

## Committee of the Whole (2) Report

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**DATE:** Tuesday, February 11, 2025

**WARD(S):** ALL

**TITLE:** GREAT LAKES AND ST. LAWRENCE CITIES INITIATIVE

**FROM:**

Micheal Genova, Deputy City Manager, Strategic Initiatives

**ACTION:** DECISION

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### **Purpose**

Economic Development (EcDev) is working with the Great Lakes and St. Lawrence Cities Initiative (GLSLCI) as a partner organization to advance International Economic Relations in the Northeastern United States. EcDev is seeking approval for the Mayor (or designate) to lead a delegation of staff to their annual conference in Milwaukee, WI in May 2025.

### **Report Highlights**

- The US economy both benefits from and contributes to Vaughan's economy.
- The Northeastern US is an important global economic region with key opportunities for Vaughan's business community.
- To advance Vaughan's interests in the Great Lakes region, the City became a member of the GLSLCI for 2025. The GLSLCI is a bi-national organization of more than 240 municipalities committed to maintaining the region's prosperity and addressing challenges through economic, social, and environmental initiatives.
- Vaughan EcDev is participating in GLSLCI initiatives in various ways. These activities are helping to anchor the City's international economic relations in the Northeastern USA, in addition to informing the City's intergovernmental relations efforts.

## **Report Highlights continued**

- In addition to working with the GLSLCI, EcDev is also participating in International Economic Development Council (IEDC) and Global Affairs Canada (GAC) initiatives to strengthen Canada-US economic ties in the face of emerging bilateral challenges.
- The GLSLCI Annual Conference will be held in Milwaukee, WI, from May 14 to 16, 2025. It is an opportunity for Vaughan to engage government and industry leaders across the region.
- Staff are recommending that the Mayor, as Head of Council, supported by EcDev, take part in the conference to: (1) advance Vaughan's international economic relations priorities (trade, investment, engagement with centres of excellence) by meeting strategic partners from across the region; (2) support ongoing economic transition across the Great Lakes Region; and, (3) deepen US-Canada relations.
- All proposed costs for the conference participation are accounted for as part of Economic Development's operating plan.

## **Recommendations**

1. THAT Council receive the update on advancing International Economic Relations through the Great Lakes and St. Lawrence Cities Initiative;
2. THAT Council approve the participation of a City delegation in the Great Lakes and St. Lawrence Cities Initiative 2025 Conference. The Delegation should consist of:
  - a. The Mayor (or designate);
  - b. The Mayor's Chief of Staff, should the Mayor participate in this mission;
  - c. Up to two (2) city staff from the Deputy City Manager, Strategic Initiatives Portfolio as identified by the Deputy City Manager, Strategic Initiatives (or designate) under delegated authority from Council;
  - d. The City Manager (or designate), should he decide to participate; and
3. THAT staff report the results of the Conference participation to a future Intergovernmental Relations Sub-Committee.

## **Background**

***The US economy both benefits from and contributes to Vaughan's economy.***

Vaughan is located less than one hour from the Canada-US border. Vaughan's proximity to major transportation networks, including 400-series highways, the Canadian National (CN) MacMillan Yard and the Canadian Pacific Kansas City (CPKC) Railway

Vaughan Intermodal Terminal. Vaughan is located within a 15-minute drive to Toronto Pearson Airport, Canada's largest and busiest airport with hundreds of daily flights scheduled to the U.S.

Vaughan is home to more than 400 US-based companies with operations in the City, including the Canadian headquarters of Harley Davidson and flagship locations for KPMG and PwC. Several U.S. companies have key operations in Vaughan, including Home Depot's first Stock and Flow Campus, the Costco Distribution Centre, the FedEx Distribution Centre, a Walmart operations facility, and premier companies like Tesla, Lucid, Concord Confections, IAC, and DCL International.

The United States is the biggest investor in FDI sector-based investments in York Region and the Greater Toronto Hamilton Area (GTHA). Key states from which the area receives investment include New York, Michigan, Illinois, California, Texas, and Arkansas.

***The Northeastern US is an important global economic region with key opportunities for Vaughan's business community.***

The Great Lakes and St. Lawrence region generates a combined GDP of more than \$6 trillion USD. Key sectors in the region include

1. **Manufacturing:** automotive, machinery, and steel production.
2. **Agriculture and agri-food processing:** including dairy, grains, and specialty crops.
3. **Shipping and Logistics:** The Great Lakes and St. Lawrence Seaway and the related rail networks facilitate cargo movement worldwide.
4. **Energy:** traditional energy sectors (like fossil fuels) and renewable energy initiatives.
5. **Finance and IT:** Financial services and information technology are growing sectors that contribute to the region's economic diversification.

***To advance Vaughan's interests in the Great Lakes region, the City became a member of the GLSLCI for 2025. The GLSLCI is a bi-national organization of more than 240 municipalities committed to maintaining the region's prosperity and addressing challenges through economic, social, and environmental initiatives.***

Challenges facing the Great Lakes and St. Lawrence Region include:

1. **Economic Diversification:** The region needs to diversify its economic base to reduce reliance on traditional manufacturing.

2. **Environmental Sustainability:** Balancing industrial activity with environmental protection is crucial, especially given the region's natural resources.
3. **Workforce Development:** Addressing skills gaps and preparing the workforce for future industries is a significant challenge.
4. **Aging Infrastructure:** Upgrading and maintaining infrastructure to meet modern standards requires substantial investment.
5. **Global Competition:** The region faces intense competition from other global manufacturing hubs, necessitating continuous innovation and efficiency improvements.

***Vaughan EcDev is participating in GLSLCI initiatives in various ways. These activities help anchor the City's international economic relations in the Northeastern USA and inform its intergovernmental relations efforts***

The Mayor has been invited to take part in the organization's *Industry Leaders Circle*. This Committee is a forum for Municipal and private sector leaders to collaborate on challenges and opportunities across the Great Lakes and St. Lawrence region.

Meetings of the City's Intergovernmental Relations Sub-Committee provide important forums to inform Council of the City's ongoing efforts with the GLSCI initiatives, and to provide an environment for greater stakeholder engagement discussions with Members of Council. The City's membership and active participation in this organization is more critical now, given the policy statements made by the United States' new presidential administration.

Finally, the Director of Economic Development serves on GLSLCI's Industrial Transformation Working Group to support the GLSLCI Commission on Economic Transformation. Vaughan's journey to support its goods-producing economy through ongoing changes across the region provides important lessons for other cities facing similar challenges.

***In addition to working with the GLSLCI, EcDev is also participating in International Economic Development Council (IEDC), and Global Affairs Canada (GAC) initiatives to strengthen Canada-US economic ties in the face of emerging bilateral challenges.***

With recent threats of the imposition of tariffs between Canada and the US, EcDev has increased engagement with agencies working to strengthen bilateral relations. The Director is engaging with the IEDC as a new member of their International Advisory

Committee and will be taking part in various events, including their leadership and advocacy summit in Washington in February.

Council has also approved EcDev participation in GAC's planned investment roadshow to Texas in the fall of 2025. The Roadshow will have EcDev engage with US trade agencies and pre-qualified investment leads interested in Ontario.

US-Canada economic relations will be a key focus of the new International Economic Relations unit in EcDev in 2025.

### **Previous Reports/Authority**

[Vaughan Economic Development Action Plan](#), 2024-27

[HEALTH INNOVATION ECOSYSTEM DEVELOPMENT IN CHICAGO – REVIEW](#), Committee of the Whole (2) Report, June 18, 2024.

[SITE SELECTORS' GUILD CONFERENCE 2024 – REVIEW](#), Committee of the Whole (2) Report, May 14, 2024.

### **Analysis and Options**

***The GLSLCI Annual Conference will be held in Milwaukee, WI, from May 14 to 16, 2025. It is an opportunity for Vaughan to engage government and industry leaders from across the region.***

This year's conference theme is "The Future of Fresh Water: *Leading the Way in an Era of Scarcity.*" In this paradigm, cities across the region are having to do more with less as residents struggle with an affordability crisis. Mayors and municipal leaders across the region will meet to discuss investments and innovation to better manage resources and protect the area's freshwater assets.

Vaughan EcDev is exploring speaking opportunities and meetings with industry leaders to advance our economy.

As a new member, Vaughan has one complimentary ticket to the 2025 conference from the GLSLCI.

**Staff are recommending that the Mayor, as Head of Council, supported by EcDev, take part in the conference to: (1) advance Vaughan’s international economic relations priorities (trade, investment, engagement with centres of excellence) by meeting strategic partners from across the region; (2) support ongoing economic transition across the Great Lakes Region; and, (3) deepen US-Canada relations.**

**Financial Impact**

**All proposed costs for the conference participation are accounted for as part of Economic Development’s operating plan.**

In addition, EcDev has applied to offset staff costs through the federal CanExport fund. The City’s 2025 award has not yet been announced. However, in 2024, the city received \$35,000 from the CanExport fund. In addition, Vaughan receives \$15,000 from York Region to support international activities.

Proposed Budget:

Expense	Unit Cost	Total Cost
Lead Generation and Material Preparation		\$5,000
Round Trip Airfare (5 people)	~\$850	~\$4,300
Accommodations (3 nights at the conference hotel)	\$250USD/night	~\$5,300
Ground Transportation		\$500
Per Diem and Incidentals	\$500/day	\$1,500
Conference Registration for up to 4 (GLSLCI is providing one free registration)	~\$600USD	~\$3,200
<b>Total</b>		<b>~\$19,750*</b>

\*Budget is approximate and based on CAD to USD exchange rates at the time of report drafting.

## **Operational Impact**

Economic Development will collaborate with Communications, Marketing, and Engagement to update existing sector promotional materials and to share positive outcomes emerging from these ecosystem development activities. No additional departments or areas of the corporation will be impacted.

This activity is part of EcDev's 2025 operating plans.

## **Broader Regional Impacts/Considerations**

The Great Lakes region represents more than \$6T in GDP activity annually. Participating in the GLSLCI will allow Vaughan to engage with the region meaningfully.

## **Conclusion**

The Northeastern US is an important recruitment zone for Vaughan. The GLSLCI is a leading organization that serves as a focal point for cross-region collaboration to champion economic opportunities, and to inform intergovernmental relations efforts between the City and American communities. To advance Vaughan's priorities in the region, staff recommend the Head of Council's participation in the GLSLCI's Annual Conference in 2025.

**For more information**, please contact: Raphael Costa, Director, Economic Development.

## **Attachments**

N/A

## **Prepared by**

Raphael Costa, Director, Economic Development, extension 8891.