Residential Building Permits Issued	6,448	6,468	6,435
Residential Building Permit Value ( <i>000's</i> )	\$295,474	\$337,335	\$445,867
Commercial Building Permits Issued	2,529	2,463	2,552
Commercial Building Permit Value ( <i>000's</i> )	\$379,145	\$319,016	\$403,891
No. of Downtown Development Applications (Construct New, Construct Addition, Alter Exterior)	26	29	27
Construction Value of Downtown Projects Above	\$44,604,181	\$8,544,775	\$29,464,405
No. of Major City-Wide Development Projects (>\$2 million)	27	40	42
Construction Value of Major City-Wide Projects (>\$2 million)	\$160,629,781	\$171,505,970	\$259,418,710

# Strategic Direction

## LINK TO PLAN WINNIPEG

1A-01	Promote Downtown Development
2B-03	Commit to Responsive Government
2C-01	Develop & Implement a Long Term Economic Development Strategy

## SYNOPSIS OF POLICY DIRECTION

Winnipeg's Economic Opportunity Framework – "City of Opportunity" (December 2006) provides an overall framework to guide the Winnipeg Public Service and the community for long-term sustainable economic growth. The Mayor's Red Tape Commission Report which is on track for implementation very early in 2008 recommends various supportive initiatives including improving how we do business with small business, reforming land use approvals, reducing / eliminating unnecessary red tape, enhancing customer service and streamlining government.

## KEY FACTORS INFLUENCING SERVICE DELIVERY

### Socio-Economic / Demographic Trends

The City of Winnipeg's recent modest population growth will increase further going from our present population of 648,600 (year 2006) to 707,500 in ten years (year 2016) to 837,100 in 25 years (year 2031). That's an increase in the number of people by about 60,000 over the next 10 years or nearly 190,000 over the next 25 years. (The Winnipeg region (CMA) will see an increase of about 228,000 people over the next 25 years)

The reason for the increasing population growth is:

- Immigration will increase. About 7,000 new immigrants will arrive this year. This will increase to about 10,000 new immigrants per year.)
- Less people will be leaving Winnipeg and more people will be moving to Winnipeg from other parts of Canada.
- The natural increase (births minus deaths) will remain positive. Although the number of deaths increases over time, the number of births also increases.

Housing needs will increase. Cumulatively, from 2008 to 2031, the City of Winnipeg will need approximately 87,000 additional dwelling units of which about half will be multiple units. (The Winnipeg region (CMA) will need about 103,000 dwelling units.)

Labour shortages are expected to continue.

The economy will create on average 3,600 new jobs per year.

### Capitalizing on Economic Opportunities

There is a high demand from citizens and businesses for reliable infrastructure including roads, water, sewage systems and community amenities.

Crime, safety and cleanliness, both real and perceived, affect investment and economic development in the downtown.

Encouraging more people to live downtown requires a range of housing options and private sector investment.

Workforce skills shortages must be addressed to capitalize of economic development opportunities.

The development of an Economic Development Incentive Program would promote economic development.

The City needs to continue to reduce red tape to optimize resources invested in frontline customer service.

Winnipeg has many competitive strengths and assets including its diversity which provides economic and workforce stability. Focusing on wealth creating business sectors will be the key to building a sustainable economy in the Winnipeg region.

### Providing Public Service Support for Economic Policy Direction

There is only one active staff resource city-wide.

The City is often faced with competing policy goals (e.g. Olywest).

There is a need for greater role clarity among the various civic and private agencies tasked with Economic Development mandates (i.e. CentreVenture, Destination Winnipeg, BIZ, various City departments).

## SUMMARY OF GOALS AND STRATEGIES

### 1. Build a strong economic climate for Winnipeg.

- Prepare an annual Trends Report that provides socio-economic information as well

as a profile of the City's key financial/service indicators.

- Develop a relevant set of criteria to assess the merits of proposed economic development projects.
- Implement an Employment Lands Strategy (including a Downtown Employment Lands Strategy) in partnership with industry and economic development stakeholders.
- Analyze and report on Winnipeg's long-term projected growth patterns.
- Establish a Brownfield Strategy that improves the marketability of development sites requiring remediation.
- Improve the speed of permit and land development approval processes.
- Implement Red Tape Commission recommendations to streamline government and improve how we do business.
- Provide an annual report on service performance to assist Council in deliberating priorities and assessing value for money.
- Provide logistical support to the film industry and event organizers.

**2. Identify priority investments that support economic development activity.**

- Identify new and improved community amenities that will enhance quality of life for employees of businesses interested in investing in Winnipeg.
- Explore innovative approaches to proceed faster with capital project implementation.
- Implement quality of life priorities including Crime Reduction, Visible Front Line Services (clean & green), and Infrastructure (pipes & pavement).

**3. Assist in the development of taxation policy that enables economic opportunity.**

- Look for alternative ways of doing business in an effort to reduce the cost of government as a percentage of the local economy.
- Support the phased elimination of the business tax and license in lieu of business tax, as well as the implementation of the

simplified entertainment tax by pursuing efficiencies and alternative sources of revenue.

- Provide research and analysis regarding the viability of Tax Increment Financing as an option for financing economic development initiatives.

**4. Broaden service access and convenience to customers wanting to do business with the City.**

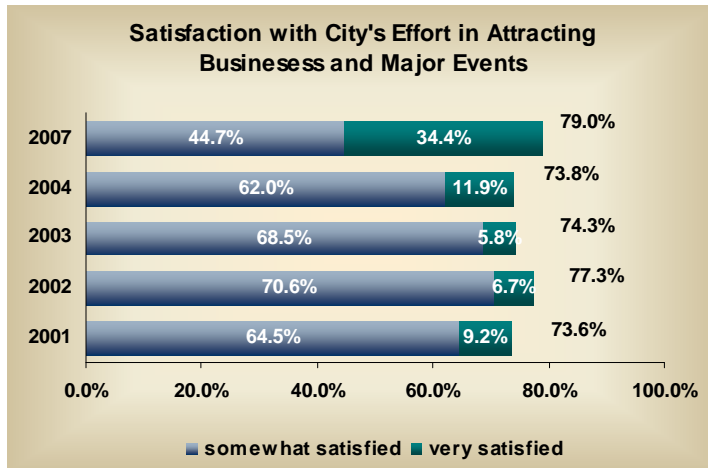
- Develop and implement a directive that customer service be the mission of every civic employee.
- Support the implementation of a 3-1-1 model for the City to provide customers with a single point of access to all municipal services.
- Continue to develop e-service options for customers of the City.

**5. Capitalize on opportunities to establish Intergovernmental and Public-Private Partnerships.**

- Continue to pursue intergovernmental agreements that support significant infrastructure investments that have direct or indirect economic benefits.
- Continue to develop service sharing agreements with surrounding municipalities where viable to support regional economic growth.
- Support economic opportunity partnerships with other jurisdictions throughout Canada and North America.
- Continue to work closely with partners in economic development including Destination Winnipeg, CentreVenture, Forks North Portage Partnership, Business Improvement Zones, etc., to capitalize on leverage opportunities and avoid duplication of efforts

# Performance Information

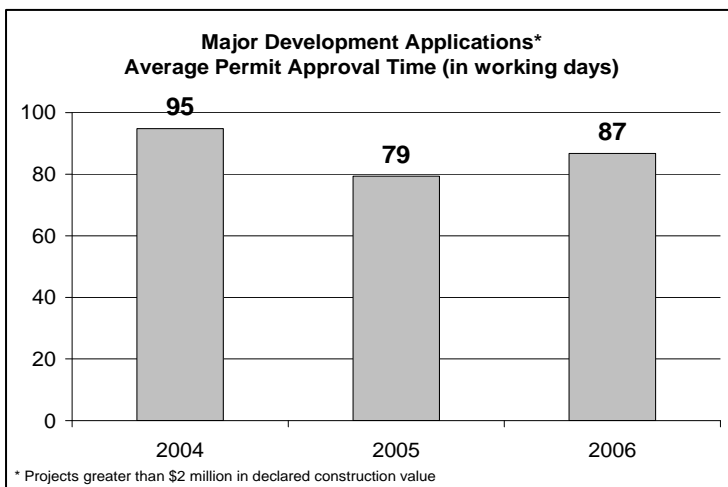
## CITIZEN SATISFACTION



In 2007, approximately 79% of citizens surveyed were satisfied with the City's efforts in attracting businesses and major events which is a slight increase of 4% from 2004.

Note: 2007 Survey was conducted in the month of August; the sample size was 614 people and the margin of error is +/- 4% 19 times out of 20

## EFFECTIVENESS DATA

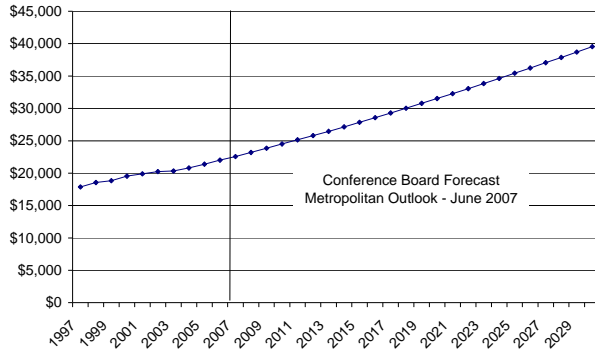


In creating the File Manager position, the goal is to coordinate/expedite City responsibilities for approving such permits.

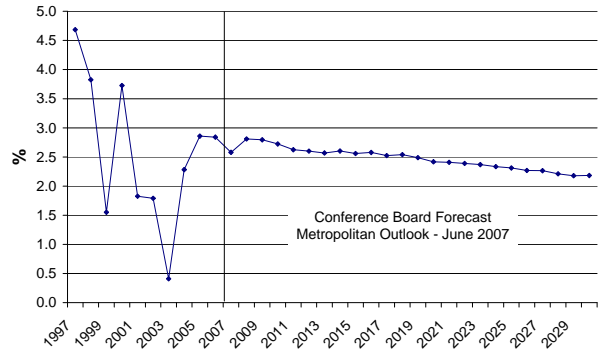
## Macro Economic Indicators

The June 2007 Metropolitan Outlook from the Conference Board of Canada provided several relevant macro-indicators of Winnipeg's economy. These indicator trends are highlighted in the charts below:

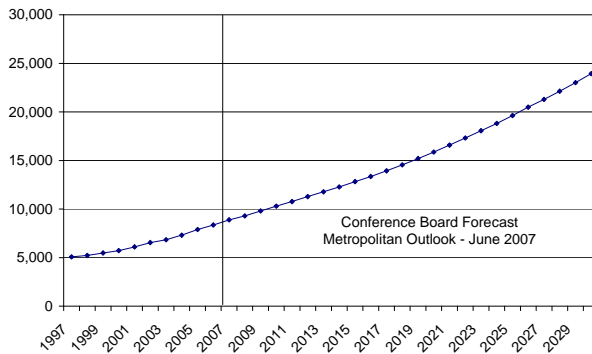
**WINNIPEG - Real GDP (millions - in 1997 \$)**



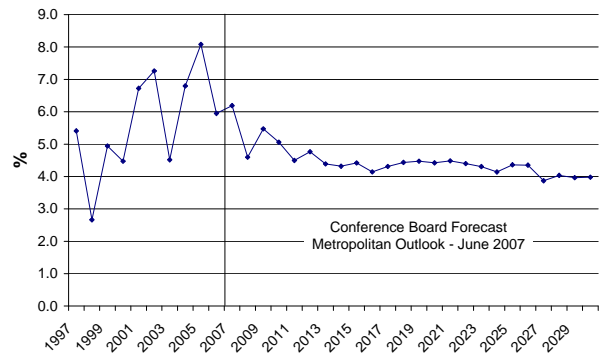
**WINNIPEG - Real GDP Growth Rate**



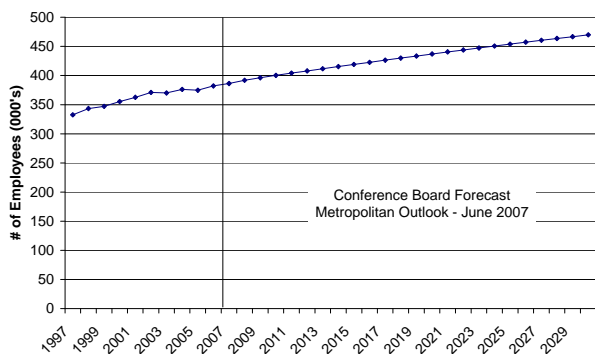
**WINNIPEG - Retail Sales (millions of \$)**



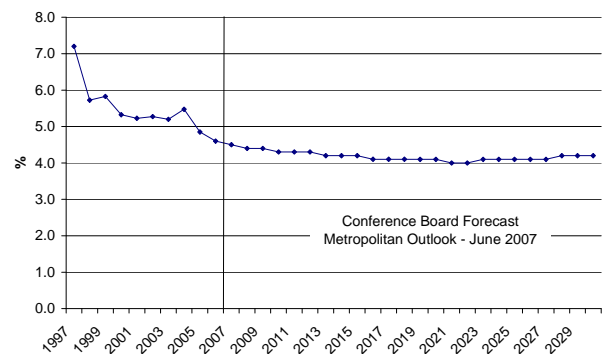
**WINNIPEG - Retail Sales Growth**



**WINNIPEG - Employment**



**WINNIPEG - Unemployment Rate**



## Benchmarking Information

The following comparatives provide context for the data shown above. In 2005, Winnipeg's economic growth was strong with a Real GDP growth of 3.8% -- 5<sup>th</sup> highest of 20 CMAs. While the forecast for 2006 shows most other large cities' economies growing at a faster rate than Winnipeg, the 5 year forecast places Winnipeg's economic growth at just below average for Canadian cities.

### Economic Growth Comparison of City Regions (20 CMAs) Average of Annual Real GDP Growth (%)

	<u>2005</u>		<u>Forecast</u> <u>2006</u>		<u>forecast</u> <u>2007-2010</u>
Edmonton	5.3	Calgary	4.0	Toronto	4.1
Saskatoon	5.1	Vancouver	3.8	Oshawa	4.1
Calgary	4.3	Edmonton	3.6	Kitchener	3.8
Oshawa	4.0	Oshawa	3.6	Calgary	3.5
<b>Winnipeg</b>	<b>3.8</b>	Toronto	3.4	Vancouver	3.5
Vancouver	3.6	St. John's	3.3	Edmonton	3.3
Victoria	3.6	Kitchener	2.8	Ottawa-Gatineau	3.2
Regina	3.4	Ottawa-Gatineau	2.8	Hamilton	3.1
Quebec City	3.4	Saskatoon	2.8	Windsor	3.0
Kitchener	3.4	Saint John	2.7	Montreal	2.9
Toronto	3.1	Windsor	2.7	<b>Winnipeg</b>	<b>2.8</b>
Halifax	2.9	Halifax	2.6	Kingston	2.8
Ottawa-Gatineau	2.4	Montreal	2.6	Halifax	2.6
Windsor	2.4	Hamilton	2.5	Victoria	2.5
Hamilton	2.1	Victoria	2.4	Saskatoon	2.5
Kingston	1.8	<b>Winnipeg</b>	<b>2.3</b>	Quebec City	2.5
Montreal	1.8	Quebec City	2.2	Regina	2.3
St. John's	1.2	Kingston	2.1	St. John's	2.2
Saint John	1.1	Saguenay	2.1	Saint John	2.1
Saguenay	0.7	Regina	1.9	Saguenay	2.1
20 City Average	3.0	20 City Average	2.8	20 City Average	2.9

Source: Conference Board of Canada