

Committee of the Whole (2) Report

DATE: Tuesday, June 8, 2021

WARD(S): ALL

**TITLE: 2020 YEAR IN REVIEW – ECONOMIC AND CULTURAL
DEVELOPMENT AND TOURISM VAUGHAN**

FROM:

Jim Harnum, City Manager

ACTION: FOR INFORMATION

Purpose

To provide a summary of the Economic and Cultural Development department (ECD), inclusive of the Tourism Vaughan Corporation (TVC / Tourism Vaughan), programs and initiatives, as well as key City-led initiatives and policies that have contributed to supporting businesses in 2020. These highlights make up the foundation of the “2020 Year in Review – Economic and Cultural Development and Tourism Vaughan” publication [Attachment 1], which showcases the 2020 themes of resilience, community building, and the continuation of City-building in the City of Vaughan.

Report Highlights

- Despite the COVID-19 global pandemic, Vaughan is a city in demand with outstanding, decade-long economic growth and an anticipated strong post-pandemic recovery.
- As of 2020, Vaughan is home to nearly 19,000 businesses employing more than 213,000 people with real GDP at \$22.61 billion — the largest economy in York Region.
- Business community resilience was bolstered by initiatives and policies across the City, such as the Vaughan Business Action Plan and the 2021 budget zero per cent tax increase — just a few of the many steps taken to support businesses in the City of Vaughan by ECD, inclusive of TVC.
- City-building continued and was marked by the substantial completion of the Cortellucci Vaughan Hospital, the development of the Vaughan Destination Master Plan and notable investments, such as from Amazon and Walmart.
- In accordance with the Memorandum of Agreement (MOA) between the Corporation of the City of Vaughan and the TVC, the TVC shall submit an annual report to Council as its sole voting member.

Recommendations

1. That the '2020 Year in Review – Economic and Cultural Development and Tourism Vaughan', as contained in Attachment 1 to this report, be received; and
2. That a copy of this report, along with related Attachments be distributed to Mayor and Members of Council, Members of Parliament, Members of Provincial Parliament, local and regional partners, and all other relevant organizations / individuals.

Background

As one the key deliverables of the council-approved, Economic and Cultural Development Department Strategic Business Plan 2020-2023, as well as upholding with strategic priorities of good governance and economic prosperity, outlined in the 2018-2022 Term of Council Service Excellence Strategic Plan, the Economic and Cultural Development department and Tourism Vaughan is publishing this year's annual report. The purpose of this publication is to: (1) highlight the department's programs and initiatives and key City-led initiatives and policies that have contributed to supporting businesses during the COVID-19 global pandemic in 2020; and (2) report on results of the TVC's 2020 operations, in compliance with the Memorandum of Agreement (MOA) between the Corporation of the City of Vaughan and the TVC, that the TVC shall submit an annual report to Council as its sole voting member.

The Economic and Cultural Development (ECD) department works to make Vaughan a place where entrepreneurship, business, tourism, art and culture prosper and grow. The department's objectives, as detailed in in the 2020-2023 Strategic Business Plan, are to:

- Enable a climate for businesses to grow, prosper and create jobs;
- Advance economic opportunities and attract new investment;
- Enrich Vaughan's communities and economy through public art and cultural development; and
- Effectively pursue service excellence.

Launched on January 1, 2020, Tourism Vaughan is the official destination marketing organization (DMO) for the City of Vaughan, with the mission to market and develop Vaughan as a destination for tourists and business travelers. A City-owned corporation, Tourism Vaughan is supported through the City of Vaughan's ECD department and supports the 2020-2023 Strategic Business Plan through the Tourism Vaughan Business Plan 2020—focused on supporting Vaughan's tourism industry.

Previous Reports/Authority

[2018-2022 Term of Council Service Excellence Strategic Plan](#)

[Economic and Cultural Development Department Strategic Business Plan 2020-2023](#)

[Tourism Vaughan Corporation Inaugural Business Plan 2020](#)

[Tourism Vaughan Corporation Business Plan 2021](#)

Analysis and Options

The COVID-19 global pandemic brought about unprecedented new changes and challenges that have tested the Vaughan business community, and the Economic and Cultural Development (ECD) department and Tourism Vaughan. Thanks in part to the incredible talent demonstrated across the City, Vaughan's economy, businesses and its people remain resilient and strong.

This year's Year in Review publication is a showcase of the resilience and innovation of Vaughan's business community and the efforts made by the City, the ECD department and Tourism Vaughan in its decisions, policies, projects and programs to maintain Vaughan's economic prosperity and support the capture new growth opportunities by businesses in a post-pandemic world.

Economic Snapshot [for further details, please see Attachment 2]

Despite the COVID-19 global pandemic, the City of Vaughan continues to be a city in demand.

ECD and Tourism Vaughan

Playing a critical role in supporting businesses through the global pandemic, ECD and Tourism Vaughan assisted 165 businesses to start or grow; delivered 1,223 consultations; answered 4,340 inquiries; and provided 207 webinars to 5,332 participants.

Real Gross Domestic Product (GDP)

With exceptional pre-pandemic economic growth (4.2 per cent average annual growth rate [AAGR], 2010-2019), the Conference Board of Canada's estimates are indicating a strong recovery to GDP, with performance returning to pre-pandemic levels in 2021.

In 2020, real GDP (chained in 2012 CAD) was \$22.61 billion with an AAGR of 3.18 per cent (2010-2020). The City continues to be York Region's largest economy, accounting for 37 per cent of York Region's total GDP. While GDP AAGR declined from the impacts of COVID-19, Vaughan's pre-pandemic growth rate was nearly double the provincial and national rates (2010-2019).

Total Employment

Vaughan's highly educated and skilled workforce (70 per cent post-secondary educated, from ages 25 to 64 [5% higher than the national average]) is expected to rebound in 2021 and surpass pre-pandemic employment levels in 2022 — as forecasted by the Conference Board. In 2020, total employment in Vaughan was estimated to be at 213,500 with an unemployment rate of 9.1 per cent, better than both provincial and national rates. Employment AAGR still remains strong at 2.74 per cent (2010-2020), more than double both the provincial and national rates, with forecasted employment growth anticipated to rebound in 2021/2022.

Business Counts

Business counts and sector diversity remain relatively stable through 2020, the business [location] count for Vaughan in 2020 was 18,955, down by 0.9%. Small business continues to drive Vaughan's economy accounting for 87% of businesses (no significant change from 2019). Overall, Vaughan's diversified economy is an important factor for economic stability and post-pandemic recovery.

Value of Building Permits

In 2020, City-building continued with Vaughan issuing \$1.15 billion worth of building permits, driven by strong industrial and residential development throughout the year. Vaughan also continued to be an industrial powerhouse in 2020, as the 4th largest industrial market in the GTA (by total inventory). Since 2010, Vaughan has issued a total of \$13.3 billion worth of building permits—an average annual rate of \$1.2 billion permits valued each year.

Population

Since 2010, Vaughan continues to be one of the fastest growing cities among Canada's top 25 largest cities with population growth rates higher than both provincial and national rates (Population AAGR: 1.56 per cent, 2010-2020). As of 2020, Vaughan's population is estimated to be at 331,600 with a 97 per cent citizen satisfaction rate.

All sources in the Economic Snapshot are detailed in the "2020 Year in Review – Economic and Cultural Development and Tourism Vaughan" publication.

Resilience: Working Together to Emerge Stronger

Ready, Resilient and Resourceful defined the City of Vaughan in 2020. With the announcement of the Vaughan Business Action Plan, the ECD department transitioned to provide services virtually which played a pivotal role in maintain service excellence and providing critical support to businesses. The launch of vaughanbusiness.ca, the development of the COVID-19 online resource page and the creation of the

department's 4 eNewsletter channels helped strengthen communication with businesses by providing timely, relevant and accurate information. Furthermore, the suspension of the Municipal Accommodation Tax (MAT), deferral of business license renewals, and the relaxing of several municipal by-laws also provided additional support in an unprecedented time. With the establishment of the Ready, Resilient and Resourceful Committee, the introduction of temporary patio expansions, and the deferral of property taxes and the zero per cent 2021 Budget increase, the City demonstrated its unwavering commitment to support Vaughan's businesses and citizens during the pandemic.

The ECD department continued this momentum of support by launching the Digital Boost: Vaughan Small Business Resiliency Program which helped more than 300 participants, as well awarded \$5,000 in regional and provincial grant funding to 18 local small businesses. During the first wave of the pandemic, the ECD department brought together Supply Chain Canada, York Region, and the Cities of Markham, Richmond Hill and Vaughan to study the impact of COVID-19 on manufacturing supply chains and gather best practices to prepare for the future. As of March 2021, the study will be complete and provide actionable recommendations to businesses via a toolkit. Capitalizing on the opportunity to support businesses in new and creative ways, the second season of the award-winning, Vaughan Rising Podcast highlighted the bold and innovative ways that Vaughan's business community demonstrated resilience during COVID-19. The new Vaughan Rising Blog also provided practical resources to help Vaughan businesses adapt in a post-pandemic economy.

Celebrating Vaughan's manufacturing sector in contributing to the COVID-19 response effort, several Vaughan-based manufacturers received funding to expand their capacity and support the province during the pandemic. More notably, RONCO received \$1.4 million and Sterling Industries \$1 million to expand production and increase PPE manufacturing capacity.

At the onset of the COVID-19 pandemic, Tourism Vaughan worked diligently to support tourism-based businesses, having provide critical support services and programming, such as:

- TVC's Safe Travels Stamp and Toolkit: Tourism Vaughan adopted the Safe Travels Stamp to support local businesses to rebuild consumer confidence to travel again. A Safe Travels Toolkit was created and freely distributed to Vaughan-based tourism businesses.
- Regional Relief and Recovery Fund (RRRF): Tourism Vaughan successfully attained a \$426,625 grant from FedDev Ontario to support local industry through the pandemic and prepare to drive visitors back into the community when ready.

- VisitVaughan.ca: The city's first visitor-focused webpage featuring all there is to see and do in Vaughan.
- It's Our Treat Accommodation Incentives Program: A new incentive program designed to drive overnight stays to Vaughan accommodations.
- Familiarization Tour: Hosted Vaughan's first tourism familiarization tour virtually in partnership with local attractions and hotels for meeting and event planners to showcase Vaughan as the host city for future events.
- Corporate Meetings and Events Recovery Strategy: A strategy designed to attract meetings and events to Vaughan and build partnerships between Tourism Vaughan and Industry Associations, as well as Vaughan's tourism stakeholders and partners.

Community Building: Bringing Vaughan's Business Community Together

During the pandemic, the ECD department continued to focus on promoting collaboration, partnerships and opportunities in Vaughan to support unity across the business community- the 18th Annual Vaughan Business Expo, Activate!Vaughan Health Innovation Challenge, Industry Collaboration Roundtables and the virtual Vaughan Business Café were some of the key initiatives.

Shaping Vaughan's future talent was an important part of community building in 2020. Partnerships, such as those between ventureLAB and the ECD department, as well as programs, such as Summer Company 2020, were important in nurturing local talent and supporting innovation and entrepreneurship.

Marketing Vaughan as a city and destination had the ECD department and Tourism Vaughan uniting fronts to promote the city in new and exciting ways. A new brand and website, aimed to ignite economic prosperity in Vaughan, was launched in May, which saw the ECD department transition to the new microsite: vaughanbusiness.ca. This new, Council-approved brand also extended to the VMC, where it brought new life to a number of VMC brand awareness initiatives, such as the myVMC.ca website refresh, the updated 360-Degree Tour, and digital and publication advertisements. With Tourism Vaughan having launched in January, their new brand launched in tandem the ECD department. As the new destination marketing organization (DMO) for the City, Tourism Vaughan partnered with Central Counties Tourism to establish a temporary new visitor webpage: visitvaughan.ca. With website in hand, Tourism Vaughan worked to establish its social media presence and launched its first social media contest in December.

For foreign direct investment (FDI), with COVID-19 establishing new trends for virtual engagements, promotional initiatives followed suite and went digital with the ECD

department's involvement in the Ontario Innovation Ecosystem and the 2020 Smart China Expo.

2020 also marked a number of exciting firsts for the ECD department, and in extension the City:

- Metropolis in Motion, the first public art installation in the VMC.
- Culture Days going virtual for the first time in its 11-year run at the City.
- Curated art galleries going digital with five galleries having been made available for the first time online via Flickr.
- Virtual Real Estate Conference: a partnership between the ECD department and the Vaughan Chamber of Commerce, was a first-ever, two-day online real estate conference.
- Grow with Vaughan Horticulture Sponsorship Program: a new partnership program between the ECD and the Parks, Forestry and Horticulture Operations department that aims to beautify the city through the sponsorship of city flower beds.

City Building: Despite COVID-19, City Building Continues

While the global COVID-19 pandemic made its mark on the Canadian economy, city-building continued in Vaughan. With the City bringing in new investment and major development projects staying the course, investor's confidence has proven Vaughan was and still is in demand.

September 2020 was the substantial completion of the nearly \$2 billion Cortellucci Vaughan Hospital, Vaughan's first hospital and Canada's first smart hospital. In tandem, the Vaughan Healthcare Precinct Feasibility Study carried forward, bringing together the City, York University, Mackenzie Health and ventureLAB to identify transformational opportunities to maximize the best use of lands surrounding the site of the Hospital.

Tourism Vaughan also began the process of developing the Vaughan Destination Master Plan, alongside consultant CBRE Ltd., to create a strong strategic foundation to power the City and Tourism Vaughan forward.

To support continuing development in Vaughan, the ECD department launched a new digital and interactive Vacant Employment Land Directory to make it more efficient for external stakeholders to identify development opportunities in Vaughan's employment areas.

Even in the pandemic, Vaughan continued to be a city in demand, with a number of notable investments through the year:

- Sobeys launched their new 250,000 sq. ft. distribution centre that would be foundation for Voilà by Sobeys.
- Amazon Canada announced the opening of two (2) delivery stations in Vaughan.
- Walmart Canada is set to open a 550,000 sq. ft. distribution centre.
- Avid Hotel Vaughan is set to open a 119-room hotel by 2022.
- Vision Profile Extrusions received \$2.3 million to adopt leading-edge robotics and automation processes.
- PwC Canada opened its first Digital Resilience Centre in Vaughan.

Financial Impact

The costs associated with the “2020 Year in Review – Economic and Cultural Development and Tourism Vaughan” are included in the current approved budget — there are no new financial implications associated with this report.

Broader Regional Impacts/Considerations

As a key promotional publication that celebrates Vaughan as an ideal city for investment and economic opportunities, a copy of the publication will be uploaded on vaughanbusiness.ca and distributed to key local/regional partners and stakeholders, such as York Region Economic Development, Vaughan Chamber of Commerce, foreign Chambers of Commerce, consuls in the Ontario and Canadian marketplaces, ministries, local and regional stakeholders, etc.

Conclusion

Despite the COVID-19 global pandemic, the City of Vaughan continues to be a City in demand for both residents and businesses to invest in and grow. The accompanying “2020 Year in Review – Economic and Cultural Development and Tourism Vaughan” publication showcases the 2020 themes of resilience, community building, and the continuation of City-building in the City of Vaughan—how these themes together have played an important role in Vaughan’s continuing resiliency and anticipated post-pandemic economic recovery.

2021 Highlights for Economic and Cultural Development and Tourism Vaughan

With 2020 being defined as a year for readiness, resilience and resourcefulness, 2021 is a new chapter for the City of Vaughan, the Economic and Culture Development department and Tourism Vaughan to build on these principles and support Vaughan’s continuing innovation and growth.

In addition to providing ongoing programming and services to clients and partners, the ECD department has a number of standout projects and initiatives slated for 2021:

- Vaughan Healthcare Centre Precinct Partnership
- Activate!Vaughan Smart City Challenge
- Vaughan Rising Podcast: Season 3
- International Virtual Trade Programs
- Vaughan Metropolitan Centre (VMC) Awareness Building
- Great Taste of Ontario Roadtrip
- hostinvaughan.ca meeting planner attraction website
- Travel incentive packages
- Destination Master Plan completion
- City-wide Public Art Projects
- on the SLATE Art Exhibitions: builtFORM | the art of placemaking
- Cultural and Heritage Celebrations 2021

For more information, please contact Raphael Costa, Director, Economic and Cultural Development, ext. 8891.

Attachments

1. 2020 Year in Review – Economic and Cultural Development and Tourism Vaughan
2. COVID-19 Impact Analysis – 2020 Business Counts for the City of Vaughan Memo

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