

# **FINAL REPORT**

## **Eastern Ontario Opportunity Action Plan**

June 15, 2005

This report is presented for consideration by the Eastern Ontario Wardens Caucus, Eastern Ontario's Community Futures Development Corporations, and the Ontario East Economic Development Commission. As of June 15, the Report was under consideration by these stakeholders but had not yet received formal approval or endorsement.

Prepared for:

**The Eastern Ontario Wardens Caucus**  
**The Community Futures Development Corporations of Eastern Ontario**  
**The Ontario East Economic Development Commission**

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With financial support from

**Eastern Ontario  
Wardens Caucus**



**The Community Futures  
Development Corporations  
of Eastern Ontario**

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**Cover Letter/Letter of Transmittal**

June 15, 2005

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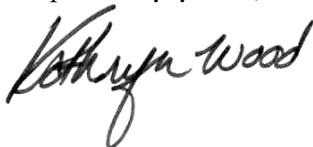
Dear Mr. Borovilos:

On behalf of the consulting team selected to produce the Eastern Ontario Opportunity Action Plan, I am pleased to provide an Executive Summary and Final Report for review and consideration by the stakeholders in Eastern Ontario's economic development.

Over the past few months, our team has been privileged to meet with stakeholders and gather information from across Eastern Ontario – a region blessed with abundant natural resources, a location amidst major domestic markets, a dozen post-secondary education institutions, hundreds of diverse communities, and people with great warmth, community spirit and entrepreneurial bent. This should be a region with enormous opportunity – and it is. But this is also a region with serious challenges – a modest population spread over large areas, steady out-migration of youth, much needed services and infrastructure that are difficult to support on a limited tax base, limited funding and financing to support worthwhile initiatives and a lack of profile with policy and financial decision-makers in other centres.

By its name, the Opportunity Action Plan signals the need for, and the intention of stakeholders to begin bridging the gaps between the current plans and capacity and what is needed to effectively capitalize on the opportunities. We hope that our efforts to draw together the collective sense of “what needs to be done” and to set out a series of concrete steps to act on opportunities will serve as guidance for the champions of economic development in Eastern Ontario. The full report --- which is more than 150 pages in length --- contains more than 50 potential regional initiatives which could be part of a shared economic development agenda for Eastern Ontario. In years to come, we hope that all of those involved in the development of this Plan will look back and say “our road to a sustainable economic future started here”.

Respectfully yours,



Kathryn A. Wood  
President and CEO  
Natural Capital Resources Inc.

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## **1.0 Executive Summary**

### **1.1 The Project**

The Eastern Ontario Opportunity Action Plan was the first project for which funding was announced from the \$10 million Eastern Ontario Development Fund (EODF). It was launched in early November, 2004, to identify strategic regional opportunities and actions that will retain and attract new investment, job creation and wealth generation in Eastern Ontario.

The initiative for this project came from the Eastern Ontario Wardens Caucus (EOWC) consisting of the elected Heads of Council from the Counties in Eastern Ontario, the Community Futures Development Corporations of Eastern Ontario (CFDCs), and the Ontario East Economic Development Commission (OEEDC).

The intent of the project was to develop a strategic economic alliance among the respective counties and individual communities and organizations that will leverage the region's collective economic assets and attract increased investment to offset the impacts of downloading and declining industrial/commercial assessment.

Following an RFP process in the fall of 2004, the Eastern Ontario Opportunity Action Plan project was executed by a consulting team led by Kathryn Wood of Natural Capital Resources Inc., reporting to and working with a Working Committee composed of representatives from the following stakeholder organizations: the EOWC, the CFDCs, and the OEEDC.

The work involved collection and analysis of all relevant economic studies and reports developed in the past five years (environmental scan), leading to the identification of common themes and actions to position Eastern Ontario for a sustainable economic future. In-depth consultations were undertaken with a wide range of major stakeholder groups, including CAOs and other local government representatives, CFDCs, the OEEDC, and representatives from the agriculture, forestry, biotechnology, technology, tourism, manufacturing, and other sectors.

## 1.2 The Context for the Regional Economic Development Mission

Eastern Ontario is blessed with abundant natural resources, a location amidst major domestic markets, a dozen post-secondary education institutions, hundreds of diverse communities, and people with great warmth, community spirit and entrepreneurial bent. This should be a region with enormous opportunity – and it is. But this is also a region with serious challenges – a modest population spread over large areas, steady out-migration of youth, much needed services and infrastructure that are difficult to support on a limited tax base, limited funding and financing to support worthwhile initiatives and a lack of profile with policy and financial decision-makers in other centres.

The stark reality of the economic challenges facing Eastern Ontario has been set out in a number of reports, most recently by the Future Directions Report, originally produced in 2002 and updated in 2004 by the EOWC. Focused on the financial strain facing local governments across the region, the 2004 Future Directions Report Update noted limited assessment growth in Eastern Ontario and the limitations of the property tax base, along with shifts of tax burden from commercial and industrial ratepayers to the residential class. The growing challenge of dealing with the impact of Local Services Realignment was also identified.

EOWC has used the Future Directions Report to make the region's case before provincial and federal decision-makers, urging them to focus specific economic development attention on the area for a sustained period. Stakeholders have reported that EOWC participation was helpful in the federal decision to launch the EODF in 2004-2005. At least one provincial cabinet minister<sup>1</sup> has credited the EOWC for presenting “a united voice” for Eastern Ontario. The emphasis on economic development is likely to continue through 2005 and beyond as it is now one of the EOWC's four priorities. There is both a sense of urgency associated with economic development and a sense that the time is right to act. In short, economic development's time has come in Eastern Ontario.

The region's economic development aspirations can be set in long-term context by two recent Smart Growth Panels. These provincially-supported Panels, which reported in 2003, articulated visions for parts of Eastern Ontario through to 2035. The Smart Growth Panel for Eastern Ontario articulated a vision emphasizing quality of life in both urban and rural settings, capitalizing on assets, appreciating heritage and environment, and harnessing a workforce employed in a mix of economic engines – both traditional and “knowledge-based” sectors. The Central Ontario Smart Growth Panel Report's vision has many of the same elements but also emphasizes social equity, integrated transportation, compact settlement and development patterns, and a high standard of living for its citizens. The actions identified in this Opportunity Action Plan are consistent with those visions.

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<sup>1</sup> Hastings, Frontenac, Lennox and Addington MPP and Minister of the Environment, Hon. Leona Dombrowsky was quoted in the April 5, 2005 edition of the Frontenac Gazette as saying that the EOWC was “a key group” in the Ontario government's announcement on the Community Reinvestment Fund and a new Ontario Municipal Partnership Fund.

### **1.3 Use of Economic Development Models**

Traditionally, economic development officials have concentrated on recruiting industry and businesses from outside the community to relocate on serviced land. In addition to this attraction strategy, they also rely on business retention and expansion; new business formation strategies; capacity building; technology transfer and commercialization (bringing new research discoveries and technologies to market); and building linkages to help existing businesses tap into external economic clusters and build trading relationships with those outside markets.

Communities are recognizing the need to make a fundamental shift in their approach to economic development to meet an equally challenging environment. Many economic developers are beginning to realize that traditional efforts have used outmoded development approaches. A more holistic approach recognizes the need to address infrastructure, environmental/ health issues, workforce preparedness and public-private investment in the community. These innovations require a special kind of leadership, a core group of “change masters” and effective partnerships with other jurisdictions and agencies.

The consulting team found that economic development planning in Eastern Ontario tends to take place within the context of a broader community development plan (whether formal or informal). It also relies more on anecdotal information than systematic research to guide decisions about which types of economic development should be priorities, which specific opportunities to pursue, and how to go about it – leaving gaps in the path to action. For the most part, traditional attraction/business retention strategies are being followed, but stakeholders are increasingly disposed towards partnership models for economic development.

#### **1.4 Strengths, Weaknesses, Opportunities, Threats Underlie Decisions**

Stakeholders identified numerous strengths, including Eastern Ontario's natural resources, proximity to major markets, post-secondary education institutions, talented entrepreneurial people, as well as the capital investment pool available through CFDCs and sub-regional Community Ventures Capital Fund.

They also saw opportunities in specific sectors, multi-county partnerships, and ways that Eastern Ontario can take the pressure off high-growth urban communities.

Stakeholders were also aware of the region's weaknesses: inadequate funding; structures and funding that don't match multi-community approaches or an economic development focus; a reactive operating style based on the rollout of provincial initiatives and decisions; lack of regional influence and profile in getting governments' attention; inadequate resources for infrastructure improvements; and challenges with broadband access and labour force supply.

The external climate for economic development has become tougher and noisier. The risk of business/employment loss continues. In many communities, sector strength is represented by only one or two companies, rather than a cluster of firms together with the services needed to support them. Changing international trade rules, monetary policy (such as interest rates) and currency exchange rates mean the region's cost advantage could disappear.

As development pressures intensify, local government may find new challenges in managing these decisions at the community level; they will need to ensure that planning and development tools are in place, and that decision-making processes balance the need to assert overall community development aspirations while nurturing activity that will achieve economic development goals.

## 1.5 Drivers of Future Economic Development Success Identified

The review of economic development studies and reports, together with interviews with key stakeholder representatives in county offices, CFDCs, sectors and associations, highlighted a number of critical drivers of future economic development success, including the need to:

- Address physical infrastructure concerns
- Tackle connectivity as the leading infrastructure imperative
- Build capacity to bridge economic development gaps, identified primarily as taking strategic ideas through to tactical action plans, and obtaining the financial support required for development and support
- Recognize that stakeholders' appetites are stronger for initiatives based on coordinated sub-regions than a fully region-wide (one size fits all) 13-county approach.
- Respond to changes in trading and tourism patterns
- Introduce a targeted approach to tourism marketing and branding
- Increase the region's pool of captive capital<sup>2</sup>
- Manage the provincial regulatory environment.

## 1.6 Findings – Initial Steps

### Four General Planning Actions Required

Consultations with various stakeholders suggest that four general planning steps are required to further the aims of the Opportunity Action Plan. One is to define the boundaries of the region identified as “Eastern Ontario.” Another is to articulate and adopt shared economic development objectives (such as building on the assets already here in Eastern Ontario, increasing new enterprise start up, retaining and growing existing businesses, attracting more investment, increasing employment and income, and ultimately, increasing the tax base for Eastern Ontario municipalities). Thirdly, it also became clear that support for economic development capacity building will be required. Finally, the need for incentives for regional/sub-regional collaboration was also identified. For the purposes of this Action Plan, “regional” is defined as six or more county or CFDC areas; “sub-regional” is defined as three or more county or CFDC areas.

#### EOOAP Objectives:

- Build on Eastern Ontario's assets
- Encourage new enterprises
- Retain and grow existing businesses
- Attract more investment
- Increase employment and income,
- Increase the tax base for Eastern Ontario municipalities.

<sup>2</sup> Captive capital refers to financial resources available within the region which can be used to finance business start-ups, growth and expansion within the region. This helps to counteract situations where viable businesses relocate out of the region because financiers from outside the region are willing to support the business but prefer that the firm relocate closer to the financiers' base of operations.

## 1.7 Findings – Ongoing Implementation

### Roles, Structures and Processes

One of the most common reasons for delayed or derailed implementation of any plan is reliance on volunteers who often have other significant priorities and employment responsibilities, or dependency on in-kind support of staff that have competing and often higher priority assignments within their home organizations. At the same time, as organizational mandates evolve (either as a result of the funding opportunities or other external factors), officials and staff often need new skill sets.

The Action Plan recommends and describes:

- **The creation of a small, nimble steering group** to share strategy, information and provide overall vision for a regional approach to economic development. In particular, the Steering Group will be expected to track progress in implementing the regional Action Plan and provide insight to funders on general priorities for financial support. Ongoing advocacy for Eastern Ontario and securing a multi-year commitment to EODF will be high on the list of regional priorities.

The Steering Group is not expected to be operational in nature. Those responsibilities would remain with the organizations that now carry them. For EODF, this means that CFDCs would retain responsibility for making and evaluating funding decisions.

- **Assignment of primary (but not exclusive) leadership responsibility** to various stakeholder groups based on strengths of existing relationships with other levels of government, and the experience and expertise within these stakeholder groups. The Plan recommends that:
  - Primary leadership responsibility for **raising the 13-county Region's profile with the Province of Ontario** rest with the **EOWC**. Many stakeholders see the need for strong, united political representations with upper levels of government to address financial and policy issues associated with economic development in Eastern Ontario.
  - Primary leadership responsibility for **raising the Region's profile with the Government of Canada** would rest with the **CFDCs**. As community-focused agencies with an established rapport with the federal government (through Industry Canada) and credibility with the public, the CFDCs are well-positioned to provide leadership in helping the Eastern Ontario region address financial and policy issues associated with economic development.

- The **OEEDC** be assigned **Preferred Partner status** for specific regional policy and program analysis assignments, and implementation of projects – particularly those related to energy, forestry or manufacturing – which are funded through the EODF or other similar regional funding sources. The OEEDC is one of the few “regional” entities active across the 13 counties, and as a result of the organization’s experience in many aspects of economic development, is seen by many stakeholders as having a major role in implementing region-wide initiatives.
- **Engagement of other stakeholders in the economic development agenda** will be essential to improving the economy of Eastern Ontario. The decisions of these stakeholders determine organizational strategies, business formation, retention and expansion, capital and operating investments, hiring decisions, and funding allocations. The Plan recommends and describes how to engage a broader cross-section of public and private sector stakeholders in shaping and implementing regional economic plans. Engagement of partners in the separated towns and cities is critical. Groups such as businesses; educational, research and health care institutions; and associations such as tourism associations, Chambers of Commerce, Boards of Trade, and Business Improvement Areas could also be more heavily involved.
- **Allocation of a specific proportion of funding** from EODF and other similar regional funding sources to support implementation of priority regional projects. This proportion is expected to rise over time but would never be less than 10 per cent of the total allocation.
- **Provision of modest funding from the regional allocation** for logistical/administrative support to the Steering Group and the Chair. The logistical/administrative support is expected to be contracted from a stakeholder organization while the support for the Chair is expected to take the form of a payment for release time for the Chair’s home organization.

## 1.8 The Need for Capacity Building

To help “bridge the gap” between strategy and implementation (tactics), the Opportunity Action Plan recommends that region-wide capacity-building initiatives be undertaken in the areas of 1) strategic planning, 2) partnership development, 3) project/ business plan development, 4) resource acquisition, 5) branding and marketing, and 6) project management/evaluation. The Plan also offers suggestions on how these initiatives might be executed.

Most organizations represented in this consultation process cautioned against “creating additional bureaucracy” to implement regional economic development initiatives. Instead, they recommended using mechanisms which bring people together around initiatives or issues (for example, networks and focused collaborations) with administrative support and funding incentives to support identified regional and sub-regional priorities.

As a result, the Opportunity Action Plan proposes that implementation of many regional and sub-regional initiatives could be accomplished using a network model where initiative and mandate are driven by members organized around specific action projects. Motivation would be based on shared interests and mutual support; decision-making would depend on consensus building. In this report, the approach is called a “shared interest network”. The Plan identifies a dozen places where the network model could be applied to opportunities which were identified by multiple stakeholders.

### **1.9 Information Gaps**

Despite the number of reports and studies reviewed by the consultants, few presented much in the way of up-to-date local statistics, applicable secondary research, or rigorous analytical cases based on data. These gaps were particularly noticeable with respect to substantiating economic development opportunities for Eastern Ontario, such as quantifying target market potential or anticipating economic impacts.

Sectoral studies being conducted by OEEDC in tourism, plastics, logistics and the automotive sectors, following on the heels of their food-processing sector study, will help to address the absence of objective data. To that end, the Plan offers specific suggestions on the types of information that could emerge from these studies and benefit many of the region’s stakeholders. Outreach and inventory programs such as Business Retention and Expansion (BR+E) and Premier-Ranked Destinations will also help. The Plan also notes that there is a need for a regional data set that articulates the scale, characteristics and economic profile of Eastern Ontario as a 13-county region.

### **1.10 Action Projects in Each Sector**

#### **Interest in Pursuing Opportunities Varies By Sector**

Many sectors hold widespread interest among stakeholders across the region. First and foremost is tourism, with manufacturing, the services sector (particularly education), agriculture, and alternative energy also high on stakeholders’ interest list. On a sub-regional basis, opportunities in forestry, technology, and biomedical and health sciences were also noted. A number of infrastructure/capacity issues were also raised in this context, especially broadband access.

The Plan provides recommendations for action plans in each sector, providing direction for decision-makers about the most important priorities:

- **Tourism** offers ample opportunity for economic development. Virtually every organization included in the consultation process identified tourism as a priority “sector of interest” including multiple sub-sectors (such as cultural tourism, agrotourism, eco-tourism, and family-focused recreational tourism). The next step in developing tourism strategies will be to identify what differentiates Eastern Ontario from other tourist destinations, and – in many cases – what is required to bring what the region offers up to world-class or “must-see” standards. At this point, local tourism authorities will be more interested in sub-regional multiple-county tourism strategies that reflect their sub-sector priorities and their market orientation rather than in 13-county regional strategies.

In the near-term, projects will likely emphasize research on the tourism sector (funded in part from the EODF 2004-2005 allocation) as well as additional projects related to target markets, support for strong regional tourism leadership, as well as for marketing and product development in sub-regional markets and corridors. Integration of tourism offerings with sub-regional urban markets and development of shared-interest networks could also help this sector move forward.

- **Manufacturing** projects will build on the sectoral studies of plastics and logistics (funded from the EODF 2004-2005 allocation) as well as encourage specific projects that help stakeholders gather and share information about manufacturing capabilities. The Opportunity Action Plan encourages the formation of manufacturing sub-sector shared interest networks and support to link various emerging manufacturer associations.

Additional regional projects could include a regional manufacturing profile, use of GIS-based mapping technologies to present the region’s capabilities to the world and build relationships across the region, and marketing materials for target manufacturing sub-sectors.

- **Services - Education** was the main focus of desired initiatives in this sector, implying a strategy of designing new partnerships with educational institutions to 1) create ‘anchors of expertise’ around which spin-offs or attraction strategies could be built, and 2) provide the kinds of training services that would equip the workforce for new or better jobs. The Plan notes that ten communities have identified this type of economic development opportunity; for the most part, these opportunities do not overlap from community to community.

- **Agriculture** is a focal point for many counties and CFDCs for two reasons. Some stakeholders want to rejuvenate battered sectors (such as the livestock sector from BSE). Others see opportunity in niche markets such as functional foods (nutraceuticals), specialty meats and cheeses, farm gate produce, and agro-tourism events. Still others are pursuing value-added industries which could use agricultural products (for example, abattoirs; ethanol; biodiesel and bio-based materials). The Plan recommends projects that support stakeholders wishing to use shared interest networks to confirm and pursue a 'gate to plate' approach to agriculture-based economic development. Regional or sub-regional product 'brands' (for example, Kawartha Choice) could also be further developed. Agro-tourism could be pursued through related development such as culinary, wine and cider tourism, rural bed and breakfast establishments and retreats/spas, and tour opportunities associated with processing and manufacturing facilities.

- **Technology** initiatives are likely to have more support in places close to major cities. While many communities are interested in improved access to broadband as basic infrastructure and a support service, communities with an interest in technology businesses, strictly defined, tend to be limited to places with proximity to Ottawa or communities that believe they can offer a tele-working option for technology workers serving major centres.

The Plan recommends Action Projects that connect the Ottawa Technology Cluster through sub-regional marketing programs, promote the advancement and use of Internet and related technologies in the tourism sector, promote emerging centres of technology-related expertise, and encourage efforts to align post-secondary institution curricula and programs with the region's economic development needs and objectives (examples: apprenticeship programs, tourism and technology programs, research partnerships).

- **Alternative Energy** is a sector where interest was most often expressed in terms of initiatives in wind energy, ethanol production and incineration/cogeneration. Specific Action projects could involve research and advocacy related to potential regulatory environments, technology assessments, and business case development.
- **Forestry** has the potential to contribute to the region's economy through pursuit of the traditional logging and timber trade as well as through secondary or value-added opportunities. Specific Action projects could be energy-from-waste systems, secondary manufacturing, programs to enhance public awareness of sustainable forestry as a strategy to engage private woodlot owners in good management practices (thereby increasing access to wood supply beyond Crown lands), and initiatives which support labour force development in the sector. Forest-based eco-tourism is also an option.

### 1.11 Economic Development Infrastructure

- **Broadband Access:** Many stakeholders now see connectivity as “basic infrastructure” for virtually all sectors – public and private. The feedback strongly argued that the Opportunity Action Plan should make connectivity an early action priority.

Specific projects to advance this opportunity could be funding government relations efforts to underscore the importance of broadband for urban and rural areas, information-sharing on new models to introduce broadband service to one or more pilot stakeholder communities, and underwriting the costs of analytical work to assess costs, choose technology solutions, or develop regional/sub-regional solutions (where those are appropriate).

- **Labour Supply:** The size, quality and future availability of the workforce in Eastern Ontario communities is a basic economic development issue. Communities that know they cannot supply the workforce needed for large plants and must focus instead on attracting or growing smaller firms.

Action projects around labour supply could support primary health care strategies, initiatives to attract early retirees, immigration strategies, addressing the imbalance of the labour force due to aging, finding employment for new labour force entrants, encouraging young people to consider employment in specific sectors, or supporting collaborative efforts with educational institutions and other partners/stakeholders for apprenticeship programs, sector-specific training, and research linkages with private sector and economic development initiatives.

- **Branding the Region:** A brand is a complex mental impression created in the mind of a particular audience. It can apply to an organization, its people, programs, projects, products, services and experiences – or even to a whole community or region. Since brand development is based on strategic priorities and designed in relation to primary target audiences, a significant amount of collaborative work must be done before a regional brand could be launched.

The Action Plan describes several options for development of either a single Eastern Ontario brand or a “family” of brands. Previous initiatives in Eastern Ontario at the county or multi-county level have foundered or been postponed because of the difficulty in reconciling diverse local interests, collaborating, and coming to a consensus on what the value proposition behind the brand should be. Yet, a review of the list of identified projects indicates that stakeholders are coming forward with plans to collaborate across multi-county sub-regions. As a result, the Plan recommends that support be provided to these sub-regional initiatives and that any regional branding efforts build on the branding concepts that emerge from them.

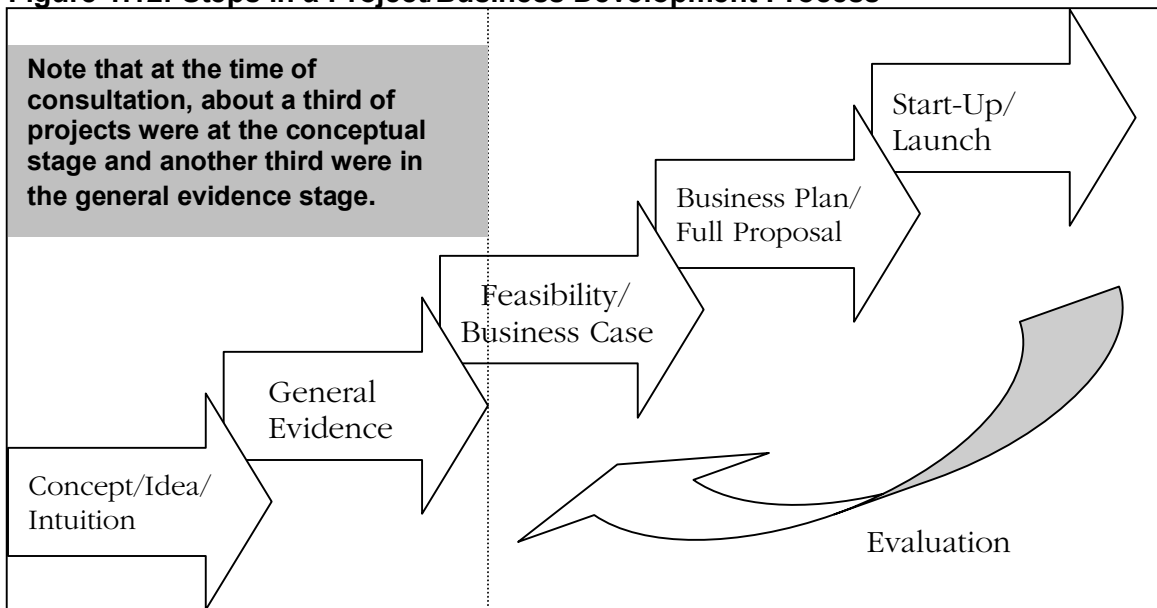
**1.12 Summary of the Status of Action Projects**

**Many Economic Development Projects on Stakeholder Agendas for Future:**

The Action Plan identified 155 Economic Development Projects being contemplated across Eastern Ontario<sup>3</sup>. These projects align strongly to the sectors of interest identified by stakeholders and about two-thirds are strictly local in nature. While only 13 could be considered ‘region-wide’ in scope, another 26 are multi-county partnerships. More than half of the identified projects are based on a traditional (attraction/marketing-oriented) model. The next largest group (28 projects) involves economic capacity-building.

**Most Projects Are In the Early Stages of Development:** About a third of all projects are in the conceptual stage, being considered as a general idea or formally proposed for consideration. Another third are in the early information-gathering stage. Project development is frequently based on general evidence rather than formal business cases or plans. Currently, the cases for most of the identified projects rely on general evidence (88), verbal reports (22) and experience in other jurisdictions (3) as the motivation for pursuit of particular economic development ideas. While many of the ideas under development across the region may turn out to be actionable, relatively few have crisp, clearly defined plans with defined markets which could potentially demonstrate near-term economic payback. This gap can be closed through the Opportunity Action Plan.

**Figure 1.12: Steps in a Project/Business Development Process**



<sup>3</sup> A full listing of projects is available in the appendices to this report. A summary of the status of these projects is found in Section 6.6.1.

### 1.13 Implementation Plan

The Action Plan concludes with a high-level implementation time line detailing which steps should be taken immediately and which would be undertaken over the longer-term. In particular, the time line sets out the steps that stakeholders need to act on recommendations related to processes and structures. A summary of recommendations follows in this executive summary and is presented at the end of the full report. A set of appendices contain additional information that will be of value in pursuing specific initiatives.

### 1.14 Summary of Recommendations

Each of the recommendations presented in this summary is drawn from the full detailed Plan, which follows the same structure as this Executive Summary. The recommendations are of three main types: those which relate to initial steps to launch implementation, those which relate to decisions, processes and structures to guide ongoing implementation, and those which refer to pursuit of specific opportunities associated with economic sectors, infrastructure requirements and capacity-building needs.

#### Initial Steps

**Recommendation 1 - Definition of Eastern Ontario:** It is recommended that continued use be made of the existing area bounded by the service areas of the 15 Eastern Ontario CFDCs as the definition of Eastern Ontario for the purposes of the EODF and other regional economic development initiatives. Each County and CFDC should be asked to confirm their agreement to being considered part of the region, recognizing that this would also confirm their right to participate in and benefit from decision-making processes associated with the EODF.

**Recommendation 2 - Shared Objectives:** It is recommended that the Eastern Ontario Opportunity Action Plan focus on the following shared economic development objectives, which are to:

- Build on Eastern Ontario's assets
- Encourage new enterprises
- Retain and grow existing businesses
- Attract more investment
- Increase employment and income, and
- Increase the tax base for Eastern Ontario municipalities.

**Recommendation 3 – Meaning of “Regional/Sub-Regional”:** For the purposes of this Opportunity Action Plan, it is recommended that “regional” be defined as covering six or more county or CFDC areas and that “sub-regional” be defined as three or more county or CFDC areas. The areas need not be contiguous.

## Ongoing Implementation

**Recommendation 4 – Designated Regional Funding:** It is recommended that stakeholders designate a proportion of any future funding allocations from the Eastern Ontario Development Fund (EODF) or similar funding sources to be dedicated to regional initiatives. It is anticipated that this proportion may change from time to time – presumably increasing as stakeholders develop more projects to implement regional priorities – but would not fall below 10 per cent of the total in any given year.

**Recommendation 5 – Creation of An Ongoing Steering Group:** It is recommended that the key stakeholders associated with economic development in Eastern Ontario create a small, nimble Steering Group to provide overall direction for a regional approach to economic development. As the first step in creating the Steering Group, the stakeholders would review and adopt Terms of Reference such as considering and advising on necessary actions related to:

- The state of the Eastern Ontario economy, particularly in response to the impact of any additional financial resources – from the EODF or other funding sources – that can be brought to bear on stakeholder priorities and specific recommendations in the Opportunity Action Plan.
- Insights on trends and decisions likely to have a disproportionate effect on the economy of Eastern Ontario compared to other neighbouring jurisdictions.
- Multi-stakeholder approaches to address economic development issues and opportunities with other levels of government.
- Proposed approaches to allocating EODF funds and other similar funds, and recommending allocation priorities (regional-local proportions, sectors or themes rather than specific projects) based on the Opportunity Action Plan.
- Results from and feedback on regional initiatives undertaken through the EODF or other funding sources.

**Recommendation 6 – Term of Service:** Although appointments are for just one year, it is recommended that any member of the Steering Group be eligible for reappointment. To achieve a balance between continuity and flexibility, it is further recommended that the Steering Group track length of service so that approximately one-third of the members ‘turn over’ each year.

**Recommendation 7 – Terms of Reference:** It is recommended that the Terms of Reference for the Steering Group be further refined by the first set of appointees for refinement and to support priority-setting for the Group’s work.

**Recommendation 8 – Composition of the Steering Group:** It is recommended that the Steering Group be composed of 10 members, based on the following representation:

- Two nominees from the EOWC appointed annually<sup>4</sup>;
- Two nominees from the CFDCs appointed annually<sup>5</sup>;
- One nominee from the separated cities; appointed annually by the Municipalities United for a New Deal (MUND)<sup>6</sup> or similar body broadly representative of separated cities and towns.
- One nominee from the OEEDC; appointed annually<sup>7</sup>;
- Two representatives from the private sector (one from industry/large business and a second representing small business<sup>8</sup>); candidates to be identified and appointed annually by the preceding year's Steering Group;
- One representative from the education sector (most likely from the post-secondary education sector); candidates to be identified and appointment made annually by the Steering Group;
- One at-large representative, a position which the Steering Group can use to balance the changing mix of stakeholders involved in economic development across Eastern Ontario as well as overlapping memberships<sup>9</sup>. This member would be appointed annually by the Steering Group.

**Recommendation 9 – Administrative/Logistical Support for the Steering Group:** It is recommended that the CFDCs be encouraged to develop a budget allocation for administrative and logistical support to the Steering Group and the Chair (between meetings). We also recommend that the CFDCs provide a modest allocation for release time for staff in the Chair's stakeholder organization to allow them to support the work of the Chair between meetings. It is anticipated that these resources would be part of the regional allocation from EODF (or other similar funding sources) for implementation of the Opportunity Action Plan.

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<sup>4</sup> At its sole discretion, the EOWC may choose to appoint either Wardens/Mayors or Chief Administrative Officers of any of the participating counties.

<sup>5</sup> At its sole discretion, the CFDCs may choose to appoint either Executive Directors/General Managers or members of the Boards of Directors of any of the participating CFDCs.

<sup>6</sup> MUND may choose to send a representative who is also a member of the Ontario East Economic Development Commission. This does not preclude the OEEDC from having a member appointed by the OEEDC itself. In fact, the proposed membership structure guarantees that OEEDC will be represented as an organization in its own right.

<sup>7</sup> At its sole discretion, the OEEDC may choose to appoint either a member of its Executive or a member of staff.

<sup>8</sup> These representatives could come from sectors such as tourism, manufacturing, agriculture, energy, forestry, technology, retail or professional services.

<sup>9</sup> Specific examples include additional representation from regional business associations such as OEEDC or a regional tourism body, or from the City of Ottawa or other separated city or town that is not currently a member of MUND. Overlapping membership refers to the fact that currently about 10 per cent of OEEDC's membership is drawn from the CFDCs. Economic development officials from the counties and lower tier municipalities, as well as the separated cities constitute approximately two-thirds of the OEEDC membership base.

**Recommendation 10 – Eastern Ontario Wardens Caucus:** It is recommended that primary leadership responsibility for raising Eastern Ontario’s profile and influence with the Province of Ontario should rest with the Eastern Ontario Wardens Caucus. This role is expected to focus on:

- Counterbalancing what is perceived to be an overemphasis on the Greater Toronto Area in economic development and tourism decision-making at the provincial level.
- Ensuring that provincial decision-makers understand Eastern Ontario’s aspirations as a region with real potential for sustainability.
- Supporting a broader stakeholder coalition in pressing for at least five years of continuous funding under EODF to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front. This coalition could also be applied to representations related to other provincial and federal programs.
- Shaping provincial policies that will affect the region’s ability to move to a sustainable future. These policies range from greenbelt legislation, use of Crown lands, and allocation of gas tax monies, to nutrient management and the impact of safe drinking water regulations.
- Recommending changes to provincial or federal program design, which would better align funding with integrated economic development approaches, regional priorities and multi-community initiatives in Eastern Ontario.
- Advocating for improvements to infrastructure beyond regional control (for example, transportation systems and the electricity grid) and new approaches to securing additional capital support to address physical infrastructure backlogs (such as serviced land, water and sewer services) at the municipal/county level.
- Encouraging sufficient, stable operational funding for local government to ensure that it can discharge its responsibilities to citizens without dramatic tax increases that will cause further deterioration to the tax competitiveness of Eastern Ontario municipalities.

**Recommendation 11 – Community Futures Development Corporations:** It is recommended that primary leadership responsibility for liaison and raising Eastern Ontario's profile and influence with the Government of Canada should rest with the CFDCs. This role is expected to focus on:

- Ensuring that federal decision-makers understand Eastern Ontario's aspirations as a region with real potential for sustainability. To this end, Eastern Ontario's CFDCs should take the lead on a multi-stakeholder initiative to negotiate a multi-year (five year) commitment to EODF funding based on Eastern Ontario priorities and funding allocations. The goal should be to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front.
- Shaping federal policies that will affect the region's ability to move to a sustainable future. These policies range from agriculture, rural development and environmental policies, to skills training, international trade, and technology development support.
- Recommending changes to provincial or federal program design which would better align funding with economic development approaches, regional priorities and multi-community initiatives in Eastern Ontario.
- Advocating for improvements to infrastructure beyond regional control (such as broadband access, rail or air services, border crossings).

**Recommendation 12 – Ontario East Economic Development Commission:** It is recommended that the OEEDC should be assigned Preferred Partner status for 1) specific regional policy and program analysis assignments, and 2) implementation of projects – particularly those related to energy, forestry, or manufacturing – which are funded through the EODF or other similar regional funding sources. Preferred Partner status means that OEEDC would have the first opportunity to submit a proposal for providing these services. EODF decision-makers or other funders would not be required to accept the proposal. If the OEEDC chose not to submit a proposal or if the OEEDC proposal was deemed lacking, a broader RFP-type process could be launched. The OEEDC role is expected to focus on:

- Maintaining an active liaison function with provincial and federal ministries/departments to flag emerging policy issues or concerns and recommend options for EOWC consideration.
- Providing analytical support on program design issues (for example, how to modify programs to make them better suited for application in an economic development context in Eastern Ontario).
- Providing logistical support for implementation of specific projects funded under the EODF (for example, region-wide sectoral studies, sector-specific shared interest network operations, professional development/training for those in the economic development field, and analyses of the return on investment (ROI) for economic development at the municipal level).

**Recommendation 13 – Preferred Partner Status:** It is recommended that the Ontario East Economic Development Commission be engaged to support implementation of government relations efforts and be assigned Preferred Partner status for specific regional implementation assignments and projects funded through EODF or other similar regional funding sources.

**Recommendation 14 – Broadening Participation in the Action Plan:** It is recommended that implementation of the Opportunity Action Plan be used to broaden and formalize the participation of other stakeholders such as businesses (large and small), educational and health care institutions, and associations such as tourism associations, Chambers of Commerce, Boards of Trade, and Business Improvement Areas, in development of the economy of Eastern Ontario.

**Recommendation 15 – Representation for Other Stakeholder Groups:** It is recommended that representation be provided for other public and private sector stakeholder groups based on the following guidelines, which are included in the proposed composition of the Steering Group:

- One representative from the education sector
- Two representatives from business (one large/industrial representative and another representing small or medium-sized enterprises)
- One representative of the separated cities nominated by Municipalities United for a New Deal or other similar body representing cities and towns which are not part of county government, and
- One at-large representative to allow the Steering Group to achieve a good balance of representation and engage individuals with required knowledge or experience.

**Pursuit of Sectoral, Infrastructure and Capacity-Building Opportunities**

**Recommendation 16 – Shared Interest Networks:** It is recommended that where a regional or sub-regional shared interest network emerges and meets the guidelines set by the Opportunity Action Plan, a host agency should be able to apply for a modest allocation for logistical network support from any regional allocation under the EODF or similar funding source. The guidelines for logistical support would be:

- Demonstrated ability to formulate/adopt strategic directions consistent with the Opportunity Action Plan, which one or more projects will help to fulfill
- Participation of three or more member organizations, of which one must be from the private sector, to meet the definition of regional or sub-regional as adopted for the Opportunity Action Plan
- Voluntary participation of member organizations with a formal indication of interest from each organization
- Member organization willingness to make in-kind contributions until a specific regional or sub-regional economic development project is identified and funded, and
- A plan/approach for efficient, effective utilization of financial allocation for administration, including designation of a willing host organization to undertake the administrative/logistical work.

**Recommendation 17 – Capacity-Building Projects:** It is recommended that from any future funding allocations through EODF or similar funding sources, region-wide capacity building initiatives be undertaken in the areas of 1) strategic planning, 2) partnership development, 3) project/business plan development, 4) resource acquisition, 5) branding and marketing, and 6) project evaluation. It is anticipated that these initiatives will be as helpful to officials and staff working within their communities as when they are working across the region.

**Recommendation 18 – Performance Measures:** It is recommended that stakeholders with responsibility for managing regional funding application processes for EODF or other similar funding sources look for ways to track the impact of these investments using measures that reflect shared economic development objectives for Eastern Ontario. [See Recommendation 2 for Shared Objectives.]

**Recommendation 19 – Support for Tourism Projects:** It is recommended that the Opportunity Action Plan support tourism initiatives that focus on:

- Support for research on the travel activities, needs and motivations of specific target markets that Eastern Ontario operators have in common.
- Support for strong regional tourism leadership (whether that should be through a member-driven association like the Ontario East Tourism Association or some ad-hoc network or group representing the interests and expertise of sub-regional destinations). Their first task would be development of a regional tourism strategy to guide target market selection and segmentation, product development, branding and co-operative regional marketing efforts. Resources will be required to support tourism activities and local groups responding to these leadership directions -- perhaps incentive funding as a catalyst to drive buy-in and participation in regional initiatives, and/or funding to allow the leadership group to contract consultants able to carry out research or facilitate action plans.
- Support for marketing and product development in sub-regional corridors consistent with overall regional tourism objectives. One example might be participation in the Premier-ranked Destination program that looks at market product, performance and future sustainability. Another might be a specific marketing effort oriented to presenting Dark Skies opportunities across the northern part of many counties. A sub-regional or even region-wide approach to trails development – particularly when linked at many points to other tourism product – is a third possibility.
- Support for tourism projects that advance overall branding objectives. For instance, major events such as the 2006 International Plowing Match in the County of Peterborough, the 2007 Plowing Match in Leeds-Grenville, the 175th Anniversary of the Rideau Canal in 2007 and the 2007 Senior Games in Leeds-Grenville all offer opportunities to showcase those regions as tourist destinations and brand them for recruitment purposes as places to do business.
- Support for integration of tourism offerings with sub-regional urban markets. In many counties, current product can serve only as spokes, not as hubs. They depend on the tourism appeal of more urban centres like Ottawa, Peterborough, and Kingston, or natural attractions like the 1000 Islands, Prince Edward micro-climate, or bounteous lake country. Being small, they cannot support on their own the initial steps needed to develop integrated product with existing traffic centres.
- Support for making more effective use of Internet and related technologies (e.g. handhelds, GIS mapping, interactive itinerary planning tools, reservation services, geo-caching as a tourism product).

- Support for rationalizing costs for non-media advertising. For instance, many counties could share challenges in co-ordinating design, production and distribution of marketing materials. Many counties are taking steps to improve highway signage to build their profile and identity on high-traffic routes such as Highway 401. Templates for business plans and product planning for major Sports Tourism events are available through the Canadian Sport Tourism Alliance.
- Support for the development of shared-interest networks. By their nature (as referenced in the full report) these networks are project oriented, flat (non-hierarchical), adaptive, and driven by their common interests. This approach could offer an effective option to start building regional customer-driven tourism relationships. For instance, Eastern Ontario has many fine theatres, drama festivals and cultural events -- they could be connected in a network of common interest around product development and marketing to the same potential clientele from outside Eastern Ontario. Similarly, there may be regional opportunities for networks of communities in the sport tourism field.
- World-class professional development for Eastern Ontario tourism operators might be feasible on a 13-county basis. Presumably there are opportunities for cost savings in many areas if the purchasing power of 13 counties could be consolidated.

**Recommendation 20 – Tourism Investment Study:** It is recommended that the OEEDC be encouraged to ask consulting firm(s) engaged for the sectoral study on tourism investment to consider the degree to which the study can meet at least some of the information needs of tourism operators and associations in Eastern Ontario. The most important information need is for research on the travel activities, needs and motivations of specific target markets Eastern Ontario operators have in common.

Further, we recommend that the OEEDC take all practical steps to ensure that the sectoral study reflects the sub-sectors (for example, cultural tourism, eco-tourism) that stakeholders have indicated are of most interest.

**Recommendation 21 – Sectoral Studies for Manufacturing:** It is recommended that OEEDC be encouraged to ask consulting firm(s) engaged for the sectoral studies on plastics, logistics and auto parts to advise on the degree to which the studies can meet the information-gathering and sharing needs of individual stakeholders and to devise follow-on activities that would address any needs which may be outstanding at the time of completion of these studies. These needs are expected to be:

- The market structure, trends, product/service features and benefits, decision-making criteria and associated timeframes, which apply to each of these sectors.
- Sensitivity analysis to indicate which factors have the greatest influence on our region's ability to compete for manufacturing business.

- Data templates and benchmarks that will tell stakeholders what data or other information they need to collect to determine if they have a realistic prospect of competing in these markets. These templates could provide examples of data from other jurisdictions which are highly-competitive in the sector so that stakeholders know what the competition is offering.

**Recommendation 22 – Food Processing Study:** It is further recommended that OEEDC consider how best to extract additional value from the food processing study that has already be completed.

**Recommendation 23 – Support for Manufacturing Sector Projects:** It is recommended that the OEEDC be encouraged to develop one or more proposals to:

- Encourage stakeholders with shared interests in manufacturing sub-sectors (or in common issues such as business retention and expansion) to form shared interest networks to pursue opportunities and address barriers to economic growth specific to that sub-sector.
- Provide logistical support to link manufacturers associations together for the purposes of joint action on issues (ex. tax, energy, environmental, labour or international trade policies or issues) or programs (for example, competitive intelligence reports, professional development or best practices in manufacturing).
- Encourage individual communities to gather information relevant to manufacturing for use in local strategic planning and program design as well as being available to incorporate in region-wide manufacturing marketing programs.
- Apply web-based mapping (GIS) technology to the manufacturing sector to allow stakeholders to understand the distribution of manufacturing resources across Eastern Ontario and to support brokerage activity within the region, whether undertaken through a manufacturers association, a local economic development office, or a shared interest network. Related services such as warehousing, shipping and logistics could be part of this mapping service. Given the nature of the information to be made available on the Internet, this project would have to address significant privacy issues.
- Develop marketing materials that allow individual communities to market manufacturing capabilities and capacities for specific sub-sectors as part of a broader regional effort. These materials would also support OEEDC efforts to market the region as a whole.

**Recommendation 24 – Support for Educational Partnerships:** It is recommended that stakeholders be given financial support from EODF and other funders to develop economic development-oriented partnerships with educational institutions, with priority given to partnerships that will further the development of an array of “anchors of expertise” across Eastern Ontario. This support could be applied to feasibility studies, business cases, and applications for public and private sector funding to support implementation.

**Recommendation 25 – Agricultural Shared Interest Networks:** It is recommended that stakeholders be encouraged to form shared interest networks to examine and (if appropriate) develop specific regional and sub-regional proposals to pursue agriculturally-based economic development opportunities in such areas as functional foods/nutraceuticals, biofibres and agro-tourism.

**Recommendation 26 – Agricultural Partnerships with Education:** It is recommended that stakeholders be encouraged to develop partnerships with educational institutions to provide the research, development facilities, and skills training required to pursue agriculture-based opportunities.

**Recommendation 27 – Support for Technology Projects:** It is recommended that the Opportunity Action Plan support one or more proposals to:

- Connect with the Ottawa Technology Cluster through sub-regional marketing programs (perhaps similar to the “Grenville. Get There” program, but on a multi-county basis) and supply chain initiatives such as the Doyletech concept.
- Promote the advancement and use of Internet and related technologies in the tourism sector.
- Promote emerging centres of technology-related expertise, such as the electronic waste recycling centre.
- Work actively with post secondary education institutions to align their curricula and programs with economic development needs and objectives (e.g. apprenticeships; tourism and technology programs; research expertise partnered with private sector and economic development initiatives).

**Recommendation 28 – Support for Alternative Energy Projects:** It is recommended that investigation of wind energy and ethanol projects be encouraged, particularly where there is likely to be benefit to the rural community (example: royalties to farmers for land leased to wind farm developers, arable land put back into production to grow crops as feedstocks to supply ethanol plants). For ethanol particularly, early support could be offered for research and advocacy related to potential regulatory environments and technology assessment to determine the nature and timeframes associated with this opportunity. Support for business case development could follow.

**Recommendation 29 – Support for Forestry Projects:** It is recommended that discussions take place between provincial representatives of the Ontario Ministry of Municipal Affairs, the Ontario Ministry of Natural Resources, and the forestry sector in Eastern Ontario to identify provincial funding options for pursuit of:

- Energy-from-waste cogeneration options
- Secondary manufacturing opportunities
- Improved awareness of sustainable forestry as a strategy to engage private woodlot owners in good management practices, and
- Initiatives that support labour force development.

Policy linkages to the province on electricity pricing issues and liaison between energy project proponents and potential energy consumers could also be undertaken. Support for business case development could be provided through the EODF or other similar funding sources for any of these types of opportunity.

**Recommendation 30 – Support for Broadband Access Projects:** It is recommended that, through the EODF or other similar funding sources, a region-wide initiative be undertaken to extend broadband to unserved areas throughout Eastern Ontario. It is further recommended that this initiative be made an early priority for regional funding purposes. Specific projects could be:

- Government relations efforts to underscore the importance of broadband for urban and rural areas
- Information-sharing on new models to introduce broadband service to one or more pilot stakeholder communities, and
- Underwriting the costs of analytical work to assess costs, choose technology solutions, or develop regional/sub-regional solutions.

**Recommendation 31 – Labour Force:** It is recommended that the Opportunity Action Plan support pilot projects to accelerate implementation and assessment of the results in labour force development, such as:

- Primary health care strategies (for example, work currently under way in Leeds-Grenville)
- Strategies to attract early retirees with expertise (for example, work currently under way in Prince Edward County)
- Planning for immigration strategies (leadership involvement in Hastings and Frontenac Counties)
- Initiatives to address the imbalance of the labour force due to aging (example: work under way by the LAFLG Training Board)
- Finding employment for new labour force entrants (for example, work under way by the LAFLG Training Board)
- Encouraging young people to consider employment in specific sectors (for example, work under way in the Quinte area)
- Support collaborative efforts with educational institutions and other stakeholders in areas such as:
  - Apprenticeship programs.
  - Training for specific sectors (such as tourism, engineering technology etc.)
  - Research linkages with private sector and economic development initiatives.

**Recommendation 32 – Branding The Region:** It is recommended that the Opportunity Action Plan support one or more branding projects in the areas of tourism and business recruitment, but at some later date, once strategic plans and collaborative networks are in place to provide the platforms and consensus for branding strategy and brand building.

**Recommendation 33 – Support to Address Information Gaps:** It is recommended that some portion of funds allocated for implementation of the Eastern Ontario Opportunity Action Plan be used to support research studies at the appropriate stages of economic initiative development -- as a business case is developed, the feasibility of an opportunity is validated or projections are detailed for a business plan. Research is also required to develop a strategic data set at the regional level.

## **2.0 Introduction to the Opportunity Action Plan**

In the fall of 2004, three key Eastern Ontario stakeholder groups with a keen interest in economic development --- the Eastern Ontario Wardens Caucus, the CFDCs of Eastern Ontario, and the Ontario East Economic Development Commission --- took the initiative in launching a project which later became known as the Eastern Ontario Opportunity Action Plan. The first regional project funded from the \$10 million 2003-2004 Eastern Ontario Development Fund (EODF), the project called for the development of an Opportunity Action Plan that stakeholders can use to capitalize on regional opportunities, and through specific projects, capture economic benefits for Eastern Ontario. By diversifying and strengthening the regional economy, the Opportunity Action Plan is expected to stimulate implementation of initiatives that will retain and attract investment, create jobs, and promote economic prosperity.

Realizing that there have been many studies related to economic development by various municipalities, agencies, and associations in the region, the stakeholders focused the Project on gathering together and assessing these studies, interviewing stakeholders for oral plans and priorities where no studies or formal plans exist, and capturing changes and new initiatives. This information base was then used to design an Action Plan which would see implementation of initiatives to spur economic development in Eastern Ontario over the next few years.

A Working Committee composed of stakeholder representatives conducted a Request for Proposal process which led to the engagement of a consulting team led by Kathryn Wood of Natural Capital Resources Inc. to carry out the project, with Rob Wood, Margaret Dunn and Harvey Schachter as team members. The consulting team, which began its work in early November 2004, reported to the Working Committee. The Working Committee was supported by George Borovilos of the County of Northumberland and Dan Borowec of the Northumberland Community Futures Development Corporation. For a review of the Project terms of reference, methodology employed, a summary of the stakeholders interviewed, the specific interview tools, and the list of documentation gathered in the course of this project, please refer to the Appendices. The consulting team expresses its sincere appreciation to the many stakeholders who gave generously of their time and information to support this project.

### 3.0 Geography of the Area Considered By the Project

The geographic area covered by the Opportunity Action Plan includes the service areas of 15 Community Futures Development Corporations (CFDCs) funded through Industry Canada:

|   |                                  |
|---|----------------------------------|
| Prescott-Russell CFDC                   | North & South Hastings and South |
| Renfrew CFDC                            | Algonquin CFDC                   |
| Stormont, Dundas, Glengarry CFDC        | Trenval CFDC                     |
| Grenville CFDC                          | Northumberland CFDC              |
| 1000 Islands CFDC                       | Greater Peterborough CFDC        |
| Valley Heartland CFDC                   | Kawartha Lakes CFDC              |
| Frontenac CFDC                          | Haliburton County CFDC           |
| Prince Edward/Lennox and Addington CFDC | South Lake CFDC                  |

From a local government perspective, the area covered by the Project includes the areas represented by:

|  |                          |
|--|--------------------------|
| United Counties of Prescott-Russell    | County of Prince Edward  |
| County of Stormont, Dundas & Glengarry | County of Hastings       |
| County of Renfrew                      | County of Northumberland |
| County of Lanark                       | County of Peterborough   |
| County of Leeds and Grenville          | City of Kawartha Lakes   |
| County of Frontenac                    | County of Haliburton     |
| County of Lennox and Addington         |                          |

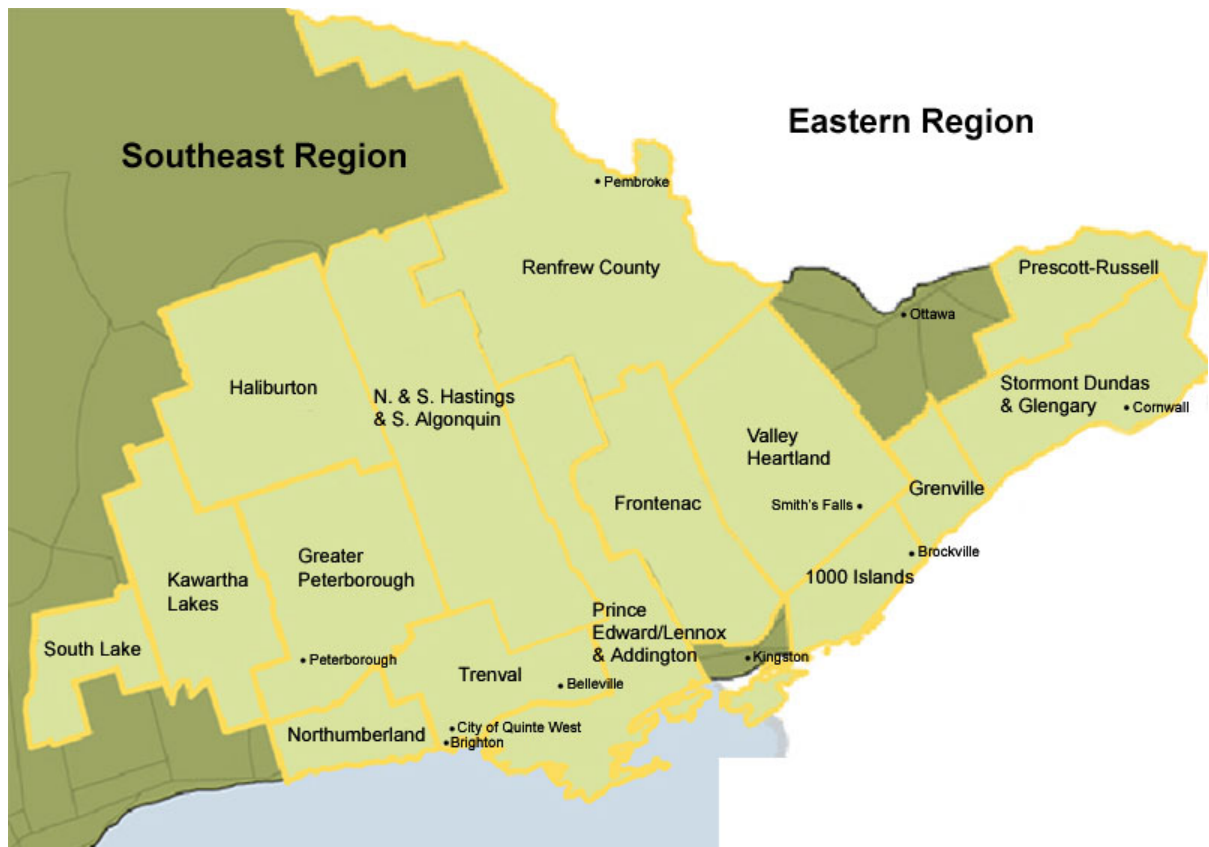
Early in the Project, the Working Committee determined that the activities and aspirations of separated cities were a vital part of developing the Action Plan. As a result, some material was reviewed from the following towns and cities:

|                      |                          |
|----------------------|--------------------------|
| City of Pembroke     | City of Kingston         |
| City of Ottawa       | City of Belleville       |
| City of Cornwall     | City of Quinte West      |
| City of Brockville   | Municipality of Brighton |
| Town of Smiths Falls | City of Peterborough.    |

### A Description of the Geographic Area Covered by the Project

The following map shows the combined area of the CFDC regions, which was used as the basis for defining the geographic coverage of the Eastern Ontario Opportunity Action Plan (EOOAP). It should be noted that early in the project process, the Working Committee accepted a recommendation to include the interests of the separated cities as being within the scope of the Opportunity Action Plan. As a result, this map refers to the separated cities as well as to the counties which make up Eastern Ontario.

**Figure 3.1: Map of Eastern Ontario for EOOAP Purposes**



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## 4.0 Overview of Economic Development Opportunities

### 4.1 Economic Development Models

Many different approaches – or models – may be employed to create economic growth. At the core of most of them is the belief that economic growth and prosperity comes from business and industry -- from having vibrant firms within the community that pay taxes, employ residents and, often, bring in revenues from markets outside the community itself.

A second belief involves a growing recognition and acceptance of the pivotal role that urban centres play in the dynamics of the economy. As the homes of research-intensive institutions, for example, they have a significant impact on business opportunities related to innovation, new technologies and products. Larger communities may also play key roles as hubs in tourism networks. While the smaller urban centres in the region may have important potential roles as partners, larger cities may be seen more as markets for the goods and services of local businesses.

Some of the various economic development models, used individually or in combination by communities in Eastern Ontario<sup>10</sup>, include:

#### **Attraction:**

Traditionally, economic development officials have concentrated on recruiting industry and businesses from outside the community to relocate on serviced land. These efforts focused attention on developing sufficient, attractive serviced land, developing a profile for the community, and courting possible industries.

#### **Business Retention and Expansion:**

BR+E and similar programs seek to retain and sustain existing businesses and help them to expand. Typically it involves reaching out to local businesses in a systematic way to inventory their needs and identify initiatives to both support their growth and overcome barriers. A similar example might be the assessments contemplated under Ontario's Premier-ranked Tourist Destinations framework, which profiles the attributes, factors and conditions of a local destination, assessing and monitoring them against the characteristics of world-class or "must see" tourist destinations.

#### **Business Formation:**

Many communities are active in promoting entrepreneurial start-ups and the formation of new small businesses. This ranges from loan programs such as those offered by CFDCs and counselling/information referral provided in Entrepreneurship Centres to incubators, online services and education programs to support small business start-up.

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<sup>10</sup> Through the consultation phase and subsequent analysis, identified projects were categorized by a variety of criteria, including the economic model in use. This information is included in the Project Listings in the Appendices to this report and is referred to in summary form in Section 6.6.1.

**Technology Transfer and Commercialization:**

This model typically focuses on bringing new research discoveries and technologies to market through transfer of the knowledge and intellectual property (usually from a university, college or research lab) into a commercial application, managed by a spin-off company or corporate venture.

**Linkages:**

Building linkages is a strategy to help existing businesses tap into external economic clusters and build trading relationships with those outside markets. One example of the concept might be the Doyletech plan to connect businesses in the Cornwall-Napanee-Pembroke triangle with tech companies in the Ottawa Technology Cluster. Tourism marketing partnerships and hub-and-spoke product development offer other examples of linkage strategies in relation to tourism markets.

**Capacity Building:**

In many communities, the focus for economic development involves building capacity and an attractive environment for business. Specific strategies may involve downtown revitalization, tourist attraction development, talent retention and attraction, broadband service and connectivity, business incubators, venture capital pool, or developing “quality of place,” to borrow a phrase made popular by Prof. Richard Florida in his research on *The Rise of the Creative Class*.

Florida says that, to attract the creative class, a community must build its “quality of place,” ensuring a “thick” labour market with alternative job opportunities; attractive lifestyle; a vibrant, varied music and entertainment scene; recreational opportunities such as hiking, biking trails and climbing; “third places” like cafes where creative people can congregate; and an openness to diversity.

**Application of Models:**

These various models often have different applicability from sector to sector. For instance, entrepreneurship centres tend to serve new and growing small businesses. Self-employment Assistance and youth entrepreneurship programs assist with new business formation. Attraction strategies are commonplace when the challenge is to land a new industrial plant. Technology transfer is a typical approach with high-tech start-ups. Linkages are prevalent in the tourism industry.

The economic development models outlined earlier -- from attraction and business retention to linkages and capacity building -- may also be applied in various ways to meet strategic objectives such as:

- Diversification of the industrial base
- Sector development
- Competitiveness (free market) strategies
- Trade strategies, product and market development
- Structural change
- Infrastructure strategies.

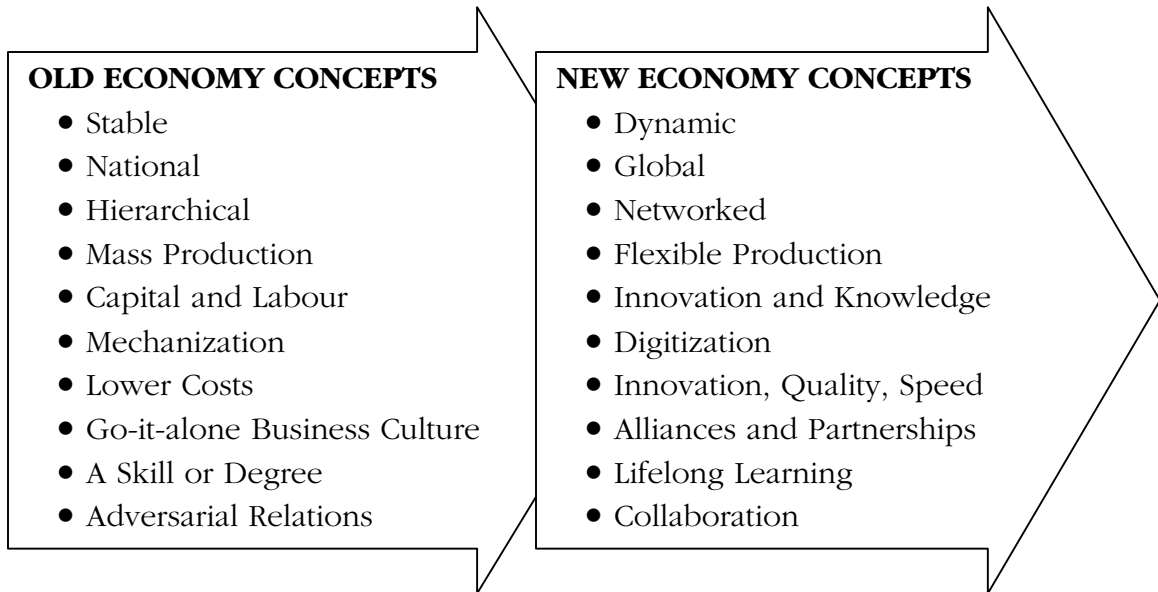
**New Economic Development Approaches:**

To paraphrase some ideas from the rural Lake Tillery area of North Carolina, communities are recognizing the need to make a fundamental shift in their approach to economic development to meet an equally challenging environment. Many economic developers are beginning to realize that traditional efforts have used outmoded development approaches, provided unequal opportunity, excluded a large percentage of the population, and put major emphasis on the "top down."

A more holistic approach recognizes the need to address infrastructure, environmental/ health issues, workforce preparedness and public-private investment in the community. These innovations require a special kind of leadership and core group of "change masters."

Authors such as Prof. Richard Florida note that in the old economy, the keys to wealth creation were raw materials and physical labour. In the new economy, the focus has been on venture capital and high technology incubators. But now, he says, communities have to go beyond that stage to focus on innovation and creativity, and develop the kind of places where the talented, well-paid "creative class" will want to live.

Robert D. Atkinson, author of *The Innovation Economy: A New Vision for Economic Growth in the 21st Century*, contrasts the differences between the old and new economy. We have shown these in the diagram below to demonstrate how the world of economic development is changing in response to the emergence of the New Economy. In subsequent sections of this report, we return to these concepts to shape the recommendations associated with regional economic development for Eastern Ontario. This transition is summarized in graphic form on the following page.

**Figure 4.1: New Economic Development Approaches**

Source: Robert D. Atkinson, Progressive Policy

## 4.2 Eastern Ontario's Regional Economic Development Mission

The economic development challenges and aspirations of Eastern Ontario have been well-documented by a variety of reports. For example, two provincially-supported Smart Growth Panels articulated Visions for parts of Eastern Ontario for 2035. In 2003, the Smart Growth Panel for Eastern Ontario<sup>11</sup> articulated a Vision emphasizing quality of life in both urban and rural settings, capitalizing on assets, appreciating heritage and environment, and harnessing a workforce employed in a mix of economic engines – both traditional and “knowledge-based” sectors. The Central Ontario Smart Growth Panel Report's Vision<sup>12</sup> has many of the same elements but also emphasizes social equity, integrated transportation, compact settlement and development patterns, and a high standard of living for its citizens.

<sup>11</sup> [http://www.pir.gov.on.ca/userfiles/page\\_attachments/Library/4/EasternFinalENG.pdf?N\\_ID=4](http://www.pir.gov.on.ca/userfiles/page_attachments/Library/4/EasternFinalENG.pdf?N_ID=4)

<sup>12</sup> [http://www.pir.gov.on.ca/userfiles/page\\_attachments/Library/4/Central\\_ont\\_smartgrowth\\_eng2.pdf?N\\_ID=4](http://www.pir.gov.on.ca/userfiles/page_attachments/Library/4/Central_ont_smartgrowth_eng2.pdf?N_ID=4)

**Future Directions Report Underscores Financial Challenges:**

The August 2004 Future Directions Update report produced by Allan & Partners Inc. signalled the continuing difficult environment for economic development and municipal tax assessment in Eastern Ontario. In addition to updating statistics on several aspects of assessment, tax base, tax policy, population data, and Ontario's Community Reinvestment Fund reconciliations for twelve counties<sup>13</sup> in Eastern Ontario, the Future Directions report noted limited assessment growth in Eastern Ontario, and the limitations of the property tax base, along with shifts of tax burden from commercial and industrial ratepayers to the residential class. The impact of Ontario's Local Services Realignment is also identified, with growing challenges for funding land ambulance service, social housing, farmland and managed forests, and education tax room. The maintenance cost for downloaded highway infrastructure was also flagged as a grave concern.

**Four Main Planning Steps Recommended by Stakeholders:**

- **Define Eastern Ontario:** Provincial and federal governments use different definitions of Eastern Ontario and initiatives operating under those governments may use different definitions again. For example, for the purposes of the Ontario Smart Growth Panels, "Eastern Ontario" was actually subdivided into two groups – Central Ontario and Eastern Ontario. For the purposes of the provincial biotechnology strategy, there are three sub-regions which overlap these boundaries: Ottawa and Eastern Ontario, Central Eastern Ontario, and Peterborough. Even within the EODF process, boundaries are not entirely congruent, with the area covered by the 15 CFDCs being slightly larger than that covered by the 13 counties. Both of those are larger than the current service area of the Ontario East Economic Development Commission.

A definition of Eastern Ontario is also required to bring consistency to statistical/research efforts. In particular, a clear statement is required to underscore the importance of including the separated cities in regional economic development initiatives. Finally, the definition needs to be flexible enough to adapt to the patterns of the economic landscape, which often stray outside administrative or jurisdictional boundaries. Some parts of Eastern Ontario (for example, Peterborough and Kawartha Lakes) have been defined provincially as "growth centres". In the course of defining Eastern Ontario and engaging particular counties in the process of regional economic development, there will be a need to ensure that being defined as "within Eastern Ontario" does not make these growth centres ineligible for participation in other provincial or federal programs beyond EODF.

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<sup>13</sup> The City of Kawartha Lakes was not covered by this report.

- **Articulate Shared Economic Development Objectives:** The ultimate objectives of the Opportunity Action Plan are to build on the assets already here in Eastern Ontario, see new enterprises start up, retain and grow existing businesses, attract more investment, increase employment and income, and ultimately increase the tax base for Eastern Ontario municipalities.

If the partners in the Eastern Ontario Opportunity Action Plan project can agree on those objectives, the type of performance measures needed for the Opportunity Action Plan become much clearer. For example, these measures could include the number of business start-ups; growth of existing businesses as measured by revenue growth; capital investment and employment expenditures; capital investment by individuals and organizations within and outside the region; shifts in employment patterns (such as higher proportions of wage earners); growth in total employment and average annual incomes for Eastern Ontario residents; shifts in municipal tax bases (such as more commercial and industrial assessment); keeping rates competitive with other jurisdictions; and achieving growth in local assessment.

Economic development initiatives will take place in the context of a set of broader regional goals: remaining true to the lifestyles, heritage and traditions cherished by the people living in Eastern Ontario. This will mean considering social and environmental bottom lines to complement the economic ones. Stakeholders also want to ensure that economic development initiatives incorporate the need to reduce risk – a significant issue for those who are working to preserve the existing economic base in the region.

Evidence of general agreement to a set of broader regional goals is found in the previously mentioned Smart Growth Panels' articulated visions for 2035. We note that the time frame for the Smart Growth Panels was much longer than the near-term focus of the Opportunity Action Plan: the next two to five years. As a result, the focus of the Opportunity Action Plan is on how to achieve the more specific economic development objectives. Proposed objectives are found in the inset text box as well as the preceding text.

**EOOAP Objectives:**

- Build on Eastern Ontario's assets
- Encourage new enterprises
- Retain and grow existing businesses
- Attract more investment
- Increase employment and income,
- Increase the tax base for Eastern Ontario municipalities.

- **Support Capacity Building for Economic Development:** Across the region, there is a sense that economic development's time has come, particularly for regional or sub-regional action. While some Eastern Ontario counties have been reluctant to engage in economic development activity (because they do not see the evidence of a return on investment for their community or view it as supporting private business), most now consider economic development as the only sustainable means of providing required municipal tax revenues. In addition to triggering strategic planning initiatives, local governments are hiring staff with specific economic development responsibilities. Last year (2004) appears to have been one of significant turnover in Economic Development Officer (EDO) functions at the County level. Local economic development is also getting a boost from CFDCs, a number of which have community economic development as a new responsibility. In spite of this appreciation for the contribution of economic development to the community, some stakeholders are at a loss as to *how* to tackle economic development for their community or for the region.

It is therefore vital to build the capacity of the various development stakeholders to undertake economic development initiatives. In a subsequent section of this report, (6.5 - Operational Drivers to Future Success), specific steps are recommended to address the need for such capacity-building – locally and regionally. Strategic planning capability is a good example. Of the 36 organizations covered by the consultation phase<sup>14</sup>, slightly more than half (22) have a formal strategic plan which provides direction for economic development efforts. These plans are available for the separated cities, as well as in some CFDCs and Counties. However, some of these plans have reached the end of their useful lives and are no longer used for internal decision-making. In fact, about a third of these plans (7) are slated for review/redevelopment in 2005. Of the 11 organizations that do not currently have a formal strategic plan, three anticipate development of such a plan in 2005.

Many of the organizations that do not have formal strategic plans have business plans (focused on broad community development) that span as much as three years; some have also conducted studies focused on specific sectors. As is indicated in discussions later about “sectors of interest”, these organizations can identify priority economic sectors even in the absence of formal strategic plans. However, the extent of analysis and the rationales which underlie these sectoral choices vary dramatically across Eastern Ontario. These choices are sometimes driven by what organizations’ decision-makers think they need to “save” or support, rather than a sense that – going forward – a particular sector represents a real opportunity.

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<sup>14</sup> These organizations are counties, CFDCs, the OEEDC and other organizations with specific economic development mandates. Lower tier municipalities have not been included in this calculation.

- **Provide Incentives for Regional/Sub-Regional Collaboration:** Eastern Ontario may be perceived as sharing problems but not opportunities. While stakeholders understand the financial imperative for municipalities, inter-community competition is seen as weakening the region's "common front" and distracting stakeholders from the "real" competition --- other jurisdictions, including international competitors. There is a need to develop and introduce incentives to help stakeholders overcome perceived parochialism, turf protection, and competition among the various players within the region. Some stakeholders also noted that there is an urban-rural gap (between counties and cities) that must be bridged if Eastern Ontario's full potential is to be achieved. Further, in multi-tier governments, the upper tier (County) and lower tier (townships) are not always well coordinated. For joint projects, small communities tend to feel that they are not "at the table".

Many organizations do not see Eastern Ontario as a "region" for purposes other than increasing the overall profile of this part of the province – with government as much as with the private sector – and for overall marketing purposes. In fact, some stakeholders suggest that the region is not one unified economy but rather a collection of sub-regional economies based primarily on orientation to specific large cities or primary markets (whether those are in Canada or abroad). In either current economic structure or aspiration, Eastern Ontario is not homogeneous. Various sub-groups of stakeholders share common interests that do not require participation or approval from every other stakeholder in Eastern Ontario. This should be explicitly acknowledged and supported.

Based on those perceptions, stakeholders tend to see sub-regional groups working together to pursue specific sectoral interests or for marketing specific products and services, where those communities share that interest.

### **Recommendations:**

**Recommendation 1 - Definition of Eastern Ontario:** It is recommended that continued use be made of the existing area bounded by the service areas of the 15 Eastern Ontario CFDCs as the definition of Eastern Ontario for the purposes of the EODF and other regional economic development initiatives. Each County and CFDC should be asked to confirm their agreement to being considered part of the region, recognizing that this would also confirm their right to participate in and benefit from decision-making processes associated with the EODF.

**Recommendation 2 - Shared Objectives:** It is recommended that the Eastern Ontario Opportunity Action Plan focus on the following shared economic development objectives, which are to:

- Build on Eastern Ontario's assets
- Encourage new enterprises
- Retain and grow existing businesses
- Attract more investment
- Increase employment and income, and
- Increase the tax base for Eastern Ontario municipalities.

**Recommendation 3 - Meaning of "Regional/Sub-Regional":** For the purposes of this Opportunity Action Plan, we recommend that "regional" be defined as covering six or more county or CFDC areas and that "sub-regional" be defined as three or more county or CFDC areas. The areas need not be contiguous.

## **5.0 Recommended Roles and Responsibilities for Implementation**

### **5.1 Expectations and Commitments**

The original RFP for the Eastern Ontario Opportunity Action Plan called for the consultants to provide “recommendation options/organizational structures to the Working Committee for moving forward in the implementation stage” of the Plan. This objective involved providing a region-wide development strategy that would identify “common themes (opportunities) and recommended actions and directions to position Eastern Ontario for increased investment, wealth generation and job creation. This strategy would also be based on both region-wide opportunities as well as projects, actions/directions of interest to sub-regions.” The strategy was to be based on the region’s ability to “categorize and rank opportunities, then formulate recommendations for implementation of projects to capture opportunity for Eastern Ontario.” This section focuses on the roles, structures and processes needed to guide implementation and breathe life into the possibilities for economic development in Eastern Ontario. Opportunities and recommended actions have been presented in the following section of this report (Sections 6 and 7).

### **5.2 Roles, Structures and Processes**

To move forward in the Implementation stage, stakeholders will need to assign roles or create structures and/or processes that will:

- Strengthen the working relationships among counties, Community Futures Development Corporations (CFDCs), associations with regional or sub-regional mandates such as the Ontario East Economic Development Commission (OEEDC) or tourism associations, educational institutions, and the private sector as well as building on sub-regional project partnerships.
- Improve working relationships and shared understanding of strategy with provincial, federal, and other policy makers and funding sources.
- Ensure accountability without creating cumbersome approval processes or implementation delays.
- Build the capacity of stakeholders in the region to bring the region’s resources – human, capital and physical – to bear on removing barriers to economic development and capitalizing on opportunities.
- Support alignment of Eastern Ontario efforts behind key co-operative priorities.

The following recommendations on Roles and Structures/Processes have been formulated bearing in mind that:

- **Stakeholders have different sets of expertise**, drawn from different experiences and organizational mandates. For instance, municipal government typically has responsibility for physical infrastructure such as land use planning, serviced land, roads and bridges, and utility services such as sewer and water or electricity distribution. CFDCs provide lending services to small business and, in many cases, provide strategic financial support to community development – both economic and social. The OEEDC provides marketing and membership services through which its members can fulfill responsibilities for business/investment attraction as well as retention and expansion. To secure benefit for Eastern Ontario, a regional approach to economic development must recognize and apply these sets of expertise in the most productive ways.
- **Stakeholders have other preoccupations**. Both organizationally and on a personal level, stakeholders will be contributing to the implementation of the Opportunity Action Plan as a supplementary assignment to their regular work – whether this is service in public office at the county level or leadership for an individual CFDC. Implementation of a regionally focused Opportunity Action Plan will require the injection of financial support to give stakeholders the resources -- administrative and logistical support, travel expenses or release time -- to fulfill any assigned roles and responsibilities.
- **Implementation requirements will change over time**: Eastern Ontario is at the beginning of what stakeholders hope will be a multi-year economic development process for the region. The organizational support required to build and maintain implementation momentum will change over time as some tasks are completed and others come on stream. It will have to adjust to the uneven state of readiness across the counties and adapt as they progress at different stages and develop increasing leadership and expertise at the local level. There is also the evolving impact of competitive markets that range from shocks and emerging trends and technologies to new government regulations and funding or international decisions to close plants. Any organizational structures must be able to adapt to these possibilities.
- **Economies and economic systems do not match the jurisdictional boundaries** of the 13 municipalities, the 15 CFDCs, most federal or provincial funding programs, or data gathering definitions. To varying degrees, local and sub-regional economies depend on urban centres – Ottawa, Cornwall, Brockville, Kingston, Belleville, Peterborough and the Greater Toronto Area.

- **Carrots are more effective than sticks:** Although most stakeholders were unsure about how to secure more cooperation among communities/counties, many believe that finding ways to redirect the forces in the system (such as funding) that help or hinder working together on common challenges will be the most important regional strategy in stimulating economic growth in Eastern Ontario. Incentives are viewed as an effective tool for encouraging stakeholders to think regionally/sub-regionally as well as locally.

### **Tangible Support Needed for Implementation:**

Because of competing demands for stakeholders' time, attention and resources, tangible support will be needed for progress on implementation of regional/sub-regional initiatives. We recommend that stakeholders designate a proportion of any future funding allocations from the Eastern Ontario Development Fund (EODF) or similar funding sources to be dedicated to regional/sub-regional initiatives.

It is anticipated that this proportion may change from time to time – presumably increasing as stakeholders develop more projects to implement regional priorities – but would not fall below 10 per cent of the total in any given year. In 2005-2006, if stakeholders become more proactive on the regional economic development front, we would expect that 20 per cent of the total allocation could be directed to regional/sub-regional initiatives. Over time, this proportion could grow further still but always based on the number and type of regional projects that stakeholders see on the horizons for the coming year.

Sustainability is the long-term objective, and funding from programs like EODF might be expected to provide support for change/development projects and seed money for new, eventually self-sustaining economic activity. To this end, we have formulated recommendations which:

- Design the funding systems associated with the Eastern Ontario Development Fund (EODF) to reward multi-community cooperation (rather than reinforce inter-community competition)
- Identify and proactively call for proposals on projects that will address widely-shared needs, and fund these from a regional rather than local allocation.
- Encourage voluntary participation in cooperative projects, some with the potential for quick wins.

**Recommendation 4– Designated Regional Funding:** It is recommended that stakeholders designate a proportion of any future funding allocations from the Eastern Ontario Development Fund (EODF) or similar funding sources to be dedicated to regional initiatives. It is anticipated that this proportion may change from time to time – presumably increasing as stakeholders develop more projects to implement regional priorities – but would not fall below 10 per cent of the total in any given year.

### 5.3 Recommendations for Leadership Roles

Many of the stakeholders interviewed in the consultation phase have already participated in regional economic development initiatives (for example, through OEEDC executive positions, participation in professional associations, involvement in the Eastern Ontario Wardens Caucus or regional aspects of EODF). For many, EODF involvement is ongoing. Others indicated they were willing to help in specific ways (for example, sharing models for achieving broadband access, contributing ideas for marketing programs), but few felt they had the time, resources or sometimes the additional experience needed to lead regional initiatives. At the moment, there is no obvious *ongoing* mechanism through which stakeholders can come together to make strategic, co-ordinated *regional* contributions to economic development.

#### 5.3.1 Steering Group

##### **Create a Small, Nimble Steering Group for Regional Economic**

**Development:** To provide a mechanism for bringing together the key Eastern Ontario stakeholders to share strategy and provide overall direction for a regional approach to economic development, a small, nimble Steering Group will be required.

Terms of Reference: This group would serve as a conduit for information and policy positions to/from the larger group of stakeholders on:

- The state of the Eastern Ontario economy and pertinent studies and data related to the economy.
- The potential for and impact of any additional financial resources – from the EODF or other funding sources – that can be brought to bear on stakeholder priorities and specific recommendations in the Opportunity Action Plan.
- Insights on trends and decisions likely to have a disproportionate effect on the economy of Eastern Ontario compared to other neighbouring jurisdictions.
- Multi-stakeholder approaches to address economic development issues and opportunities with other levels of government<sup>15</sup> especially as a precursor to developing regional networks.

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<sup>15</sup> Key county and CFDC contacts would benefit from opportunities to spend time together to discuss and better understand what is happening across the region's economy as well as being able

- Proposed approaches to allocating EODF funds and recommending allocation priorities (regional-local proportions, sectors or themes rather than specific projects) based on the Opportunity Action Plan.
- Results from and feedback on regional initiatives undertaken through the EODF or other funding sources.

The Steering Group, which is expected to meet six to eight times a year, is envisaged as being composed of ten persons, one of whom will serve as Chair. To reflect and draw upon the expertise of the different types of stakeholders involved in economic development, we propose that the composition be:

- Two nominees from the EOWC appointed annually<sup>16</sup>;
- Two nominees from the CFDCs appointed annually<sup>17</sup>;
- One nominee from the separated cities; appointed annually by the Municipalities United for a New Deal (MUND)<sup>18</sup>,
- One nominee from the OEEDC; appointed annually;
- Two representatives from the private sector (one from industry/large business and a second representing small business<sup>19</sup>); candidates to be identified and appointed annually by the preceding year's Steering Group;
- One representative from the education sector (most likely from the post-secondary education sector); candidates to be identified and appointment made annually by the preceding year's Steering Group
- One at-large representative, a position which the Steering Group can use to address the changing mix of stakeholders involved in economic development across Eastern Ontario as well as overlapping memberships<sup>20</sup>; specific examples include additional representation from regional business associations such as OEEDC or a regional tourism body, or from the City of Ottawa, which is not currently a member of MUND. This member would be appointed annually by the preceding year's Steering Group.

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to pick up the phone to talk to other contacts across the region. This could be vital to building multi-stakeholder support for regional and sub-regional initiatives.

<sup>16</sup> At its discretion, the EOWC would have the choice of nominating one or more Wardens or CAOs to fill these two positions.

<sup>17</sup> At its discretion, the CFDCs – acting as a group – would have the choice of nominating one or more Board chairs or Executive Directors/General Managers to fill these two positions.

<sup>18</sup> MUND may choose to send a representative who is also a member of the Ontario East Economic Development Commission. This does not preclude the OEEDC from having a member appointed by the OEEDC itself. In fact, the proposed membership structure guarantees that OEEDC will be represented as an organization in its own right.

<sup>19</sup> These representatives could come from sectors such as tourism, manufacturing, agriculture, energy, forestry, technology, retail or professional services.

<sup>20</sup> For example, currently about 10 per cent of OEEDC's membership is drawn from the CFDCs. Economic development officials from the counties and lower tier municipalities, as well as the separated cities, constitute approximately two-thirds of the OEEDC membership base.

Although appointments are for just one year, any member of the Steering Group should be considered eligible for reappointment. To achieve a balance between continuity and flexibility, the Steering Group should track length of service so that approximately one-third of the members 'turn over' each year.

At the request of the Chair, the Steering Group could hear from any invited guest, including any staff of stakeholder organizations that are working on region-wide initiatives.

Note that decision-making about allocation of funds through EODF or any other similar regional funding source is expected to remain with the funders themselves rather than the Steering Group. These responsibilities, which require significant infrastructure to maintain, include setting eligibility conditions, financial and program management, administering any calls-for-proposals or invitations to submit applications, and project reviews and evaluations. These funders would be encouraged to seek guidance from the Steering Group on regional priorities and outcomes, and to involve one or members of the Steering Group in these deliberations.

**Recommendation 5 – Creation of An Ongoing Steering Group:** It is recommended that the key stakeholders associated with economic development in Eastern Ontario create a small, nimble Steering Group to provide overall direction for a regional approach to economic development. As the first step in creating the Steering Group, the stakeholders would review and adopt Terms of Reference such as considering and advising on necessary actions related to:

- The state of the Eastern Ontario economy, particularly in response to the impact of any additional financial resources – from the EODF or other funding sources – that can be brought to bear on stakeholder priorities and specific recommendations in the Opportunity Action Plan.
- Insights on trends and decisions likely to have a disproportionate effect on the economy of Eastern Ontario compared to other neighbouring jurisdictions.
- Multi-stakeholder approaches to address economic development issues and opportunities with other levels of government<sup>21</sup>.
- Proposed approaches to allocating EODF funds and recommending allocation priorities (regional-local proportions, sectors or themes rather than specific projects) based on the Opportunity Action Plan.
- Results from and feedback on regional initiatives undertaken through the EODF or other funding sources.

**Recommendation 6** – Although appointments are for just one year, it is recommended that any member of the Steering Group be eligible for reappointment. To achieve a balance between continuity and flexibility, it is

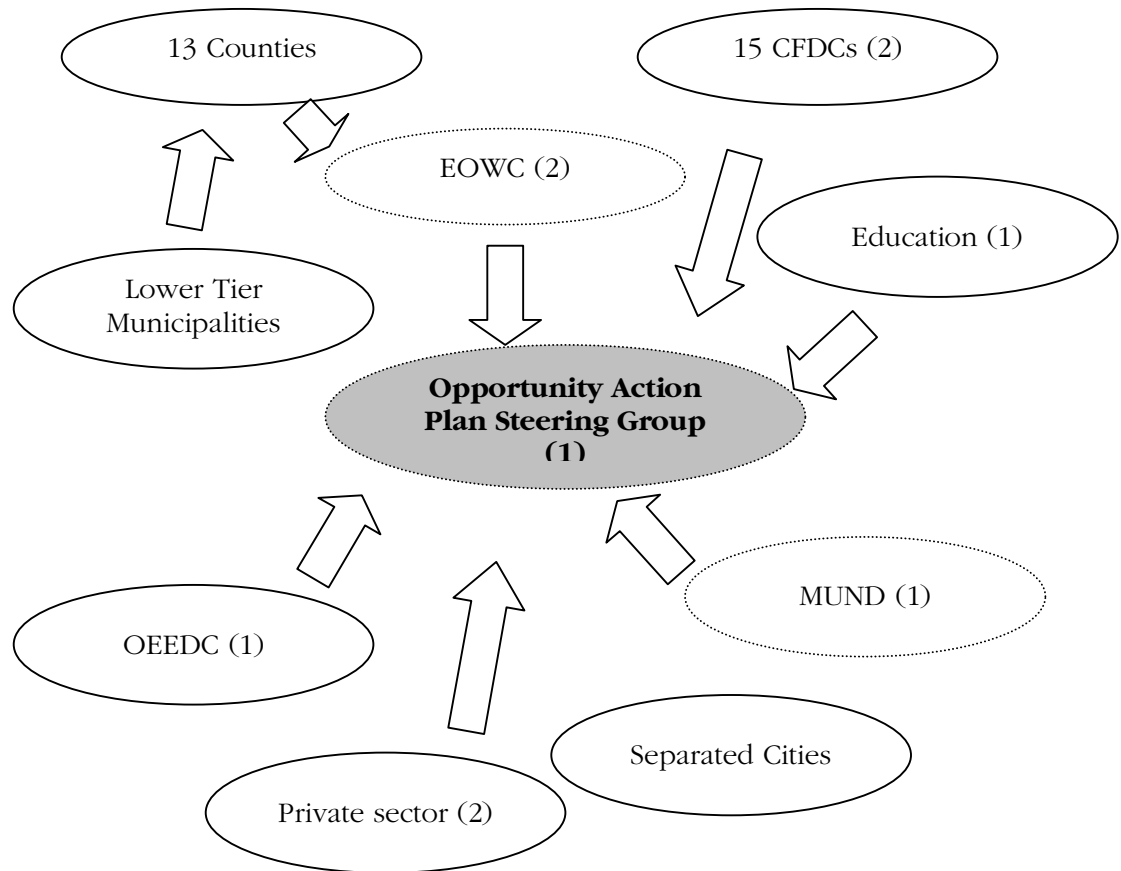
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<sup>21</sup> These decisions can be related to funding formulae for specific programs, support to local government generally, or the design and structure of regulatory frameworks and provincial policies.

further recommended that the Steering Group track length of service so that approximately one-third of the members ‘turn over’ each year.

**Recommendation 7 – Terms of Reference:** It is recommended that these Terms of Reference be further reviewed by the first set of appointees for refinement and to support priority-setting for the Group’s work.

**Figure 5.3.1: How Stakeholders Come Together in the Steering Group**



Number in brackets indicate numbers of members appointed to Steering Group from that stakeholder group. Dashed ovals indicate informal structures.

**The Steering Group would:**

- Track the overall state of the Eastern Ontario economy in relation to shared objectives
- Track overall progress on implementation of the Opportunity Action Plan
- Exchange information and policy positions to/from stakeholders
- Advise the CFDCs and other funders on regional priorities for allocating available financial resources and recommend approaches to allocating EODF/other regional funds
- Provide insights on trends, decisions affecting the Eastern Ontario economy
- Encourage multi-stakeholder approaches to address economic development issues and opportunities with other levels of government
- Review and comment on results from/feedback on regional initiatives
- Secure financial resources and membership to sustain the Group’s work into the future.

**Recommendation 8 – Composition of the Steering Group:** It is recommended that the Steering Group be composed of 10 members, based on the following representation:

- Two nominees from the EOWC appointed annually<sup>22</sup>;
- Two nominees from the CFDCs appointed annually<sup>23</sup>;
- One nominee from the separated cities; appointed annually by the Municipalities United for a New Deal (MUND)<sup>24</sup> or similar body broadly representative of separated cities and towns,
- One nominee from the OEEDC; appointed annually;
- Two representatives from the private sector (one from industry/large business and a second representing small business<sup>25</sup>); candidates to be identified and appointed annually by the preceding year's Steering Group;
- One representative from the education sector (most likely from the post-secondary education sector); candidates to be identified and appointment made annually by the preceding year's Steering Group
- One at-large representative, a position which the Steering Group can use to address the changing mix of stakeholders involved in economic development across Eastern Ontario as well as overlapping memberships<sup>26</sup>. This member would be appointed annually by the preceding year's Steering Group.

**Provide Administrative and Logistical Support to the Steering Group and Chair:** To avoid difficulties in execution of the Steering Group's agenda, there is a need for a budget allocation for administrative and logistical support to the Steering Group and the Chair (between meetings). This allocation should cover staff time to organize meetings, circulate materials, invite guests, or produce documentation from meetings. Part of this support could include an orientation session for Steering Group members, particularly in its initial phase of activity. This service could be contracted to a stakeholder organization or an outside organization. This allocation is separate from but might be integrated with the support required to coordinate EODF program delivery (CFDC-FedNor liaison and coordination). There is also a need to provide a modest allocation for release time for staff in the Chair's stakeholder organization to allow them to support the work of the Chair between meetings.

<sup>22</sup> At its discretion, the EOWC would have the choice of nominating one or more Wardens or CAOs to fill these two positions.

<sup>23</sup> At its discretion, the CFDCs – acting as a group – would have the choice of nominating one or more Board chairs or Executive Directors/General Managers to fill these two positions.

<sup>24</sup> MUND may choose to send a representative who is also a member of the Ontario East Economic Development Commission. This does not preclude the OEEDC from having a member appointed by the OEEDC itself. In fact, the proposed membership structure guarantees that OEEDC will be represented as an organization in its own right.

<sup>25</sup> These representatives could come from sectors such as tourism, manufacturing, agriculture, energy, forestry, technology, retail or professional services.

<sup>26</sup> For example, currently about 10 per cent of OEEDC's membership is drawn from the CFDCs. Economic development officials from the counties and lower tier municipalities, as well as the separated cities constitute approximately two-thirds of the OEEDC membership base.

**Recommendation 9 – Administrative/Logistical Support for the**

**Steering Group:** It is recommended that the CFDCs be encouraged to develop a budget allocation for administrative and logistical support to the Steering Group and the Chair (between meetings). It is further recommended that the CFDCs provide a modest allocation for release time for staff in the Chair’s stakeholder organization to allow them to support the work of the Chair between meetings. It is anticipated that these resources be part of the regional allocation from EODF (or other similar funding sources) for implementation of the Opportunity Action Plan.

**5.3.2 Assigning Primary --- But Not Exclusive --- Leadership Responsibility**

The following sections propose assignment of leadership responsibilities for various Steering Group functions. The recommended concept is to ask each stakeholder group to become the “most responsible organization” for one or more functions. This means that they will lead a shared effort to fulfill particular aspects of the Steering Group mandate

Acceptance of the role of primary leadership responsibility is not an exclusive mandate. Instead, it implies a commitment to work with other stakeholders who have an ongoing interest in the particular activity or initiative.

Taking on the primary leadership role for the purposes of the Opportunity Action Plan does not constrain stakeholders from fulfilling other responsibilities and mandates. For example, OEEDC retains the right and responsibility to raise member-driven issues (example: professional development or training) directly with either level of government. The EOWC – and its member counties – retains the right and responsibility to raise non-economic development issues (example: health care or social services funding) directly with either level of government. The CFDCs retain the right and responsibility to raise their own operational issues directly with the federal government.

### 5.3.3 Eastern Ontario Wardens Caucus

**Assign Primary Leadership Responsibilities to the EOWC for Raising the Region's Profile with the Province of Ontario:** Many stakeholders see the need for strong, united political representations with upper levels of government to address financial and policy issues associated with economic development in Eastern Ontario. These same stakeholders tend to view EOWC as having been a key group in making the case for EODF funding. As a united group (and compared to the other stakeholders) they have the most clout with other levels of government. In concert with the CFDCs, OEEDC and other stakeholders, there is an opportunity for the EOWC to play a leadership role – particularly at the provincial level – to:

- Counterbalance what is perceived to be an overemphasis on the Greater Toronto Area in economic development and tourism decision-making at the provincial level<sup>27</sup>.
- Ensure that provincial decision-makers understand Eastern Ontario's aspirations as a region with real potential for sustainability (i.e. rather than becoming a "permanent welfare state" as some in our consultations put it).
- Support a broader stakeholder coalition in pressing for at least five years of continuous funding under EODF to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front. This coalition could also be applied to representations related to other provincial and federal programs.
- Shape provincial policies that will affect the region's ability to move to a sustainable future. These policies range from greenbelt legislation, use of Crown lands, and allocation of gas tax monies, to nutrient management and the impact of safe drinking water regulations.
- Recommend changes to provincial or federal program design, which would better align funding with integrated economic development approaches, regional priorities and multi-community initiatives.
- Advocate for improvements to infrastructure beyond regional control (for example, transportation systems and the electricity grid) and new approaches to securing additional capital support to address physical infrastructure backlogs (such as serviced land, water and sewer services) at the municipal/county level.
- Encourage sufficient, stable operational funding for local government to ensure that it can discharge its responsibilities to citizens without dramatic tax increases that will cause further deterioration to the tax competitiveness of Eastern Ontario municipalities.

The EOWC will need to demonstrate an ongoing ability to work together as well as working with the CFDCs, OEEDC and other stakeholders to execute the Opportunity Action Plan.

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<sup>27</sup> These decisions can be related to funding formulae for specific programs, support to local government generally, or the design and structure of regulatory frameworks and provincial policies.

**Recommendation 10 – Eastern Ontario Wardens Caucus:** It is recommended that primary leadership responsibility for raising Eastern Ontario’s profile and influence with the Province of Ontario should rest with the Eastern Ontario Wardens Caucus. This role is expected to focus on:

- Counterbalancing what is perceived to be an overemphasis on the Greater Toronto Area in economic development and tourism decision-making at the provincial level.
- Ensuring that provincial decision-makers understand Eastern Ontario’s aspirations as a region with real potential for sustainability.
- Supporting a broader stakeholder coalition in pressing for at least five years of continuous funding under EODF to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front. This coalition could also be applied to representations related to other provincial and federal programs.
- Shaping provincial policies that will affect the region’s ability to move to a sustainable future. These policies range from greenbelt legislation, use of Crown lands, and allocation of gas tax monies, to nutrient management and the impact of safe drinking water regulations.
- Recommending changes to provincial or federal program design, which would better align funding with integrated economic development approaches, regional priorities and multi-community initiatives in Eastern Ontario.
- Advocating for improvements to infrastructure beyond regional control (for example, transportation systems and the electricity grid) and new approaches to securing additional capital support to address physical infrastructure backlogs (such as serviced land, water and sewer services) at the municipal/county level.
- Encouraging sufficient, stable operational funding for local government to ensure that it can discharge its responsibilities to citizens without dramatic tax increases that will cause further deterioration to the tax competitiveness of Eastern Ontario municipalities.

#### **5.3.4 Community Futures Development Corporations**

**Assign Primary Leadership Responsibility to the CFDCs for Liaison and Raising Eastern Ontario’s Profile with the Government of Canada:** As community-focused agencies with an established rapport with the federal government (through Industry Canada) and credibility with the public, the CFDCs are well-positioned to provide leadership in helping the Eastern Ontario region address financial and policy issues associated with economic development. Working with the EOWC and the OEEDC, the CFDCs were key partners in securing the 2004-2005 EODF funding allocation.

Working with these same partners (and others), the CFDCs will be important stakeholders in making the case for further EODF funding. To that end, the EOWC is expected to be heavily involved in advocacy efforts directed at the federal level of government. The CFDCs' understanding of federal structures and processes should be brought to bear for Eastern Ontario to:

- Ensure that federal decision-makers understand Eastern Ontario's aspirations as a region with real potential for sustainability. To this end, Eastern Ontario's CFDCs should take the lead on a multi-stakeholder initiative to negotiate a multi-year (five year) commitment to EODF funding based on Eastern Ontario priorities and funding allocations. The goal should be to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front.
- Shape federal policies that will affect the region's ability to move to a sustainable future. These policies range from agriculture, rural development and environmental policies, to skills training, international trade, and technology development support.
- Recommend changes to provincial or federal program design that would better align funding with economic development approaches, regional priorities and multi-community initiatives.
- Advocate for improvements to infrastructure beyond regional control (such as broadband access, rail or air services, border crossings).

As a group, the CFDCs would retain responsibility for assessing and approving EODF funding for particular projects and be accountable to Industry Canada for the utilization of those funds for economic development purposes. The CFDCs will need to demonstrate an ongoing ability to work together as well as working with the EOWC, OEEDC and other stakeholders to execute the Opportunity Action Plan.

**Recommendation 11 – Community Futures Development Corporations:**

It is recommended that primary leadership responsibility for liaison and raising Eastern Ontario's profile and influence with the Government of Canada should rest with the CFDCs. This role is expected to focus on:

- Ensuring that federal decision-makers understand Eastern Ontario's aspirations as a region with real potential for sustainability. To this end, Eastern Ontario's CFDCs should take the lead on a multi-stakeholder initiative to negotiate a multi-year (five year) commitment to EODF funding based on Eastern Ontario priorities and funding allocations. The goal should be to establish the human, financial and physical capacity that will enable the region to make substantial progress on the economic development front.

- Shaping federal policies that will affect the region's ability to move to a sustainable future. These policies range from agriculture, rural development and environmental policies, to skills training, international trade, and technology development support.
- Recommending changes to provincial or federal program design which would better align funding with economic development approaches, regional priorities and multi-community initiatives.
- Advocating for improvements to infrastructure beyond regional control (such as broadband access, rail or air services, border crossings).

### 5.3.5 Ontario East Economic Development Commission

**Engage OEEDC in Key Support and Implementation Roles:** Because it is one of the few "regional" entities in existence across the 13 counties, and as a result of the organization's experience in many aspects of economic development in the region --- including branding and marketing, the OEEDC is seen by many stakeholders as having a major role in implementing region-wide economic development initiatives. The OEEDC and its members can make a significant contribution to the work of the EOWC and CFDCs by:

- Maintaining an active liaison function with provincial and federal ministries/ departments in order to flag emerging policy issues or concerns and recommend options for EOWC consideration.
- Providing analytical support on program design issues (for example, how to modify programs to make them better suited for application in an economic development context in Eastern Ontario).
- Providing logistical support for implementation of specific projects funded under the EODF (for example, region-wide sectoral studies, sector-specific shared interest network operations, professional development/training for those in the economic development field, and analyses of the return on investment (ROI) for economic development at the municipal level).

#### **Recommendation 12 – Ontario East Economic Development**

**Commission:** It is recommended that the OEEDC should be assigned Preferred Partner status for specific regional policy and program analysis assignments, and implementation of projects – particularly those related to energy, forestry, or manufacturing – which are funded through the EODF or other similar regional funding sources. Preferred Partner status means that OEEDC would have the first opportunity to submit a proposal for providing these services but EODF decision-makers or other funders would not be required to accept the proposal. If the OEEDC proposal was deemed lacking, a broader RFP-type process could be launched. The OEEDC role is expected to focus on liaison with provincial and federal ministries/ departments on emerging policy issues or concerns, providing analytical support on program design issues, and logistical support for implementation of specific projects funded under the EODF or similar regional funding sources.

**Recommendation 13 – Preferred Partner Status:** It is recommended that the Ontario East Economic Development Commission be engaged to support implementation of government relations efforts and be assigned Preferred Partner status for specific regional implementation assignments and projects funded through EODF or other similar regional funding sources.

### 5.3.6 Other Public and Private Sector Stakeholders

**Engage Other Stakeholders in the Economic Development Agenda:**

Improving the economy of Eastern Ontario will require the participation of other stakeholders whose decisions determine organizational strategies, business formation, retention and expansion, capital and operating investments, hiring decisions, and funding allocations. In fact, Eastern Ontario will not achieve its economic development goals without the active participation of these organizations. The stakeholders already involved in the EODF program cannot represent decision-makers in some sectors. Groups such as businesses; educational, research and health care institutions; and associations such as tourism associations, Chambers of Commerce, Boards of Trade, and Business Improvement Areas could be more heavily engaged in the shared effort to rejuvenate and advance our shared economic interests.

Engagement of partners in the separated towns and cities is also critical. In many sectors, these communities are the economic engines of the region. They are most likely to have the advanced education, research and training capabilities that are needed for implementation of many aspects of the Opportunity Action Plan – and to have integrated the plans of these institutions into their own economic development plans. If urban and rural areas are to work together in economic development, participation on the Steering Group would be an excellent mechanism through which to encourage that collaboration.

For all of these stakeholders, this process of engagement can be accelerated through the Opportunity Action Plan by:

- Formalizing relationships with these organizations
- Building regional and sub-regional partnerships for specific purposes, and
- Involving them in project implementation.

**Recommendation 14 – Broadening Participation in the Action Plan:** It is recommended that implementation of the Opportunity Action Plan be used to broaden and formalize the participation of other stakeholders such as businesses (large and small), educational and health care institutions, and associations such as tourism associations, Chambers of Commerce, Boards of Trade, and Business Improvement Areas, in development of the economy of Eastern Ontario.

**Recommendation 15 – Representation for Other Stakeholder Groups:**

It is recommended that representation be provided for other public and private sector stakeholder groups based on the following guidelines, which are included in the proposed composition of the Steering Group:

- One representative from the education sector
- Two representatives from business (one large/industrial representative and another representing small or medium-sized enterprises)
- One representative of the separated cities nominated by Municipalities United for a New Deal or other similar body representing cities and towns which are not part of county government, and
- One at-large representative to allow the Steering Group to achieve a good balance of representation and engage individuals with required knowledge or experience.

### 5.3.7 Summary of Proposed Roles

The chart below summarizes the roles anticipated for each of the major stakeholders in the implementation of the Opportunity Action Plan.

**Figure 5.3.7: Roles and Structures/Processes: Summary of Proposed Roles for Stakeholders**

| Proposed Action   | Proposed Role of   |  |   | Separated Cities, Business, Education Representatives                               |
|---|--|--|---|---|
|   | EOWC   | CFDCs  | OEEEDC  |   |
| Define Eastern Ontario  | Confirm existing definition or modify as required                                  | Confirm existing definition or modify as required  | Confirm existing definition or modify as required                                   | Confirm existing definition or modify as required                                   |
| Articulate Shared Economic Development Goals                      | Confirm proposed economic development goals or modify as required                  | Confirm proposed economic development goals or modify as required                        | Confirm proposed economic development goals or modify as required                   | Confirm proposed economic development goals or modify as required                   |
| Form Steering Group   | Confirm proposed terms of reference or modify as required<br>Name representation   | Confirm proposed terms of reference or modify as required<br>Name representation         | Confirm proposed terms of reference or modify as required<br>Name representation    | Provide names for representation as required under terms of reference               |
| Secure support for Steering Group                                 | Review/comment on budget allocation for supporting Steering Group and Chair        | Develop budget allocation to support Steering Group and Chair from EODF funding          | Review/comment on budget allocation for supporting Steering Group and Chair         | Review/comment on budget allocation for supporting Steering Group and Chair         |
| Recommend appropriate percentage allocation for regional projects | Participate in discussion/build consensus on recommendation to CFDCs/other funders | Participate in discussion/build consensus on recommendations to funders, including CFDCs | Participate in discussion/build consensus on recommendations to CFDCs/other funders | Participate in discussion/build consensus on recommendations to CFDCs/other funders |

**Figure 5.3.7: Summary of Proposed Roles (continued)**

| Proposed Action                                      | Proposed Role of   |   |   |
|--|--|---|---|
|  | EOWC   | CFDCs   | OEEDC   |
| Share Strategies and Information on Regional Economy | Contribute information/ ideas to discussions; share information with counties; recommend actions as required   | Contribute information/ ideas to discussions; share information with CFDCs; recommend actions as required   | Contribute information/ ideas to discussions; share information with other stakeholders in group; recommend actions as required   |
| Pursue Issue Resolution Through Government Relations | Provide primary leadership on provincial government relations for regional issues related to economic development (ex. program design, funding, legislation, regulatory affairs) | Provide primary leadership on federal government relations for regional issues related to economic development (ex. program design, funding, legislation, regulatory affairs) | Maintain active liaison with government decision-makers to support policy development or implementation<br><br>Undertake related projects at request of Steering Group, based on funding approval from appropriate funder |
| Recommend Regional Funding Priorities                | Participate in discussion/ build consensus on CFDCs/other funders for types of projects to have priority for funding   | Participate in discussion/ build consensus on recommendations to CFDCs/other funders for types of projects to have priority for funding                                       | Participate in discussion/ build consensus on recommendations to CFDCs/other funders for types of projects to have priority for funding   |
| Track Progress on OAP Implementation                 | Receive and review reports on implementation progress; recommend further action as required  | Receive and review reports on implementation progress; recommend further action as required   | Receive and review reports on implementation progress; recommend further action as required   |

## **6.0 Strategic Economic Development Opportunities**

### **6.1 Interest in Pursuing Sectoral Opportunities**

Based on the sectors identified in the original RFP<sup>28</sup> and the methodology designed for the project<sup>29</sup>, significant attention was paid to the economic sectors that particular communities considered to hold the greatest potential, either on a local or regional level. Where one or more stakeholders in that community considered a sector to be a good prospect for future economic development for that community, it was included in a sectoral summary we developed for subsequent analysis.

No comparative ratings or rankings among communities have been made or are meant to be implied by this summary.

The chart on the following page provides the summary of stakeholder expressions of interest in opportunities related to particular sectors. It was developed through a review of various studies and reports, supplemented by selected interviews with a small number of representatives from each community – mainly CFDC managers and municipal representatives. For some stakeholder organizations, we stress that these expressions of interest may have been voiced by one or two people without the benefit of an agreed upon organizational strategic plan. As a result, this summary does not represent a rigorous poll of all local views. In addition, these sectoral interests may change as stakeholders undertake either normal planning cycles or special strategic planning initiatives. It is, however, a place to start.

For the development of the Action Plan itself, additional interviews were completed with selected individuals whose expertise or experience in a particular sector was relevant to plan development and known to either the Working Committee or the consulting team. All individuals interviewed are identified in Appendix E.

There are many sectors which hold widespread interest among stakeholders across the region. First and foremost is tourism, with manufacturing, the services sector (particularly education), agriculture, and alternative energy leading the way. A subsequent section of this report (6.7) provides a more detailed description of stakeholder interests on a county-by-county/CFDC-by-CFDC basis. Where stakeholders were able to make the assessment, this breakout chart also indicates the sectors considered by those stakeholder representatives to be among the best economic development prospects for their communities.

While the development of the Implementation Plan has focused most on those sectors with regional/sub-regional potential, suggestions are also offered for those sectors which are of interest to a smaller number of stakeholders.

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<sup>28</sup> See Appendix A

<sup>29</sup> See Appendix B

Note that for the purpose of this summary, only the counties and CFDCs have been included in the tabulation. The input of stakeholders with expertise in particular sectors has been incorporated in the development of the Implementation Plan.

**Figure 6.1.1 Sector of Interest Summary – As Indicated by Stakeholders**

| Sector                         | Number of Mentions | Comments  |
|--------------------------------|--------------------|---|
| Tourism                        | 33                 | Most often mentioned were cultural tourism (30) with a relatively even split between heritage and arts-based tourism, family-centred tourism (22), water-based tourism (24) and eco-tourism (16).   |
| Manufacturing                  | 28                 | Most often mentioned were food processing (14), plastics (8), metals (7), light assembly (7), warehousing/logistics (6), and auto parts (4). Eleven stakeholders mentioned “other” types of manufacturing and seven organizations said they would be interested in “any” type of manufacturing.                       |
| Services                       | 28                 | Most often mentioned was education (18).  |
| Agriculture                    | 24                 | Most often mentioned were traditional agricultural ventures such as livestock or mixed farming (16), value-added production primarily as feedstocks to manufacturing/energy (15) and specialty/niche production (14). Agro-tourism was mentioned by 8 organizations.  |
| Energy – Alternative           | 24                 | Ethanol, other biomass-based energy, including waste-to-energy, and wind energy were mentioned most often.  |
| Technology                     | 18                 | Most of the organizations mentioning technology were either separated cities with at least some existing technology-oriented business already or areas looking to attract or grow businesses that could serve the Ottawa technology cluster.  |
| Retail                         | 17                 |   |
| Biomedical and Health Sciences | 14                 | Health care based opportunities, particularly where there are research-intensive universities or hospital-based redevelopment under way, was most often mentioned. The idea of partnerships with health care institutions for generation and commercialization of technologies was mentioned by several stakeholders. |
| Forestry                       | 14                 | Organizations were most likely to mention traditional logging and lumber, secondary manufacturing, bio-energy applications from forestry waste, and forest-based eco-tourism.   |
| Energy – Conventional          | 5                  | Organizations citing this sector mention wood, nuclear and fossil-fuel generation in approximately equal measure.   |
| Other Infrastructure           | 20                 | Most of these expressions of interest were related to broadband/access to high-speed internet (13); other types of infrastructure requirements were related to transportation and, to a lesser extent, water and sewer services.  |
| Multi-sector                   | 6                  | Most frequently mentioned were business services operations which would provide information or facilities (ex. incubator) to help small businesses.   |
| Convergent industry            | 6                  | Most frequently mentioned was biotechnology.  |

## 6.2 Overview of Sectoral Opportunities

**Tourism Tops List of Perceived Opportunities:** Virtually every organization included in this consultation process identified tourism as a ‘sector of interest’. However, each organization also identified multiple sub-sectors (cultural tourism, agro-tourism, eco-tourism, family-focused recreational tourism) as being of most interest to their communities. While some organizations see tourism as being dominated by low-paying service jobs, most see it as a way of moving dollars out of Toronto, Ottawa and Montreal to stimulate the local economy.

Many of those with a keen interest in tourism articulated concerns about lack/inconsistency of product, and an operator retirement profile that has been exacerbated by new provincial water regulations. While many interviewees believe that Eastern Ontario has significant potential for cultural tourism, the most common assessment is “we’re making progress but we have a long way to go”. As with other tourism sub-sectors, there is a growing realization that operators need to understand the customer’s preferred combination of activities, then ensure that the product cluster exists to fulfill their expectations. For some communities, festivals or other special events are seen as a way to pull tourism product together into an offering of sufficiently high standards and appeal to draw visitors from major centres such as Ottawa or Toronto, where the availability of cultural tourism product is already quite high.

**Post-Secondary Education Now Seen As A Key Partner:** Across Eastern Ontario, there appears to be a growing sense that economic success will be determined by a community’s ability to partner with post-secondary institutions to 1) create “anchors of expertise” around which spin-offs or attraction strategies could be built and 2) provide the kinds of training services that would equip the workforce for better jobs. In particular, there is a sense that Kemptville Agricultural College “should be more than it is” in terms of contributing to the region’s economic development. In a few cases, communities see post-secondary institutions as being an engine of applied research from which patentable technologies might be generated. Most stakeholders appear to understand that the presence of a university is vital for some types of research and innovation, and that the absence of such an institution limits a community’s development options.

**Manufacturers’ Associations Emerging In Centres with Sectoral Interest:** Primarily – but not exclusively – along the 401 corridor, communities are developing local manufacturing associations as vehicles for advancing the interests of this sector, sharing best practices, and building relationships within that sector.

**Agriculture-Based Developments Eye Niche Markets, Value-Added Opportunities:**

While some counties and CFDCs are focused on rejuvenation of battered agricultural sectors (for example, the livestock sector from BSE), others are looking at niche markets such as specialty meats and cheeses, farm gate produce, and agro-tourism events to bolster their agricultural sectors. Others see opportunity in value-added industries using agricultural products (such as abattoirs or ethanol production from corn), as well as some biotechnology-oriented opportunities (such as bio-products like biofibres). While some stakeholders questioned the relative impact of agriculture on the local economy in comparison to, say, manufacturing, others tended to stress that agriculture is an underappreciated sector.

**Region Shows Interest in Alternative Energy:** Many stakeholders reported interest and a philosophical and practical compatibility with increased economic activity in the alternative energy sector. Wind energy, ethanol and incineration/cogeneration were the three specific opportunities mentioned most often.

**Interest in Technology Sector Limited to Places Close To Major Cities:** While many communities are interested in improved access to broadband as basic infrastructure for businesses of all types, the number of communities with an interest in pursuing growth in technology businesses tends to be limited to places with proximity to Ottawa or communities that believe they can offer a tele-work option for workers in major centres. A key question for communities close to Ottawa is how to get the attention of the technology sector there. Early efforts to develop a brokering function (linking technology companies with in-region suppliers) was fine in concept but was not sustained. In part, that initiative may have been another casualty of the high-tech meltdown; regardless, the potential opportunity and the need for a brokering function remain.

## 6.3 Strategic Approach to Opportunities

### 6.3.1 Current Approaches to Economic Development

For most stakeholders, the current approach to economic development most often:

- Takes place within the context of a broader community development plan (whether formal or informal),
- Relies more on anecdotal information than systematic research to guide decisions about which types of economic development should be priorities, which specific opportunities to pursue, and how to go about it,
- Distinguishes between tourism and other sectors of the economy for purposes of strategy development and program execution,
- Blends attraction strategies --- market the community to the external world --- with BR+E (support to encourage existing organizations to remain and expand in the community),
- Encounters significant barriers (cost, distance, release time) to securing training and development for economic development capacity-building, and
- Must access multiple sources of financial support for priority projects.

### 6.3.2 Emerging Approaches to Economic Development

There is a growing recognition among stakeholders that, in addition to the application of specific economic models, Eastern Ontario's future success will depend as much on our ability to apply the new approaches to economic development. In particular, stakeholders referred to the need to:

- Make more use of partnerships to gather together the critical mass required to operate in what for most sectors has become a global marketplace, to access particular skill sets and delivery systems, and to address gaps in specific value chains (from research and development through to manufacturing and distribution).
- Use the collective energy of Eastern Ontario stakeholders to gather and apply information<sup>30</sup> that will help those with economic development responsibilities make well-founded decisions about where to concentrate resources and how to implement action projects to achieve shared objectives.

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<sup>30</sup> In addition to human and organizational capacity-building, stakeholders need to become more proactive in collecting market intelligence on trends in exchange and interest rates, global trading patterns, the ongoing threat to manufacturing, the impact of border closures for agricultural products, and the factors influencing tourism decisions.

- Step up advocacy efforts on behalf of the region to ensure that Eastern Ontario's perspective is introduced into local, provincial and federal policy decision-making.

Most organizations represented in this consultation process cautioned against creating additional bureaucracy to implement regional economic development initiatives. They recommended using mechanisms which bring people together around initiatives or issues (for example, networks and focused collaborations) rather than creating new organizations to take responsibility for these initiatives. As a result, this report recommends use of what we call “shared interest networks” for sector-based initiatives, and building both local and regional capacity for implementation of specific initiatives or projects. The following section describes each of these approaches.

### 6.3.3 Shared Interest Networks for Sector-Based Initiatives

Rather than create new, permanent organizations, which would require substantial resources to support, the Opportunity Action Plan proposes that implementation of many regional and sub-regional<sup>31</sup> initiatives could be accomplished using a network model where the mandate and ensuing actions are driven by members organized around specific projects. These projects could be focused on implementation of identified infrastructure projects or opportunities in particular sectors. For example, a network model might be applied to bringing stakeholders together to form an entire value chain for a particular manufacturing-centred opportunity or to pursue a shared interest in tourism product development and promotion. Motivation would be based on shared interests and mutual support; decision-making would depend on consensus building.

In addition to characteristics highlighted in the text box at right, these networks could function in the following ways:

#### Key Characteristics of the Network Model

- Flat rather than hierarchical
- Mandate is determined by member interests
- Project-focused rather than program-focused
- Tendency for extensive linkages with other organizations
- Member participation is voluntary
- Decision-making tends to be consensus-style
- Often impermanent or changes to respond to new interests or needs.

<sup>31</sup> For the purposes of this Opportunity Action Plan, the term “regional” refers to six or more counties or CFDC areas and “sub-regional” refers to three or more counties or CFDC areas. These areas need not be contiguous.

- Interested stakeholders could sign on voluntarily as member organizations with the understanding that they are participating in a regional or sub-regional initiative through which specific economic development concerns and priorities at the local and multi-community level would also be addressed.
- At least three member organizations, with *at least one being from the private sector*, would be required to create a shared interest network. To be considered as either regional or sub-regional, the network's base of member organizations should be required to meet the definition as adopted by the Opportunity Action Plan.
- Member organizations should be expected to contribute time or in-kind services but no money unless and until the network designs a project from which member organizations could see sufficient benefits to justify contributing financially to that project. However, each shared interest network should be eligible to receive a modest financial allocation, through a host organization, from EODF or similar funding source to provide administrative and logistical support. This support could be contracted from a stakeholder in the network or to an outside service.
- Participating stakeholders should develop strategic directions, priorities and projects for the shared interest network. The lifespan of the network should be project-based and depend on the members' assessment of its usefulness.
- Specific projects from shared interest networks should be eligible for funding (in whole or in part) from a regional EODF or other similar funding allocation and should be subject to the same evaluation criteria as would be applied to other regional or sub-regional proposals.

In addition to direct support for the network administration and the projects which might emerge from these bodies, EODF or similar funding allocations could support use of the network model through the capacity-building initiatives recommended in section 6.3.4 - Build Local and Regional Capacity for Implementation.

### **Examples of Initiatives to Which the Network Model Could Be Applied:**

The stakeholder consultations indicate that there are many sectors for which sub-regional groupings envisage – and, indeed, in some cases are already pursuing those – specific shared-interest initiatives. Examples range from proposals for multi-stakeholder agricultural impact studies and biotechnology innovation networks to marketing programs for tourism or technology. In some cases, organizations already exist through which logistical support for multi-stakeholder, sector-based initiatives could be pursued.

The following chart identifies potential areas where shared interest networks could be effective in Eastern Ontario. The formation of any such network would depend on the emergence of one or more champions willing to provide initial leadership for the network. In subsequent sections of this report, we provide some examples of proactive measures that stakeholders could take to apply this model to sectors of particular interest on a regional or sub-regional basis.

**Figure 6.3.3 Examples of Potential Shared Interest Networks – By Sector**

| Sector               | Potential Shared Interest Networks   | Communities Expressing Interest in the Sector  |
|----------------------|--|--|
| Agriculture:         | <ul style="list-style-type: none"> <li>● Functional foods/Nutraceuticals</li> <li>● Agro-tourism (links to tourism)</li> </ul>   | <ul style="list-style-type: none"> <li>● Prescott-Russell, Renfrew, Grenville, Belleville-Trenton-Brighton</li> <li>● Prescott-Russell, Renfrew, Prince Edward, Peterborough, Kawartha Lakes</li> </ul>  |
| Biotechnology        | <ul style="list-style-type: none"> <li>● Biomedical and health sciences</li> <li>● Biomaterials (fibres, construction materials)</li> </ul>                                      | <ul style="list-style-type: none"> <li>● Ottawa, Stormont, Dundas, Glengarry; Leeds-Grenville; Kingston, Prince Edward, Belleville-Trenton-Brighton, Northumberland, Peterborough, Haliburton</li> <li>● Ottawa, Kingston, Belleville-Trenton-Brighton, Northumberland, Peterborough, Frontenac</li> </ul> |
| Education            | <ul style="list-style-type: none"> <li>● Learning-oriented tourism</li> </ul>  | <ul style="list-style-type: none"> <li>● Renfrew, Pembroke, Kawartha Lakes, Haliburton, Peterborough, Frontenac</li> </ul>   |
| Energy - Alternative | <ul style="list-style-type: none"> <li>● Biomass (co-generation – heat and electricity generation)</li> <li>● Biofuels (ex. ethanol, biodiesel; links to agriculture)</li> </ul> | <ul style="list-style-type: none"> <li>● Renfrew, Hastings, Prince Edward, Haliburton</li> <li>● Stormont-Dundas-Glengarry, Lennox and Addington, Belleville-Trenton-Brighton; Northumberland, Peterborough, Kawartha Lakes</li> </ul>   |
| Forestry             | <ul style="list-style-type: none"> <li>● Professional and work force development; market development</li> </ul>  | <ul style="list-style-type: none"> <li>● Renfrew, Pembroke, Grenville, Frontenac, Lennox and Addington, Hastings, Peterborough, Haliburton</li> </ul>  |
| Manufacturing        | <ul style="list-style-type: none"> <li>● Professional and workforce development (via manufacturers associations)</li> </ul>  | <ul style="list-style-type: none"> <li>● Hastings, Belleville-Trenton-Brighton, Prince Edward, Northumberland, Kawartha Lakes</li> </ul>   |

| Sector     | Potential Shared Interest Networks   | Communities Expressing Interest in the Sector   |
|------------|--|---|
| Technology | <ul style="list-style-type: none"> <li>● Brokering/Supply chain development to Ottawa technology sector</li> </ul>   | <ul style="list-style-type: none"> <li>● Stormont, Dundas, Glengarry; Pembroke, Leeds-Grenville, Lanark, Smiths Falls</li> </ul>  |
| Tourism    | <ul style="list-style-type: none"> <li>● Cultural tourism – Festivals and Events</li> <li>● Eco-tourism (links to forestry; the region's trails, geology and other natural assets may also serve as linkages)</li> </ul> | <ul style="list-style-type: none"> <li>● Prescott-Russell, Renfrew, Leeds-Grenville, Kingston, Lennox and Addington, Prince Edward, Northumberland, Kawartha Lakes</li> <li>● Renfrew, Leeds-Grenville, Lanark, Frontenac, Lennox and Addington, Hastings, Belleville-Trenton-Brighton, Peterborough, Kawartha Lakes, Haliburton</li> </ul> |

**Recommendation 16 – Shared Interest Networks:** It is recommended that where a regional or sub-regional shared interest network emerges and meets the guidelines set by the Opportunity Action Plan, a host agency should be able to apply for a modest allocation for logistical network support from any regional allocation under the EODF or similar funding source. These guidelines would be:

- Demonstrated ability to formulate/adopt strategic directions consistent with the Opportunity Action Plan, which one or more projects will help to fulfill
- Participation of three or more member organizations, of which one must be from the private sector, to meet the definition of regional or sub-regional as adopted for the Opportunity Action Plan
- Voluntary participation of member organization with a formal indication of interest from each organization
- Member organization willingness to make in-kind contributions until a specific regional or sub-regional economic development project is identified, and
- A plan/approach for efficient, effective utilization of financial allocation for administration, including designation of a willing host organization.

**Funding decisions for projects emerging from the networks would be subject to the same criteria as for any other proposal.**

#### **6.3.4 Build Local and Regional Capacity for Implementation:**

Stakeholders have made significant investments of organizational time and energy to secure and utilize the \$10 million EODF allocation for 2004-2005. A further \$8.2 million for 2005-2006 was announced in the most recent federal budget. If the region wishes to demonstrate continued strong accountability for this public support, and over time, significant region-wide impact of these investments in developing Eastern Ontario's economy, investment in capacity building will be required.

Ongoing leadership will be needed to advance regional priorities and to support implementation of EODF and related regional economic development initiatives. Recommendations concerning mechanisms for ongoing regional leadership are covered in section 5. In this section, we recommend that the regional agenda also support capacity building for implementation. There are two main reasons for this recommendation:

- One of the most common reasons for delayed or derailed implementation of any plan is reliance on volunteers who often have other significant priorities and employment responsibilities, or dependency on in-kind support of staff that have competing and often higher priority assignments within their home organizations. This resource strain applies to Wardens and Chief Administrative Officers participating in the Eastern Ontario Wardens Caucus (EOWC), General Managers/Executive Directors of CFDCs, and the Executive or Committee Chairs of the OEEDC.
- As organizational mandates evolve, either as a result of the EODF or other external factors, officials and staff will need new skill sets such as evaluating projects with outcomes in addition to financial results so that they can discharge EODF or other funding decisions as well as work in new ways with groups or businesses in their communities.

**Six Areas of Focus for Capacity-Building:** The Opportunity Action Plan has identified six areas in which capacity-building initiatives might be focused. Note that these initiatives --- which are listed below --- can be undertaken at modest cost and, in all cases, could be contracted to individuals or organizations within the region. It may even be possible to contract a particular initiative to a stakeholder organization to cover release time for a staff member with particular expertise and experience to share with counterparts across the region. The EODF could proactively call for proposals to design and execute capacity-building initiatives in the following areas:

- Strategic Planning
- Partnership Development
- Project/Business Plan Development
- Resource Acquisition
- Branding and Marketing

- Project/Program Evaluation.

Additional detail on the requirements for capacity-building projects in each of these areas is set out in section 7.3.5 - Capacity-Building Projects.

**Recommendation 17 – Capacity-Building Projects:** It is recommended that from any future funding allocations through EODF or similar funding sources, region-wide capacity building initiatives be undertaken in the areas of 1) strategic planning, 2) partnership development, 3) project/business plan development, 4) resource acquisition, 5) branding and marketing, and 6) project evaluation. It is anticipated that these initiatives will be as helpful to officials and staff working within their communities as well as when they are working across the region.

## 6.4 General SWOT Analysis and Assessment

Throughout the project, stakeholders raised strengths, weaknesses, opportunities and threats (SWOT) that underlie the development of regional/sub-regional economic development initiatives in Eastern Ontario. For the most part, these issues are also central to local economic development efforts. A SWOT analysis has been used to develop specific recommendations and action steps which are described in subsequent sections of this report.

### 6.4.1 Strengths

- **Natural resources:** Many stakeholders cited the region's natural resources (forests, agricultural land, biomass, minerals, and water) as a key strength, providing the asset base required for many forms of economic development. Some stakeholders also noted the capabilities of people within the region who know how to put these assets to productive, sustainable use – from agriculture and forestry to various types of tourism. Stakeholders see these assets as providing the raw materials for both resource extraction industry and follow-on secondary processing/manufacturing. Being overlooked for past development means the cost of many of these resources is low when compared to other provincial or international jurisdictions.
- **Proximity to Major Markets:** Stakeholders mentioned Eastern Ontario's location in relations to major Canadian and US markets as a strength. Given the major transportation corridors running through the region (rail and road) and border crossings, location is considered a strength for many sectors – from tourism to manufacturing.
- **Post-Secondary Education Institutions:** With six universities and six community colleges distributed throughout the region, Eastern Ontario has significant research and training resources in its midst, particularly in the urban centres. Many stakeholders saw these institutions as wellsprings of applied research. In addition, there are several other research-intensive sector organizations --- both public and private --- within the region.
- **Talented, Entrepreneurial People:** From talented artistic people to those with significant business experience and/or creative entrepreneurial instincts, the region's human resources are seen as a strength by many stakeholders. Some of this capability is vested in retirees from other regions or individuals who have chosen reduced work intensity to enjoy a more pleasurable lifestyle in the region. Eastern Ontario also has a significant bilingual workforce, primarily in the eastern end of the region closest to Quebec.
- **Capital Investment Pool:** The region's 15 CFDCs have capital pools for investment in small business in the region. When coupled with the sub-regional Community Ventures Capital Fund, these resources represent a source of captive financing for the region which is used to support start-ups and expansion of existing businesses.

### 6.4.2 Weaknesses

- **Inadequate Funding:** Many economic development projects that are perceived as good for the particular community cannot find funding. Inadequate funding means many organizations do not have the resources for even a preliminary investigation of an opportunity, let alone the analysis required for a full business case. Some stakeholders also perceive a gap in access to capital for municipalities and for private sector projects that go beyond the established lending limits of a CFDC.
- **Structures and Funding Don't Match Desired Multi-Community Approaches:** A number of organizations pointed out that at both the CFDC or county levels, organizations with economic development mandates are structured to serve an individual county or similar-sized service area. Regional projects are therefore difficult to organize and execute. For example, some individuals interviewed noted that the current EODF process relies on the program delivery capability of 15 separate organizations across Eastern Ontario (the CFDCs). Many funding mechanisms are structured in a similar fashion, sometimes leaving communities feeling that their neighbours are competitors, even when a multi-community approach has better prospects of success.

Some stakeholders also noted that funding programs don't match economic development approaches --- for example some parts of a project or initiative may be eligible for funding while others may not. Proponents typically have to piece together bits of money from a variety of sources and have significant difficulty finding funding for the multi-year commitment that is typically required to demonstrate feasibility of an idea or business proposition.

- **Reactive Operating Style:** Significant time and money is spent reacting to the rollout of provincial initiatives and decisions, diverting municipalities and counties from proactive pursuit of their own – or region-wide - opportunities.
- **Lack of Regional Profile:** Stakeholders noted that despite the efforts of OEEDC, Eastern Ontario has no profile, particularly in major target markets. That is perceived to be the result of inadequate funding dedicated to the task, a result to some extent of the fact that OEEDC relies only on members' fees for its marketing work. Inability to access marketing power (organizing focused, intensive and well-executed marketing campaigns) is seen as a serious barrier for economic development generally, most particularly for tourism.

- **Getting the Attention of Governments:** Underlying many of the issues raised was the sense that Eastern Ontario has had difficulty getting attention from higher levels of government and, to some extent, the investment community. Stakeholders consider redressing this issue to be of fundamental importance in positioning Eastern Ontario as a region with real potential (as several stakeholders put it, perceived as a “permanent welfare state”) with the ability to access and shape policies and programs that will affect the region’s ability to move to a sustainable future. For many stakeholders, Ontario’s Toronto/GTA-centric economic development focus is a barrier to getting programs, funding and policy frameworks that work for --- or at least do not cause harm --- in rural Eastern Ontario.
- **Inadequate Resources for Infrastructure Improvements:** Communities consider inadequate resources for initiatives such as broadband or other physical infrastructure such as water and sewer or serviced land to be a significant barrier to economic development. For the most part, demand for these resources is up front capital requirements rather than operating expenditures.
- **Technology and Broadband:** Today, there is a greater emphasis on broadband communications across many economic sectors --- both public and private --- and, more generally, the use of technology in economic development. In particular, broadband has gone from being a tool used primarily by software development and other large data file firms to a tool for virtually every type of business. Significant parts of Eastern Ontario do not have this infrastructure and lack the capital resources to implement it. Because of the extensive backlog of more traditional municipal infrastructure work (roads, water and sewer), stakeholders do not expect that broadband access will be chosen as the single most important priority for funding from an infrastructure program such as the Canada-Ontario Municipal Rural Infrastructure Fund (COM-RIF).
- **Labour Force Supply:** While some communities have focused on the paucity of opportunities for young people and the challenges of attracting physicians (a very specific type of labour force supply deficiency), other communities expressed the concern that the relatively small labour force in Eastern Ontario is constraining economic development strategies. In particular, some communities know they cannot supply a large facility’s workforce so focus instead on attracting or growing smaller firms. As a result, several communities are expressing interest in immigration to supply regional labour requirements. Stakeholders understand the challenges of attracting immigrants from other urban centres (for example, addressing possible cultural isolation and lack of attractive lifestyles). Shortages of particular categories of skilled labour are considered a critical issue. In some areas, basic literacy levels and work motivation are also seen as issues to be addressed.

### 6.4.3 Opportunities

- **Stakeholders see Merit in Focusing on Specific Sectors:** Rather than attempt to be “all things to all people”, stakeholders identified specific economic sectors that they consider to be good opportunities for part or all of Eastern Ontario. Tourism topped the list with manufacturing, and specific types of services, agriculture, and alternative energy close behind. On a sub-regional basis, opportunities in forestry, technology, and biomedical and health sciences were also noted. The commitment to use some EODF resources for sectoral studies is one way that the region can focus stakeholder attention on specific opportunities.
- **Partnerships Have Become More Prominent:** Multi-group cooperation and partnerships have become more important. The Wardens Caucus and the CFDCs were cited as having demonstrated the success that can come from this approach with the EODF. Eastern Ontario has the opportunity to apply this approach more broadly in economic development, including at the regional level. In particular, building partnerships that are based on a complete value chain in a particular sector (from research and raw materials through to manufacturing, related support services, and warehousing/logistics) could provide the critical mass to pursue opportunities in particular sectors and keep a larger share of expenditures within the region.
- **Eastern Ontario Can Take the Pressure Off High-Growth Communities:** The proximity of Eastern Ontario communities to major centres such as the Greater Toronto Area and Ottawa is seen by some as an opportunity for the region. Because Eastern Ontario is less densely populated and still enjoys reasonable land costs and enviable lifestyles, there may be an opportunity to capture development while taking the pressure off communities stressed by high growth rates. High land costs, gridlocked transportation/excessive commutes for employees, and fully-utilized infrastructure may make Eastern Ontario particularly attractive for spill-over development.

#### 6.4.4 Threats

- **It's a Tougher Climate/Noisier Environment:** Companies looking to relocate or expand are more demanding these days. For example, a municipality might be given just a day to respond to a call from a site selector. Some stakeholders report that it is hard to get attention for Eastern Ontario in a very cluttered, competitive marketing environment.
- **The Risk of Business/Employment Loss Continues:** As public and private sector organizations have rationalized and consolidated, communities across Eastern Ontario have faced significant closures with associated loss of employment, incomes and tax revenues. If the closure removes a significant player in a particular economic cluster, the impact is even more serious. In some sectors, companies – and the jobs that go with them – relocate to other jurisdictions as a condition of financing. In other cases, changing exchange rates or input costs such as energy diminish the cost advantage of Eastern Ontario communities. These forces will almost certainly continue to be a threat for the region's economic development community.

The loss of a major employer can be devastating and take a long time to overcome. As a result, business retention and expansion has grown in importance as an economic development function. To some extent, this is a strategy of necessity. Attraction strategies are more difficult to implement successfully and local operations may be vulnerable to decisions made in head offices in other jurisdictions. Further, like the rest of Ontario, Eastern Ontario is at a disadvantage in inter-jurisdictional competition for business because the Province precludes the practice of offering comparable bonuses and relocation incentives.

- **Individual Companies May Not Be A Strong Backbone for Local Strategy:** When engaged in discussions about sectoral strengths, many interviewees responded by describing only one or two companies which represented the complete sector in that community. In other words, people spoke of strengths in terms of individual companies rather than clusters of firms together with the services needed to support them.
- **The Region's Cost Advantage Could Disappear:** Whether due to changing international trade rules, monetary policy (such as interest rates), currency exchange rates or price increases as competition for resources heats up in Eastern Ontario) Eastern Ontario's cost advantage could diminish or disappear. At the moment, this advantage is viewed as applying to lands, labour, transportation, and to some extent, energy costs.

- **Municipalities May Find Managing Development Difficult:** As local government faces new development pressures, they will need to ensure that planning and development tools ranging from overall strategic plans, land use planning, official plans and zoning bylaws, development processes, procedures and charges, and related municipal services such as land, waste management, roads and bridges are in place. Without these tools, efforts to develop the economies of individual communities or the region as a whole could easily grind to a halt, create perceptions that a community is not interested in economic development, or put at risk the natural resources that so many stakeholders see as key to economic development. Historically, rural municipalities may not have dealt with these issues from an economic development perspective, particularly in an environment where external regulatory changes impact on what the local community or individual enterprises can or cannot do.

## 6.5 Operational Drivers to Future Success Identified

To bring together the interests, priorities and projects of stakeholders in Eastern Ontario in a regional Action Plan, we identified a number of forces or issues that will determine the degree of economic development success across the region. These “drivers” are described below and constitute an initial list of topics for immediate attention.

- **Addressing Physical Infrastructure Concerns:** Many stakeholders consider the availability of physical infrastructure to be a key determinant of success in economic development in their own communities as well as across the region. Concerns in this category cover a wide range of services and systems from lack of basic water and sewer services, and inadequate stocks of serviced land; to transportation systems which support economic development and tourism; and electricity grid connections (end-of-the-electricity-grid voltage fluctuations and brownouts as well as the absence of connections to support alternative energy developments).
- **Tackling Connectivity as The Leading Infrastructure Imperative:** The lack of high-speed internet connectivity is considered a fundamental economic development issue by many communities which are not on the Highway 401 corridor or are some distance from major cities. This issue was the most frequently mentioned “critical issue”. For economic development purposes, these communities are deeply concerned about the implications of lack of access to broadband services (high-speed internet). Most communities do not see the importance of broadband as related primarily to supporting software development firms. Rather, these communities see broadband as critical to the operations of existing businesses (thus becoming part of a Business Retention and Expansion strategy), vital to marketing – especially for the tourism sector --- and a key feature in the effort to attract new businesses.

Many communities link broadband to the emergence of strong home-based business networks and leveraging quality of life assets by tele-working (“you don’t have to fight the traffic into Toronto”). There is a strong feeling of having been abandoned by both provincial and federal governments as a result of retreats from telecommunications-focused funding programs. A number of communities have started to develop local efforts to get the job done themselves (“forget government; they’re not going to help us”).

Cellular phone access in some areas is also a concern – as is basic phone service in some rural areas – for people trying to start a home business.

- **Building Capacity to Bridge Development Gaps:** Eastern Ontario has two major economic development gaps. The first is the gap between the strategic and the tactical. Local goals and parameters appear to be well known but tactics which are actionable and will lead to achievement of the goals are often not in evidence. In short, there are few well-defined community-based initiatives on which to build a regional plan. Few of the existing local plans are based on unique attributes that would suggest an enduring competitive advantage. In addition, few communities have in their midst or at their service individuals with experience in developing and implementing major new initiatives. Where the initiative involves a new approach to addressing a long-standing challenge or an entirely new industry, there are few individuals with the credibility and experience to shoulder the leadership load. The region's success in building the human capital for economic development purposes will be key.

The second major economic development gap is financial. Currently, the region is a "funding-dependent environment" – whether we admit it or not. A funding-dependent environment is one in which the most basic tasks required for any economic development cannot proceed because no public funding is available to support them. This is different from a capital-starved environment in which particular business initiatives cannot proceed due to the lack of public or private sector capital. Most stakeholders articulate the view that Eastern Ontario has been overlooked from a funding perspective but few relish a future based on long-term funding dependency. Instead, stakeholders are looking for a plan that will allow them to celebrate (like some provinces) when Eastern Ontario no longer needs "equalization" payments.

Alignment of funding programs to an economic development agenda generally and the region's priorities specifically, would mean greater success in addressing funding needs. In particular, it would be helpful if funding programs did not require finances to be cobbled together from multiple sources and allowed sufficient time to see if an initiative is truly sustainable. Stakeholders will need to work together to encourage closer alignment of programs to the region's economic development agenda.

- **Recognizing Sub-Regional Opportunities in a Regional Approach to Economic Development:** Stakeholders' appetites are stronger for initiatives based on coordinated sub-regions than a fully region-wide one-size-fits-all approach. In other words, a coordinated decentralized approach rather than centralized coordination is more likely to lead to successful implementation of "regional" initiatives.

Truly regional initiatives must be rooted in real payoff for stakeholders; this understanding must be built into the design of any regional project or process. The benefits of a regional approach must be understood and supported by the 13 Wardens; a regional plan should not contain undertakings that will pull the Wardens apart.

- **Responding To Changes in Trading and Tourism Patterns:** On the manufacturing front, multi-national companies are re-evaluating the number and distribution of operations on an annual basis; the risk of closure due to rationalization is greater now. Globalization has made it harder to connect to – or even know who is – the ultimate decision-maker. The region’s involvement in international trade means that fluctuations in the value of the Canadian dollar – particularly in comparison to the U.S. dollar – changes the competitive landscape for businesses based on low-cost location. The ability of the region’s stakeholders to find and engage decision-makers outside the region will be a major driver of the success of attraction strategies as well as efforts to retain existing organizations.

Tourism patterns have changed dramatically in the past few years due to events such as the attack on the World Trade Centre and related security threats, and SARS. To a large extent, tourism operators have shifted their focus to regional markets as international travel has been dampened. At the moment, tourism operators in Eastern Ontario do not have studies undertaken in this new environment to use as the basis for planning their product offerings or promotions. The ability of the region’s stakeholders to identify, describe, develop product for, and market to target segments will be a major driver of the success of the tourism sector.

- **Introducing a Targeted Approach to Tourism Marketing and Branding:** Tourism is virtually the only sector that is considered high-potential across the entire region. Yet from a marketing perspective, it is not clear that individual communities or sub-regional groups “know their customers”.

While the descriptions will differ by tourism sub-sector and by sub-regional group, a customer profile of sufficient detail to support marketing decisions is required. This means geographic location, income, education, household or organizational structure, customer needs or preferred activities/ experiences, size of market segment and typical spending patterns. For most opportunities, this work does not yet appear to have been done. Yet it will be key to acting on sub-regional opportunities, where orientation to different urban markets is likely to vary dramatically across the region.

- **Increasing the Pool of Captive Capital:** Relatively few stakeholders mentioned access to capital as an economic development issue. This may well be because 1) counties haven't considered this part of their economic development responsibilities and 2) CFDCs have portfolios that they can and do invest in small business. As a result, for some CFDCs, access to capital is viewed from the lenders' perspective rather than the market need. Other organizations consider access to capital to be such a pervasive issue in economic development that they don't even bother to mention it as something specific to Eastern Ontario. Ironically, the need for financing may be most acutely felt by municipalities, who struggle to find capital for investments in economic development assets such as serviced land or access to broadband.
- **Managing the Provincial Regulatory Environment:** Nutrient management, water regulations, and greenbelt legislation are all causing strain at the local level. In addition to depressing further sectors such as agriculture and tourism, stakeholders worry that policy directives like these, developed with a focus on urban centres, will turn into barriers for development in rural areas. Greenbelt legislation is a good example and is regarded by many as a double-edged sword. For some organizations, this legislation is a signal that the Province wants to direct growth to "non-GTA" locations. That could mean opportunity for areas east or north of the designated areas. For others, the legislation is seen as the thin edge of the wedge for consigning Eastern Ontario's rural areas to the province's economic backwaters by focusing on urban issues and needs. As one stakeholder put it, "we're nowhere to be seen in provincial strategies". This specific issue is most likely to be mentioned in the western part of the region but there is a generally held view that policy decisions made "at the centre" – Toronto – do not serve rural areas well and, at times, are counterproductive.

## 6.6 Summary of Projects in Relation to Opportunities

### 6.6.1 Overview of Project-Opportunity Linkages

- **Alignment of Projects to Sectors of Interest is Strong:** When comparing the focus of the projects being contemplated in Eastern Ontario for 2005 and beyond<sup>32</sup> to the sectoral opportunities identified by stakeholders, the alignment is quite strong. The largest number of projects are focused on the tourism, which is the sector viewed as having the greatest potential across the region. Manufacturing, services (education), agriculture and alternative energy each have 10 or more potential projects unfolding in the next several years. There is also strong representation for a range of infrastructure projects, including access to broadband.
- **Few Region-Wide Projects Are Contemplated for 2005:** While the Opportunity Action Plan catalogued 155 economic development projects planned for 2005 and beyond, few of these projects (13) are viewed as 'region-wide' in scope; most (99) are strictly local projects. However, in some cases, communities/counties are developing joint projects with their neighbours. There are 26 projects in this category.
- **Traditional Economic Development Model is Most Common:** A large share of the identified projects (81) is based on a traditional (attraction/marketing-oriented) model. The next largest group (28) involve economic capacity-building projects. Sixteen projects are based on a technology transfer model while 14 have a BR+E focus.
- **Most Projects Are In Early Stages of Development:** Nearly half of all projects (62) are in the conceptual stage, being considered as a general idea or formally proposed for consideration. In a couple of cases, consideration has been shelved for the time being. Forty-seven (47) projects are in the project/business formation stage with another 16 considered to be in "growth" mode. Most of these are projects/programs that have been operating but are being considered for expansion. At the time of the consultation, a few of the projects (7) were awaiting decisions about funding applications under the 2004-2005 EODF program.

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<sup>32</sup> A full listing of identified projects is included in the Appendices to this report as Appendix H

- Projects Rely More Frequently on General Evidence Than Specific Business Plans:** Currently, the cases for most of the identified projects rely on general evidence (88), verbal reports (22) and experience in other jurisdictions (3) as the motivation for pursuit of particular ideas. Seven (7) projects have been raised for consideration by virtue of being identified in a strategic planning process. Only 16 projects have either a feasibility study or business plan completed at this point.

**Figure 6.6.1 Project Summary – By Sector, Economic Model, Regional Impact**

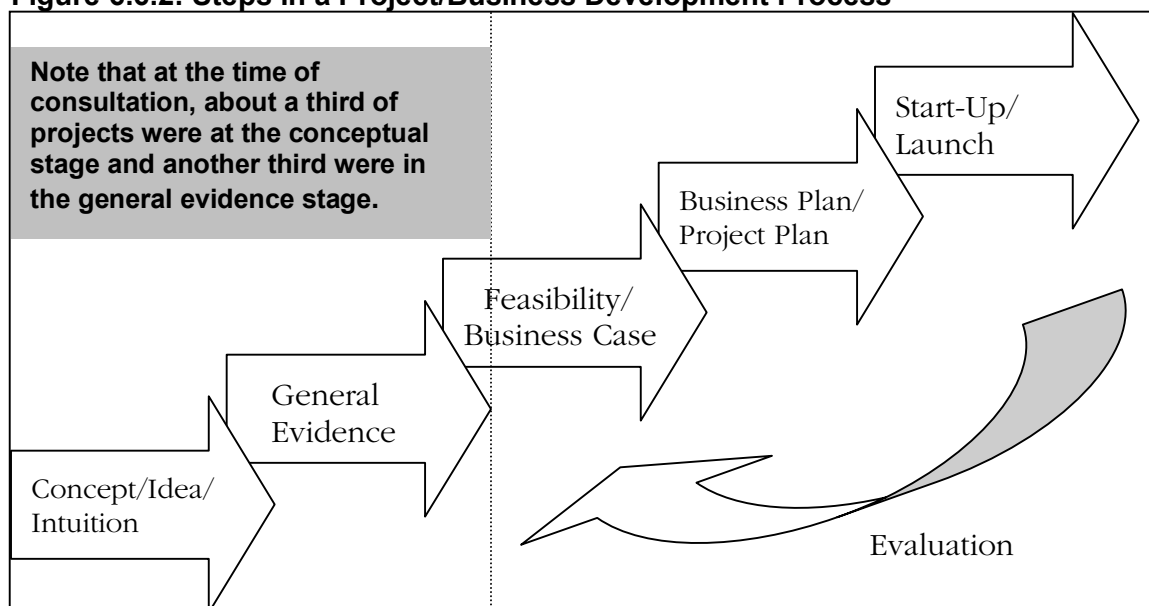
| Sector Category                       | Number of Projects | Economic Development Model   | Number of Projects        |
|---------------------------------------|--------------------|--|---------------------------|
| Tourism - All                         | <b>52</b>          | Traditional (Attraction/Marketing and Promotion)                     | 81                        |
| • General                             | 26                 |  |                           |
| • Cultural                            | 10                 |  |                           |
| • Eco                                 | 8                  |  |                           |
| • Other                               | 8                  |  |                           |
| Manufacturing                         | <b>14</b>          | Economic Capacity-Bldg.  | 28                        |
| Infrastructure – All                  | <b>27</b>          | Technology Transfer  | 16                        |
| • Physical Infrastructure             | 13                 |  |                           |
| • Broadband Access                    | 8                  |  |                           |
| • Other Infrastructure                | 6                  |  |                           |
| Services - All                        | <b>13</b>          | Business Retention and Expansion (BR+E)                              | 14                        |
| • Education                           | 10                 |  |                           |
| • Other                               | 3                  |  |                           |
| Agriculture                           | <b>11</b>          | Entrepreneurship   | 7                         |
| Energy – Alternative (mostly ethanol) | <b>10</b>          | Quality-of-Place Model (Richard Florida)                             | 6                         |
| Convergent Sectors – Biotechnology    | <b>6</b>           | <b>Type of Regional Impact</b>                                       | <b>Number of Projects</b> |
| Forestry                              | <b>4</b>           | Local community, including some spin-off to other nearby communities | 99                        |
| Technology (non-broadband)            | <b>4</b>           | Regional   | 13                        |
| Biomedical/Health Sciences            | <b>3</b>           | Multi-county partnerships (but not entire region)                    | 26                        |
| Retail                                | <b>2</b>           | Collaborative mosaic   | 5                         |
| Other Categories - All                | <b>19</b>          | Hub and Spoke  | 6                         |
| • ‘All Sectors’                       | 17                 |  |                           |
| To be confirmed                       | <b>3</b>           | Unclassified at this time  | 6                         |
| <b>TOTAL PROJECTS</b>                 | <b>155</b>         | <b>TOTAL</b>   | <b>155</b>                |

Note: For the sector summary, the project total does not equal sum of sub-sectors because some projects are classed as serving two or more sectors.

## 6.6.2 New Tools Needed to Advance Project Development

**Use Capacity-Building Initiatives, Networks and Targeted Funding:** While many of the ideas under development across the region may turn out to be actionable, relatively few have crisp, clearly defined plans with defined markets which could potentially demonstrate near-term economic payback. The Opportunity Action Plan could recognize these developmental stages through the previously-described Capacity-Building initiatives, encouragement to form Shared Interest Networks, and through targeted funding to bridge the gap between the strategic and the tactical.

**Figure 6.6.2: Steps in a Project/Business Development Process**



The following set of charts indicates the distribution of sectors of interest by County across all sectors studied as part of the Opportunity Action Plan. These charts also break down the most often mentioned categories (tourism, services-education, agriculture and manufacturing). This analysis is intended to help communities see which other communities share a common interest and suggest possibilities for joint projects on a regional or sub-regional basis. Details of projects contemplated by various stakeholders at the time of this study are listed in Appendix H of this report.

**Figure 6.6.3 Geographic Perspective - Sector of Interest Summary – As Indicated By County/CFDC Stakeholders Interviewed**

Note: the asterisks (\*) indicate that stakeholders in that community who were interviewed consider that sector to be a good prospect for future economic development for that community. A bullet indicates that stakeholders in that community consider the sector to be among the best economic development prospects for their community. These charts do NOT imply or indicate any comparative ratings or rankings among communities.

| Community   | Sectors of Interest |            |            |             |     |     |        |      |      |             |               |            |             |       |
|---|---------------------|------------|------------|-------------|-----|-----|--------|------|------|-------------|---------------|------------|-------------|-------|
|   | Ag                  | Bio/Health | Ener Conv. | Ener Alter. | For | Man | Retail | Serv | Tech | Tour & Cult | Other - Infra | Multi-Sect | Conver Ind. | Other |
| Prescott-Russell CFDC (as citizens)               | ●                   | *          |            | *           |     | ●   |        |      |      | *           |               |            |             |       |
| County of Renfrew                                 | ●                   |            |            | *           | ●   | ●   |        | E    |      | ●           |               |            |             |       |
| Renfrew CFDC (OVED Partners)                      | *                   |            | *          | *           | ●   | ●   |        | E    |      | ●           | B             |            |             |       |
| City of Pembroke                                  |                     |            |            |             | ●   | ●   | ●      | E    | ●    | ●           |               |            |             |       |
| United Counties of Prescott Russell               |                     |            |            |             |     |     |        |      |      |             |               |            |             |       |
| United Counties of Stormont, Dundas and Glengarry | ●                   |            |            | *           |     | *   |        | ●    |      | ●           |               |            |             |       |
| Stormont, Dundas Glengarry CFDC                   | *                   | *          |            |             |     | ●   |        |      | *    |             | ●             |            | ●           |       |
| City of Ottawa                                    |                     |            |            |             | *   | *   | *      | E    | *    | *           | B             |            |             |       |
| City of Cornwall                                  |                     |            |            | *           |     | *   | *      | E    | *    | *           | *             |            |             |       |
| United Counties of Leeds and Grenville            | ●                   | *          |            | *           | *   | ●   | *      | *    | *    | *           | ●             |            |             |       |
| Grenville CFDC                                    | *                   | *          |            | *           | *   | *   | *      | E    | *    | *           | B             |            |             |       |
| 1000 Islands CFDC                                 | *                   | *          | *          | *           | *   | ●   | *      | *    | ●    | ●           | *             |            |             |       |
| City of Brockville                                |                     |            |            |             |     | ●   | *      | E    | *    | ●           | *             |            |             | *     |
| County of Lanark                                  | ●                   |            |            |             | *   | *   |        |      | ●    | ●           | *             |            |             |       |
| Valley Heartland CFDC                             |                     |            |            |             |     | ●   |        | *    | ●    | ●           |               |            |             |       |
| Town of Smiths Falls                              |                     |            |            |             |     | ●   | *      | E    | *    | ●           | ●             |            |             |       |
| County of Frontenac                               | ●                   |            |            | ●           | ●   | *   | *      | *    | ●    | ●           | B             |            |             |       |
| Frontenac CFDC                                    | ●                   |            | *          | ●           | *   | *   | *      | *    | ●    | ●           |               |            | ●           |       |
| City of Kingston                                  |                     | *          |            | ●           | *   | *   | *      | E    | *    | ●           |               |            | ●           |       |
| County of Lennox and Addington                    | ●                   |            | *          | *           | *   | ●   | *      | *    | *    | ●           | B             |            | ●           |       |

Aero = Aerospace B = Broadband Access E = Education T = Transportation Infrastructure Elect = Electronics Min = Mining

**Figure 6.6.3 Geographic Perspective - Sector of Interest Summary (continued)**

Note: the asterisks (\*) indicate that stakeholders in that community who were interviewed consider that sector to be a good prospect for future economic development for that community. A bullet indicates that stakeholders in that community consider the sector to be among the best economic development prospects for their community. These charts do NOT imply or indicate any comparative ratings or rankings among communities.

|  | Ag        | Bio/<br>Health | Ener<br>Conv. | Ener<br>Alter. | For       | Man       | Retail    | Serv      | Tech      | Tour &<br>Cult | Other<br>- Infra | Multi-<br>Sect | Conver<br>Ind. | Other                |
|--|-----------|----------------|---------------|----------------|-----------|-----------|-----------|-----------|-----------|----------------|------------------|----------------|----------------|----------------------|
| County of Prince Edward                            | ●         | *              |               | *              |           | ●         | *         |           |           | ●              |                  | *              |                |                      |
| Prince Edward-Lennox and<br>Addington CFDC         | *         |                |               |                |           |           |           |           |           | *              |                  |                |                |                      |
| County of Hastings                                 | *         |                |               | *              | ●         | *         |           | *         | *         | ●              | B                | *              |                |                      |
| North and South Hastings & South<br>Algonquin CFDC | *         |                |               | *              | *         |           | *         | *         | *         | *              | B                |                |                |                      |
| City of Belleville/City of Quinte<br>West/Brighton | *         | *              |               | *              |           | ●         |           | E         |           |                |                  |                | *              |                      |
| Trenval CFDC                                       | ●         | *              |               | *              |           | ●         |           |           |           | ●              |                  |                | *              |                      |
| County of Northumberland                           | ●         |                | ●             | ●              |           | ●         | *         | ●         | E         | ●              |                  | *              |                |                      |
| Northumberland CFDC                                |           | ●              |               | ●              |           | ●         |           | * E       | *         | *              | *                |                |                |                      |
| County of Peterborough                             | ●         | *              |               | ●              | *         | ●         | *         | * E       | *         | *              | B; T             | *              |                | Min<br>Aero<br>Elect |
| City of Peterborough                               | ●         | *              |               | ●              | *         | ●         | *         | * E       | *         | *              |                  |                |                |                      |
| Greater Peterborough CFDC                          | ●         |                |               | *              |           | *         | *         | *         |           | ●              |                  |                | *              |                      |
| City of Kawartha Lakes                             | ●         |                |               |                |           |           |           | ●         | E         | ●              | B, T             | *              |                |                      |
| Kawartha Lakes CFDC                                | *         |                |               | *              |           | ●         |           | ●         | E         | ●              | B                |                |                |                      |
| County of Haliburton                               |           | *              |               |                | *         |           |           | * E       |           | *              | B, T             | *              |                |                      |
| Haliburton County CFDC                             |           |                |               |                |           |           |           | ●         | E         | ●              | B                |                |                |                      |
| South Lake CFDC                                    |           |                |               | *              |           |           |           | *         |           | *              | B                |                | *              |                      |
| <b>TOTAL MENTIONS</b>                              | <b>24</b> | <b>14</b>      | <b>5</b>      | <b>24</b>      | <b>14</b> | <b>28</b> | <b>17</b> | <b>25</b> | <b>18</b> | <b>33</b>      | <b>20</b>        | <b>6</b>       | <b>8</b>       | <b>2</b>             |

Aero = Aerospace B = Broadband Access E = Education T= Transportation Infrastructure Elect = Electronics Min = Mining

**Figure 6.6.4 Geographic Perspective - Sub-Sector Analysis – Tourism and Services-Education**

| Community   | Tourism and Culture |        |       | Services Education |   |
|---|---------------------|--------|-------|--------------------|---|
|   | Cult                | Family | Eco-T |                    |   |
| Prescott-Russell CFDC (as citizens)               | •                   |        |       | •                  | Alfred College; Agriculture   |
| County of Renfrew                                 | •                   | •      | •     | •                  | Algonquin College – Pembroke campus; eco-tourism  |
| Renfrew CFDC (OVED Partners)                      | •                   | •      | •     | •                  |   |
| City of Pembroke                                  | •                   |        |       |                    | Algonquin College – Pembroke campus   |
| United Counties of Prescott Russell               |                     |        |       |                    |   |
| United Counties of Stormont, Dundas and Glengarry | •                   | •      |       |                    |   |
| Stormont, Dundas Glengarry CFDC                   |                     |        |       |                    |   |
| City of Ottawa                                    |                     |        |       |                    | University of Ottawa, Carleton University via Ottawa Life Sciences Council                                |
| City of Cornwall                                  | •                   | •      |       | •                  | St. Lawrence College – Cornwall campus; Laurentian University; health sciences; alt. energy               |
| United Counties of Leeds Grenville                | •                   | •      |       | •                  |   |
| Grenville CFDC                                    | •                   | •      | •     | •                  | Kemptville Agricultural College; agricultural research; Ferguson Forestry Centre                          |
| 1000 Islands CFDC                                 | •                   | •      | •     | •                  |   |
| City of Brockville                                |                     | •      |       | •                  | St. Lawrence College – Brockville campus - technology-oriented incubator                                  |
| County of Lanark                                  | •                   | •      | •     | •                  |   |
| Valley Heartland CFDC                             | •                   |        | •     | •                  |   |
| Town of Smiths Falls                              | •                   |        |       | •                  |   |
| County of Frontenac                               | •                   | •      | •     | •                  |   |
| Frontenac CFDC                                    | •                   |        |       | •                  |   |
| City of Kingston                                  | •                   |        |       | •                  | Queen's University; St. Lawrence College; technology, biomedical and health sciences; other biotechnology |

**Figure 6.6.4 Geographic Perspective - Sub-Sector Analysis – Tourism and Services-Education (continued)**

| Community                                       | Tourism & Culture |           |           |           | Services<br>Education   |
|---|-------------------|-----------|-----------|-----------|---|
|   | Cult              | Family    | Eco-T     | Water     |   |
| County of Lennox and Addington                  | ●                 | ●         | ●         | ●         |   |
| County of Prince Edward                         | ●                 | ●         | ●         | ●         |   |
| Prince Edward-Lennox and Addington CFDC         | ●                 |           |           | ●         |   |
| County of Hastings                              | ●                 | ●         | ●         | ●         | Satellite campus of Loyalist College in Bancroft  |
| North and South Hastings & South Algonquin CFDC | ●                 | ●         | ●         | ●         |   |
| City of Belleville/City of Quinte West/Brighton |                   |           |           |           | Loyalist College, Queen's University; biomedical and other biotech  |
| Trenval CFDC                                    |                   | ●         | ●         |           |   |
| County of Northumberland                        | ●                 | ●         |           | ●         | Ontario Institute of Technology/Sir Sandford Fleming; centre of excellence in manufacturing   |
| Northumberland CFDC                             | ●                 | ●         |           | ●         | Ontario Institute of Technology/Sir Sandford Fleming; centre of excellence in manufacturing   |
| County of Peterborough                          | ●                 |           |           |           | Trent University, Sir Sandford Fleming College – Peterborough Campus; Eastern Ont. Fire Academy; Hockey School  |
| City of Peterborough                            | ●                 |           |           |           | Trent University, Sir Sandford Fleming College – Peterborough Campus; Eastern Ont. Fire Academy; Hockey School  |
| Greater Peterborough CFDC                       | ●                 | ●         | ●         | ●         |   |
| City of Kawartha Lakes                          | ●                 | ●         | ●         | ●         | Sir Sandford Fleming College – Lindsay Campus   |
| Kawartha Lakes CFDC                             | ●                 |           |           |           | Sir Sandford Fleming College – Lindsay Campus; geomatics and waste water treatment (tie in with Innovation Centre)                                    |
| County of Haliburton                            | ●                 | ●         | ●         | ●         | Sir Sandford Fleming - Haliburton Campus – eco-tourism and the arts; link to county outdoor facility; unused Frost Centre for environmental education |
| Haliburton County CFDC                          | ●                 | ●         | ●         | ●         | Sir Sandford Fleming College – Haliburton Campus; cultural tourism (ex. Glass-blowing); logging/forestry;; use Frost Centre or Bark Lake facilities   |
| South Lake CFDC                                 | ●                 | ●         |           |           |   |
| <b>TOTAL MENTIONS</b>                           | <b>30</b>         | <b>22</b> | <b>16</b> | <b>24</b> | <b>18</b>   |

**Figure 6.6.5 Geographic Perspective - Sub-Sector Analysis – Agriculture and Manufacturing**

Bullets simply indicate that a community has expressed a particular interest in that sub-sector. These bullets do not indicate relative priority among communities.

| Community   | Agriculture |       |             |              | Manufacturing |            |          |                |        |                 |       |     |
|---|-------------|-------|-------------|--------------|---------------|------------|----------|----------------|--------|-----------------|-------|-----|
|   | Trad.       | Spec. | Value-Added | Agro-Tourism | Food Proc.    | Auto Parts | Plastics | Light Assembly | Metals | Wareh/Logistics | Other | Any |
| Prescott-Russell CFDC (as citizens)               |             | FF    |             | •            | •             |            |          | •              |        |                 |       |     |
| County of Renfrew                                 | •           | •     | •           | •            |               |            |          |                |        |                 |       | •   |
| Renfrew CFDC (OVED Partners)                      |             | FF    |             |              |               |            |          |                |        |                 |       | •   |
| City of Pembroke                                  |             |       |             |              |               |            |          |                |        |                 |       | •   |
| United Counties of Prescott Russell               |             |       |             |              |               |            |          |                |        |                 |       | •   |
| United Counties of Stormont, Dundas and Glengarry | •           |       | •           |              | •             |            |          |                |        | •               |       |     |
| Stormont, Dundas Glengarry CFDC                   |             |       | •           |              | •             |            |          |                |        | •               |       |     |
| City of Ottawa                                    |             |       |             |              |               |            |          |                |        |                 |       |     |
| City of Cornwall                                  |             |       |             |              |               |            |          | •              |        |                 |       |     |
| United Counties of Leeds Grenville                | •           |       |             |              |               |            |          |                |        |                 |       | •   |
| Grenville CFDC                                    | •           | FF    | •           |              | •             |            | •        |                | •      | •               |       |     |
| 1000 Islands CFDC                                 | •           | •     | •           |              |               |            | •        |                | •      |                 | •     |     |
| City of Brockville                                |             |       |             |              |               |            | •        | •              | •      | •               | •     |     |
| County of Lanark                                  | •           |       | •           |              |               |            |          |                |        |                 | •     |     |
| Valley Heartland CFDC                             |             |       |             |              |               |            |          |                | •      |                 | •     |     |
| Town of Smiths Falls                              |             |       |             |              | •             |            | •        | •              | •      | •               | •     |     |
| County of Frontenac                               |             | •     |             |              |               |            |          |                |        |                 |       |     |
| Frontenac CFDC                                    | •           |       | •           |              | •             |            |          |                |        |                 |       |     |
| City of Kingston                                  |             |       |             |              |               |            |          |                |        |                 |       |     |
| County of Lennox and Addington                    |             | FF    |             |              | •             |            |          |                |        |                 |       | •   |

**Figure 6.6.5 Geographic Perspective - Sub-Sector Analysis – Agriculture and Manufacturing (continued)**

| Community                                       | Agriculture |           |             |            |            | Manufacturing |          |               |          |                 |           |          |
|---|-------------|-----------|-------------|------------|------------|---------------|----------|---------------|----------|-----------------|-----------|----------|
|   | Trad.       | Spec.     | Value-Added | Agro-Tour. | Food Proc. | Auto Parts    | Plastics | Light Assemb. | Metals   | Wareh/Logistics | Other     | Any      |
| County of Prince Edward                         | •           | •         |             | •          | •          |               |          |               |          |                 |           |          |
| Prince Edward-Lennox and Addington CFDC         |             | •         |             | •          |            |               |          |               |          |                 |           |          |
| County of Hastings                              | •           |           |             |            |            |               |          |               | •        |                 | •         |          |
| North and South Hastings & South Algonquin CFDC | •           |           |             |            |            |               |          |               |          |                 |           |          |
| City of Belleville/City of Quinte West/Brighton |             | FF        | •           |            | •          | •             | •        |               | •        | •               | •         |          |
| Trenval CFDC                                    | •           | •         | •           |            | •          | •             | •        | •             |          | •               |           |          |
| County of Northumberland                        |             |           | •           |            |            |               |          |               |          |                 |           | •        |
| Northumberland CFDC                             |             |           | •           |            | •          |               | •        |               |          |                 |           |          |
| County of Peterborough                          | •           | •         | •           | •          | •          | •             |          |               |          |                 | •         |          |
| City of Peterborough                            | •           | •         | •           | •          | •          | •             |          |               |          |                 | •         |          |
| Greater Peterborough CFDC                       | •           | •         | •           |            | •          |               | •        |               |          | •               | •         |          |
| City of Kawartha Lakes                          | •           |           |             | •          |            |               |          | •             |          |                 |           |          |
| Kawartha Lakes CFDC                             | •           | •         | •           | •          |            |               |          |               |          | •               |           | •        |
| County of Haliburton                            |             |           |             |            |            |               |          | •             |          |                 |           |          |
| Haliburton County CFDC                          |             |           |             |            |            |               |          |               |          |                 |           |          |
| South Lake CFDC                                 |             |           |             |            |            |               |          |               |          |                 | •         |          |
| <b>TOTAL MENTIONS</b>                           | <b>16</b>   | <b>14</b> | <b>15</b>   | <b>8</b>   | <b>14</b>  | <b>4</b>      | <b>8</b> | <b>7</b>      | <b>7</b> | <b>6</b>        | <b>11</b> | <b>7</b> |

FF = Functional foods/nutraceuticals

## 6.7 Potential Benefits to Communities and the Region

### 6.7.1 Identification of Measures for “Return on Investment”

When asked to provide scarce financial resources for economic development initiatives, public and private investors alike ask for evidence of tangible benefit to the community or the region. In general, any investor considers “return on investment”. When the investor is a government body, the preferred benefits tend to be increased employment (and household incomes), more opportunities for disadvantaged groups, increased capacity for individuals to find work, other investments triggered by the public funding (leveraged funds), increased tax revenues, and other metrics related to key public policy objectives.

For the private sector, the anticipated returns on investment in economic development can be quite different: competitive advantage, improved annual sales revenues and net profit, cost-competitive facilities and services, development of proprietary technology or intellectual property, the ability to find qualified employees, marketing support or help in understanding and addressing regulatory requirements.

Returning to the Objectives proposed at the beginning of this report, the potential benefits to communities and the region from implementation of the Opportunity Action Plan are likely to be:

- **Greater value** drawn from Eastern Ontario’s assets (higher levels of capacity utilization, increased market values for assets, a larger share of purchases being made suppliers within the region, higher tourist traffic at attractions)
- **Increased numbers** of business start-ups, greater utilization of entrepreneurship services, engagement of private sector leaders in community life)
- **Expansions** of existing businesses (new products or services, increased output)
- **Additional investment** (both public and private) in facilities and productive operations; expanded captive capital pools fully invested
- **More and better jobs** (i.e. increased incomes)
- **Increased property tax revenues**, and ability to keep residential and commercial/ industrial mill rates competitive with other similar jurisdictions.

**Recommendation 18– Performance Measures:** It is recommended that stakeholders with responsibility for managing funding application processes for EODF or other similar funding sources look for ways to track the impact of these investments using measures that reflect shared economic development objectives for Eastern Ontario. [See Recommendation 2 for Shared Objectives.]

### 6.7.2 Estimating Economic Impact

To understand the full economic impact of investment decisions, economic shocks such as shutdowns, the emergence of new economic engines or significant changes in business costs such as energy or taxation, analysts typically use computational tools known as economic impact models. Depending on the objectives adopted for regional economic development, Eastern Ontario stakeholders may want to apply these same tools to funding decisions and project evaluation.

The results that decision-makers most often look at are the **multipliers**, numbers that is used to estimate how much *additional* economic activity or employment will result from some new investment in a specified economy<sup>33</sup>. Typically, multipliers are expressed as a ratio of total economic impact to the original expenditure – for instant a multiplier of 2.0 would suggest that for each dollar of direct expenditure, there would be an additional dollar of economic impact in the defined economic area.

The multiplier combines the effects of direct spending (for instance, building a new facility) with indirect spending (when a contractor makes purchases of goods and services from other suppliers) and induced spending (the ripple effect when the direct and indirect spending is in turn spent by the recipients on other purchases). Multipliers are almost always greater than one, depending on the size of the defined economy and how much of the direct expenditure “leaks” away from the local economy through purchases from other communities. Multipliers do vary by economic sector and by the type of economy in which the expenditure is made<sup>34</sup>.

The size of the multipliers depends on several factors<sup>35</sup>, all of which are ultimately related to leakage: 1) the size and economic diversity of the economy, which affects the ability to buy most goods and services locally; 2) the area’s role as a hub in the larger region; and 3) the nature of the economic sector(s) in which the investment is made.

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<sup>33</sup> Typical economic impact measures are (1) employment levels (jobs), (2) value added (or gross regional product) (3) aggregate wages and salaries, (4) wealth (including property values), and (5) business output (sales volume or spending).

<sup>34</sup> Multipliers are only as good as the models from which they are derived. Some observers say that standard multipliers do not represent all economic impacts (such as pollution that some day will have to be cleaned up, or social costs associated with job loss/retraining). Analysts suggest that models developed specifically for a particular region or area will provide more accurate multipliers than using the ‘rule of thumb’ approach for each sector.

<sup>35</sup> For a more complete description of economic impact assessment, go to the Ontario Ministry of Municipal Affairs and Housing website at [http://www.reddi.mah.gov.on.ca/userfiles/HTML/nts\\_6\\_20260\\_1.html](http://www.reddi.mah.gov.on.ca/userfiles/HTML/nts_6_20260_1.html).

### Most Multipliers Range from 1.7 to 3.0

The following chart shows multipliers that have been calculated for specific economies at specific points in time. These figures demonstrate the general rule of thumb that for most industries, expenditure multipliers are generally around 2.5 - 3.5 for national impacts, 2.0 - 2.5 for provincial impacts and 1.5 - 2.0 for local area/large urban municipalities. This means that for every dollar of expenditure, the total impact *for that economy* can be double or even triple the original expenditure. Lower multipliers for local area/large urban economies reflects the fact that much of the subsequent expenditure 'leaks out' of the local economy through purchases in other jurisdictions.

When making decisions about where to invest scarce public resources, stakeholders should keep these statistics in mind when evaluating economic impact projections associated with specific project or business cases.

**Figure 6.7.2 Examples of Expenditure Multipliers – Provincial/National Economies**

| Sector/Economy                          | Expenditure Multiplier | Source   |
|---|------------------------|--|
| Bio-foods                               | 2.7                    | The Impact of Bio-Food Industry Activities in Canada, 2002   |
| Construction                            | 2.8                    | National Roundtable on the Environment and the Economy, 2002 |
| Education                               | 2.7                    | National Roundtable on the Environment and the Economy, 2002 |
| Environment – Brownfields Redevelopment | 3.75                   | National Roundtable on the Environment and the Economy, 2002 |
| Finance, Insurance and Real Estate      | 2.2                    | National Roundtable on the Environment and the Economy, 2002 |
| Forestry and Logging                    | 2.9                    | National Roundtable on the Environment and the Economy, 2002 |
| Government (Public Service)             | 3.1                    | National Roundtable on the Environment and the Economy, 2002 |
| Health Care and Social Assistance       | 2.4                    | National Roundtable on the Environment and the Economy, 2002 |
| Information and Cultural Industries     | 2.7                    | National Roundtable on the Environment and the Economy, 2002 |
| Mining, Oil and Gas Extraction          | 2.5                    | National Roundtable on the Environment and the Economy, 2002 |
| Transportation and Warehousing          | 3.0                    | National Roundtable on the Environment and the Economy, 2002 |
| Utilities                               | 1.9                    | National Roundtable on the Environment and the Economy, 2002 |

**Figure 6.7.3 Examples of Expenditure Multipliers – Local/Regional Economies**

| Sector/Economy   | Expenditure Multiplier | Source   |
|--|------------------------|--|
| Crude Petroleum and Natural Gas/Regional                         | 1.77                   | Economic Impact Model of Foothills Model Forest, Alberta, Canada 1998 <sup>36</sup>  |
| Food Processing  | 1.54                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Forestry/Regional  | 1.71                   | Economic Impact Model of Foothills Model Forest, Alberta, Canada 1998                |
| Hotels/Lodging   | 1.70                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Manufacturing  | 1.56                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Mining/Regional  | 1.60                   | Economic Impact Model of Foothills Model Forest, Alberta, Canada 1998                |
| Restaurants  | 1.66                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Recreation – Leisure   | 1.30                   | Sports and Recreation Research Communiques, Ministry of Tourism and Recreation, 1993 |
| Recreation – Physical Activity                                   | 1.35                   | Sports and Recreation Research Communiques, Ministry of Tourism and Recreation, 1993 |
| Recreation   | 1.65                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Retail   | 1.52                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Tourism – Aggregate  | 1.66                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |
| Tourism – National Parks/Regional                                | 1.79                   | Economic Impact Model of Foothills Model Forest, Alberta, Canada 1998                |
| Tourism – Cultural (ex. galleries, performing arts, visual arts) | 1.80                   | Detailed Economic Impact of the Cultural Sectors, Okanagan Valley, 1995-1996         |
| Wholesale Trade  | 1.53                   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001    |

<sup>36</sup> For additional information on this study, go to [http://www.fmf.ca/SS/SS\\_report3.pdf](http://www.fmf.ca/SS/SS_report3.pdf)

To compare investments by economic development organizations or other public bodies, the jobs-to-sales ratio is often used. This ratio indicates the number of jobs required to generate one million dollars in sales. Often, economic development offices consider that a high jobs-to-sales ratio is a good sign for a community because it means that, all other things being equal, an employer must hire more people to support the suggested level of sales. However, this ratio does not include other considerations such as property taxes paid to municipalities or provincial and federal taxes paid on business transactions within a particular jurisdiction.

**Figure 6.7.4 Jobs to Sales Ratios – Local/Regional Economies**

| Sector/Economy      | Jobs Required To Generate \$1 Million in Sales | Source  |
|---------------------|--|---|
| Business Services   | 13.8   | British Columbia Ministry of Finance and Corporate Relations, 2001                |
| Construction        | 9.4  | British Columbia Ministry of Finance and Corporate Relations, 2001                |
| Lodgings            | 23.0   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001 |
| Manufacturing       | 5.3  | British Columbia Ministry of Finance and Corporate Relations, 2001                |
| Mining              | 3.2  | British Columbia Ministry of Finance and Corporate Relations, 2001                |
| Restaurants         | 19.5   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001 |
| Retail Services     | 20.3   | British Columbia Ministry of Finance and Corporate Relations, 2001                |
| Tourism - Aggregate | 35   | Michigan Tourism Spending and Economic Impact Model, University of Michigan, 2001 |

## **7.0 Actions: Projects and Programs to Seize Opportunities**

### **7.1 Overview of the Action Projects**

This section of the Plan describes the proposed focal points for each economic sector as well as several overarching economic development infrastructure initiatives. By setting out what appear to be the most important regional and sub-regional priorities and describing particular projects that would address them, the Plan provides direction to stakeholders on where the regional/sub-regional investments of EODF or other similar funding sources is likely to have the greatest impact on implementation success. Because we also offer suggestions on *how* initiatives might be implemented, stakeholders have the opportunity to be much more proactive in calling for proposals that would address regional priorities. In short, the Opportunity Action Plan aims to inform all stakeholders on what the region needs so they can invite proposals to deliver it. On both a project-by-project basis as well as overall, the region will have a general framework for evaluating the success of its investments: What progress did we make in implementing the Plan and delivering on the shared regional economic development objectives?

### **7.2 Details of Action Projects in Each Sector**

#### **7.2.1 Tourism**

##### **Tourism Offers Ample Opportunity for Economic Development – and Challenges:**

Virtually every organization included in this consultation process identified tourism as a ‘sector of interest’ and usually as a priority sector. They also identified multiple sub-sectors (cultural tourism, agro-tourism, eco-tourism, family-focused recreational tourism, festivals and special events) as being of most interest to their communities.

Tourism has particular appeal as a way to build on existing assets, grow infrastructure and services that also serve local residents well, and offer an understood method of bringing in revenue from outside the community. As a region, however, there are a number of challenges to be met in activating this interest through joint projects and achieving effective economic growth and development:

- There are challenges to be met in both product development (mix, integration, consistency of quality, and standards) and marketing, and in an increasingly competitive marketplace. Leadership and succession planning at the operator level is also an issue.

- Tourism packaging has not worked in many cases because of gaps in product offerings, inconsistency in quality or price point, lack of commitment, trust or confidence in control or method of administering the package, and differences in choice of target markets preferred by package participants.
- Many of the 13 counties offer essentially the same value proposition and benefits to tourist markets. Therefore, a next step in developing a tourism strategy will be to identify what is unique, different and special about visiting Eastern Ontario or a sub-region. (What can the urban visitor not get at home?). Regionally, what individual counties have to offer and how they position their offerings should complement, not compete directly with each other.
- Eastern Ontario as a whole makes sense as a tourist destination for national or international markets. Sub-regional corridors seem more appropriate for marketing to domestic urban markets like Toronto, Ottawa and Montreal.
- Local tourism authorities appear to be more interested in multiple-county tourism strategies that reflect their sub-sector priorities, market orientation, and strategic targets (such as travel trade, meetings and conferences, fully independent travellers, visiting friends and relatives).
- Many of those with a keen interest in tourism articulated concerns about pressures on operators that encourage them to retire rather than invest – a prime example is the cost and frustration with new provincial water regulations.
- While Eastern Ontario has significant potential for cultural tourism, the most common assessment is “we’re making progress but we have a long way to go”.
- For some communities, festivals or other special events are seen as a way to pull tourism product together into an offering of sufficiently high standards and appeal to draw visitors from major centres such as Ottawa or Toronto, where the availability of cultural tourism product is already quite high.

**Tourism Patterns Have Changed and Old Research is Somewhat Suspect.**

Tourism patterns have changed dramatically in the past few years due to events such the attack on the World Trade Centre and related security threats, the war in Iraq, SARS, and West Nile concerns. Anecdotal evidence suggests American visitors have developed a preference for “staying home.” To a large extent, tourism operators have shifted their focus to large urban domestic markets as international travel has been dampened. At the moment, tourism operators in Eastern Ontario do not have studies undertaken in this new environment to use as the basis for planning their product offerings or promotions.

**Better Coordination Would Help.** The structure of government funding for tourism organizations often does not align with the business reality. For instance, year-to-year funding does not allow them to make five-year commitments for highway signage. Funding may be available to help print visitor guides and maps but not for co-ordinated, rationalized distribution. Collateral materials are produced according to the sponsoring geographic locale rather than the type of tourist/visitor/consumer. As a result, a scuba diver or festival goer, for instance, must comb through many different local guides to research their travel interests.

Generally speaking, there appeared to be little coordination of tourism efforts at the regional (13-county) level. Collaborative efforts in packaging, product development, branding and joint marketing partnerships tend to be organized at a sub-regional or corridor level (such as the Rideau and 1000 Island/St. Lawrence Corridors, Kawartha-Haliburton-Peterborough, and the Land O'Lakes District). One example might be the Rideau Cultural Heritage Corridor, with a campaign to be launched in the 2006 tourist season, which involves a consortium of partners responsible for tourism development and heritage stewardship -- Parks Canada, Ontario's Ministry of Tourism and Recreation, four CFDCs, and several municipal governments along the 202 km canal. Another example would be the opportunity represented by the International Plowing Matches scheduled for Eastern Ontario in 2006 and 2007.

This sub-regional approach may make good sense for appeals to nearby domestic urban markets like Toronto, Ottawa and Montreal, and it has a practicality in terms of existing infrastructure and working relationships. Presumably a region-wide tourism approach, however, would set its sights further afield on U.S. and other international markets where Eastern Ontario can compete *only* as a regional entity. Much work remains to be done to reach the stage where an international marketing/branding initiative could be launched.

### **Next Steps**

The next step in developing tourism strategies will be to identify what differentiates Eastern Ontario from other tourist destinations, and – in many cases - what is required to bring what it offers up to world-class or “must see” standards. One new initiative in that area involves Ontario's Premier-ranked Tourist Destinations (PRTD) framework, which profiles the attributes, factors and conditions of a local destination, assessing and monitoring them against the characteristics of the world's premier tourist destinations. Communities that undertake the PRTD program work through three stages -- data collection, analysis and planning for the future. The end result should be a comprehensive survey of the tourism resources and assets in the area, a better understanding of the destination's positioning in the marketplace, recommendations for the future of the tourism industry, and an outline for a tourism development strategy. This approach could be a powerful framework for harnessing Eastern Ontario's tourism potential.

As a region, Eastern Ontario has a number of attractive assets -- natural features, attractions, cultural events and so on -- that could be aggregated, integrated and promoted at a regional level. The consultants found that most of the informants interviewed felt this would be a longer term goal, dependent on first aligning tourism strategies, developing product, planning the branding/positioning strategy, and generally building stronger working relationships at the regional level. That work will require active regional leadership, whether from an advocacy and membership-driven group like the Ontario East Tourism Association, or a strong leadership council/steering group established under the network model contemplated by the Opportunity Action Plan.

For now, local tourism authorities will be more interested in multiple-county tourism strategies that reflect their sub-sector priorities and their market orientation.

**Recommendation 19 – Support for Tourism Projects:** It is recommended that Opportunity Action Plan support tourism initiatives that focus on:

- Support for research on the travel activities, needs and motivations of specific target markets Eastern Ontario operators have in common.
- Support for strong regional tourism leadership (whether that should be through a member-driven association like the Ontario East Tourism Association or some ad-hoc network or group representing the interests and expertise of sub-regional destinations). Their first task would be development of a regional tourism strategy to guide target market selection and segmentation, product development, branding and co-operative regional marketing efforts. Resources will be required to support tourism activities and local groups responding to these leadership directions -- perhaps incentive funding as a catalyst to drive buy-in and participation in regional initiatives, and/or funding to allow the leadership group to contract consultants able to carry out research or facilitate action plans.
- Support for marketing and product development in sub-regional corridors consistent with overall regional tourism objectives. One example might be participation in the Premier-ranked Destination program that looks at market product, performance and future sustainability. Another might be a specific marketing effort oriented to presenting Dark Skies opportunities across the northern part of many counties. A sub-regional or even region-wide approach to trails development – particularly when linked at many points to other tourism product – is a third possibility.

- Support for tourism projects that advance overall branding objectives. For instance, major events such as the 2006 International Plowing Match in the County of Peterborough, the 2007 Plowing Match in Leeds-Grenville, the 175th Anniversary of the Rideau Canal in 2007 and the 2007 Senior Games in Leeds-Grenville all offer opportunities to showcase those regions as tourist destinations and brand them for recruitment purposes as places to do business.
- Support for integration of tourism offerings with sub-regional urban markets. In many counties, current product can serve only as spokes, not as hubs. They depend on the tourism appeal of more urban centres like Ottawa, Brockville, and Kingston, or natural attractions like the 1000 Islands, Prince Edward micro-climate, or bounteous lake country. Being small, they cannot support on their own the initial steps needed to develop integrated product with existing traffic centres.
- Support for making more effective use of Internet and related technologies (e.g. handhelds, GIS mapping, interactive itinerary planning tools, reservation services, geo-caching as a tourism product).
- Support for rationalizing costs for non-media advertising. For instance, many counties share challenges in co-ordinating design, production and distribution of marketing materials. Many counties are taking steps to improve highway signage to build their profile and identity on high-traffic routes such as Highway 401. Templates for business plans and product planning for major Sports Tourism events are available through the Canadian Sport Tourism Alliance.
- Support for the development of shared-interest networks. By their nature (as referenced elsewhere in this report) these networks are project oriented, flat (non-hierarchical), adaptive, and driven by their common interests. This approach could offer an effective option to start building regional customer-driven tourism relationships. For instance, Eastern Ontario has many fine theatres, drama festivals and cultural events -- they could be connected in a network of common interest around product development and marketing to the same potential clientele from outside Eastern Ontario. Similarly, there may be regional opportunities for networks of communities in the sports tourism field.
- World-class professional development for Eastern Ontario tourism operators might be feasible on a 13-county basis. Presumably there are opportunities for cost savings in many areas if the purchasing power of 13 counties could be consolidated.

**Recommendation 20 – Tourism Investment Study:** It is recommended that the OEEDC be encouraged to ask consulting firm(s) engaged for the sectoral study on tourism investment to consider the degree to which the study can meet at least some of the information needs of tourism operators and associations in Eastern Ontario. The most important information need is research data on the travel activities, needs and motivations of specific target markets Eastern Ontario operators have in common.

Further, we recommend that the OEEDC take all practical steps to ensure that the sectoral study reflects the sub-sectors (for example, cultural tourism, eco-tourism) that stakeholders have indicated are of most interest.

## 7.2.2 Manufacturing

### **Encourage Stakeholders to Gather and Share Manufacturing Information:**

Particularly in the manufacturing sector, companies – and the site selectors who represent them – are more demanding than in past. For example, a municipality might be given just a day to respond to an enquiry. The pressure is unrelenting here at home too. Multi-national companies are re-evaluating the number and distribution of operations on an annual basis; the risk of closure due to rationalization is greater now. The region's involvement in international trade means that fluctuations in the value of the Canadian dollar – particularly in comparison to the US dollar – changes the competitive landscape for businesses based on low-cost location. In some cases, off-shore competition faced by the US market has had a dramatic impact on manufacturing operations here that serve those US markets. Energy costs are another form of uncertainty; for manufacturing enterprises, this input represents a significant share of their costs. World product mandate decisions may be made in head offices distant from Eastern Ontario. On all counts, timely information coupled with close relationships with existing firms, corporate decision-makers and influencers are key.

For many communities and sub-sectors, the region's stakeholders have insufficient information to use to make strategic choices on sub-sectors that are their best prospects, and to design either business retention and expansion programs or outbound marketing programs, particularly on the international front. The information required is of two types: information on the criteria used in decision-making for particular manufacturing sub-sectors, and information on how their particular community or region compares to the competition on these criteria. The Opportunity Action Plan could help on both fronts.

**Sectoral Studies:** The decision to study the plastics and logistics sectors (as well as an earlier decision to study auto parts) from the 2004-2005 EODF funding allocation is an opportunity to begin redressing the first of these problems, particularly if these projects are designed to allow sub-regional groups or individual stakeholder communities to see where or if they have an opportunity in a particular market. To that end, while recognizing that those sectoral studies are also expected to generate positive profiles useful for recruitment/ attraction purposes, we would hope they would also address:

- The market structure, trends, product/service features and benefits, decision-making criteria and associated timeframes, which apply to each of these sectors.
- Sensitivity analysis to indicate which factors have the greatest influence on our region's ability to compete for manufacturing business (for example, is it federal and provincial tax policy, energy costs, talent supply, labour costs, environmental policy, technological preparedness or cross-border shipping?)
- Data templates and benchmarks that will tell stakeholders what data or other information they need to collect to determine if they have a realistic prospect of competing in these markets. These templates could provide examples of data from other jurisdictions which are highly-competitive in the sector so that stakeholders know what the competition is offering.

There may also be value in returning to the food processing study conducted by OEEDC<sup>37</sup> in 2004 to determine if there is a way to extract from the data more value for Eastern Ontario communities on the points above.

**Recommendation 21 – Sectoral Studies for Manufacturing:** It is recommended that OEEDC be encouraged to ask consulting firm(s) engaged for the sectoral studies on plastics, logistics and auto parts to advise on the degree to which the studies can meet the information-gathering and sharing needs of individual stakeholders and to devise follow-on activities that would address any needs which may be outstanding at the time of completion of these studies. These needs are expected to be:

- The market structures, trends, product/service features and benefits, decision-making criteria and associated timeframes, which apply to each of these sectors.
- Sensitivity analysis to indicate which factors have the greatest influence on our region's competitive capability.

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<sup>37</sup> See Appendix G for additional information on this study.

- Data templates and benchmarks that will tell stakeholders what data or other information they need to collect to determine if they have a realistic prospect of competing in these markets. These templates could provide examples of data from other jurisdictions which are highly-competitive in the sector so that stakeholders know what the competition is offering.

**Recommendation 22 – Food Processing Study:** We further recommend that OEEDC consider how best to extract additional value from the food processing study that has already been completed.

**Encourage the Formation of Manufacturing Sub-sector Shared Interest Networks:** The following chart (a summary of information presented in Figure 6.6.5) indicates the numbers of stakeholder representatives in the consultation phase of this project that expressed interest in a particular sub-sector of manufacturing. Food processing tops the list with plastics and logistics leading a second group of sub-sector interests. Note that as many stakeholders indicated interest in “any” manufacturing as chose particular sub-sectors.

With additional feedback from other stakeholders, based in part perhaps on the results of sectoral studies of plastics, logistics and auto parts, stakeholders included in the counts below may wish to be added to or removed from a particular sub-sector list.

#### Summary of Sub-sector Interests in Manufacturing

| Sub-sector                                    | Number of Stakeholders Expressing Interest |
|---|--|
| Food processing                               | 13   |
| Plastics                                      | 8  |
| Light assembly                                | 7  |
| Metals  | 7  |
| Warehousing/Logistics                         | 6  |
| Auto parts                                    | 4  |
| Other (ex. chemicals, aerospace, electronics) | 11   |
| “Any”   | 7  |

**Link Emerging Manufacturers Associations:** Globalization has made it harder to connect to – or even know who is – the ultimate decision-maker. Some stakeholders report that it is hard to get attention for Eastern Ontario, let alone for an individual community, in a very cluttered, competitive marketing environment. Primarily – but not exclusively – along the 401 corridor, communities are developing local manufacturers associations as vehicles for advancing the interests of this sector, sharing best practices, and building relationships within the sector. This relationship-building could strengthen business retention and expansion efforts by providing economic development officers and others with a better understanding of the manufacturing environment, and by involving industrial leaders in community efforts to attract other businesses to the area. These associations could also generate leads for business attraction initiatives.

Within a particular community, manufacturers' associations are likely to represent a broad cross-section of sub-sectors. Across the region, the cross-section approach may work; so may a sub-sector-focused approach (for instance, if companies in a particular sub-sector need access to specialized professional services or want to explore in-region sources of feedstocks). This could be another demonstration of a regional strategy of brokering relationships across the region; many firms in the region could become customers of or suppliers to other firms in the region, keeping a larger share of business spending within the region or leading to the development or expansion of firms in the region.

**Recommendation 23 – Support for Manufacturing Sector Projects:** It is recommended that the OEEDC be encouraged to develop one or more proposals to:

- Encourage stakeholders with shared interests in manufacturing sub-sectors (or in common issues such as business retention and expansion) to form shared interest networks to pursue opportunities and address barriers to economic growth specific to that sub-sector.
- Provide logistical support to link manufacturers associations together for the purposes of joint action on issues (ex. tax, energy, environmental, labour or international trade policies or issues) or programs (for example, competitive intelligence reports, professional development or best practices in manufacturing).
- Encourage individual communities and other stakeholders to gather information relevant to manufacturing for use in local strategic planning and program design as well as being available to incorporate in region-wide manufacturing marketing programs.

- Apply web-based mapping (GIS) technology to the manufacturing sector to allow stakeholders to understand the distribution of manufacturing resources across Eastern Ontario and to support brokerage activity within the region, whether undertaken through a manufacturers association, a local economic development office, or a shared interest network. Related services such as warehousing, shipping and logistics could be part of this mapping service.<sup>38</sup> Given the nature of the information to be made available on the Internet, this project would have to address significant privacy issues.
- Develop marketing materials that allow individual communities to market manufacturing capabilities and capacities for specific sub-sectors as part of a broader regional effort. These materials would also support OEEEDC efforts to market the region as a whole.

### 7.2.3 Services - Education

**Design Partnerships with Educational Institutions:** During the consultation phase of this project, 19 stakeholders indicated an interest in developing specific partnerships with one or more educational institutions. The chart below summarizes those aspirations by community, institution, and – where known – sector or thematic area. As has been indicated in an earlier section on capacity-building, this interest could be catalyzed with EODF support to bring public and private stakeholders together to generate specific partnership proposals. Examples are shared facilities for incubators or other small business start up space; product development and testing centres used for both training and contract services; academic programming designed to meet identified labour force requirements as well as being marketable in its own right (such as cultural tourism or eco-tourism); or campus-focused centres of expertise that would require supportive private sector business clustered around it. Proposals that have regional or sub-regional potential could be funded from regional EODF allocations; those with locally focused potential could be funded from local EODF allocations. Regardless, the development of these relationships could ultimately form a network of “anchors of expertise” that are not competitive with one another but could meet sectoral needs across the region. In addition, the network could lead to the creation of learning-based travel throughout the region.

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<sup>38</sup> This component of the recommendation recognizes that for some communities, a web-based GIS approach may need to be linked to existing economic development websites. In other cases, the web-based system could provide a marketing tool for communities that do not have the resources to set up web-based systems or develop a manufacturing oriented website.

**Figure 7.2.3 Educational Partnership Opportunities**

| Community                                       | Possible Partnership Opportunities with Educational Institutions  |
|---|---|
| Prescott-Russell CFDC (as citizens)             | Alfred College; Agriculture   |
| County of Renfrew                               | Algonquin College – Pembroke campus; eco-tourism  |
| City of Pembroke                                | Algonquin College – Pembroke campus   |
| City of Ottawa                                  | University of Ottawa, Carleton University via the Ottawa Life Sciences Council – biomedical and health sciences   |
| City of Cornwall                                | St. Lawrence College – Cornwall campus; Laurentian University; health sciences; alternative energy  |
| Grenville CFDC                                  | Kemptonville Agricultural College; agricultural and forestry research (Ferguson Forestry Centre)  |
| City of Brockville                              | St. Lawrence College – Brockville campus - technology-oriented incubator; training in engineering technology; apprenticeship programs                           |
| Frontenac CFDC                                  | St. Lawrence College – skills training  |
| City of Kingston                                | Queen’s University; St. Lawrence College; technology, biomedical and health sciences; other biotechnology, apprenticeship programs, tourism training programs   |
| County of Hastings                              | Satellite campus of Loyalist College at Bancroft  |
| City of Belleville/City of Quinte West/Brighton | Loyalist College, Queen’s University; biomedical and other biotechnology  |
| County of Northumberland                        | Ontario Institute of Technology/Sir Sandford Fleming; centre of excellence in manufacturing   |
| Northumberland CFDC                             | Ontario Institute of Technology/Sir Sandford Fleming; centre of excellence in manufacturing   |
| County of Peterborough                          | Trent University, Sir Sandford Fleming College – Peterborough Campus; Eastern Ont. Fire Academy; Hockey School  |
| City of Peterborough                            | Trent University, Sir Sandford Fleming College – Peterborough Campus; Eastern Ont. Fire Academy; Hockey School  |
| City of Kawartha Lakes                          | Sir Sandford Fleming College – Lindsay Campus   |
| Kawartha Lakes CFDC                             | Sir Sandford Fleming College – Lindsay Campus; geomatics and waste water treatment (tie in with Innovation Centre)  |
| County of Haliburton                            | Sir Sandford Fleming - Haliburton Campus – eco-tourism and the arts; link to county outdoor facility; currently unused Frost Centre for environmental education |
| Haliburton County CFDC                          | Sir Sandford Fleming College – Haliburton Campus; cultural tourism (ex. Glass-blowing); logging/forestry; use Frost Centre or Bark Lake facilities              |

**Recommendation 24 – Support for Educational Partnerships:** We recommend that stakeholders be given financial support from EODF to develop economic development-oriented partnerships with educational institutions, with priority given to partnerships that will further the development of an array of “anchors of expertise” across Eastern Ontario. This support could be applied to feasibility studies, business cases, and applications for public and private sector funding to support implementation.

#### **7.2.4 Services – Small Business**

Given the focus of the consultations associated with this project (CFDC managers, municipal representatives), the opportunities for Eastern Ontario – as perceived by the small business sector or the associations that represent them – have not yet been incorporated. The consultants are well aware of the existing infrastructure to support these organizations (from entrepreneurship centres to CFDC lending services). As this Plan is circulated and implementation begins, the key stakeholders should remain open to ideas emerging from the small business sector.

#### **7.2.5 Services – Business Outsourcing**

Several stakeholders raised the importance of the business outsourcing sector (particularly call centres) as an area of interest to many communities. Perhaps because it is an ongoing interest, business outsourcing was not often raised in the course of discussions about sectors of interest. As a result, there has been limited discussion about what might be done on a regional basis to support the business outsourcing opportunity.

For some communities, pursuit of additional economic activity in business outsourcing may be limited until the broadband access issue is resolved. Nonetheless, Eastern Ontario’s location in the Ottawa-Toronto-Montreal triangle, the existing labour force dedicated to these lines of business, as well as the opportunity to capitalize on a bilingual workforce, suggests that business outsourcing should remain part of the Services sector planning process for the future. Further, stakeholders should be encouraged to indicate their interest in the outsourcing sub-sector, particular as strategic plans are refreshed or created anew over the next year.

### 7.2.6 Agriculture

**Use Shared Interest Networks to Confirm and Pursue Opportunity:** While some counties and CFDCs are focused on rejuvenation of battered agricultural sectors (ex. livestock sector from BSE), others are looking niche markets or value-added industries to bolster their agricultural sectors. The opportunities can be categorized as:

- Specialty meats and cheeses
- Farm gate produce with possible linkages to development of farmers markets
- Regional branding of agricultural food products (example: Kawartha Choice)
- Agro-tourism events
- Mobile abattoirs
- Energy products such as ethanol production - presumably from corn or biodiesel from waste oils and fats
- Biotechnology-oriented opportunities such as bio-based products (examples: functional foods/nutraceuticals or biofibres).

While many potential opportunities have been identified, many have not been subjected to competitive analysis<sup>39</sup> to validate them and develop specific proposals for capturing economic value. To some extent, capitalizing on these opportunities may require a concerted regional effort on policy and regulatory fronts with provincial and federal governments (for example, requirements or incentives to value-added industry to use local production in their processes). New, regionally-focused support programs may be needed to help new farmers enter the sector (for instance, well-designed loans to support a farmer's first milk quota purchase). In other cases, a community transition program could help farm communities restructure or exit the sector in favour of better opportunities in other business sectors.

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<sup>39</sup> For example, while agricultural impact studies have been completed for some parts of Eastern Ontario (see Appendix F for references), the results of these efforts have not yet been used in analyses of potential economic development opportunities. Key questions include: Does it make sense for us to apply our resources in these areas? What is the basis for any competitive advantage in this sector? Is moderately-priced land or labour a strong enough advantage to sustain economic activity in these sectors? How are these opportunities distributed across Eastern Ontario?

The agricultural sector is an excellent opportunity to involve researchers, producers and agricultural organizations, processors, manufacturers and professional services in a “gate to plate” approach to agriculture-based economic development. A shared interest network would be an excellent way to bring these stakeholders together. Examples of identified opportunities with both local and regional potential include functional foods/nutraceuticals, biofibres<sup>40</sup>, and agro-tourism. Agro-tourism could be pursued through related development such as culinary, wine and cider tourism, rural B&Bs and retreats/spas, and tour opportunities associated with processing and manufacturing facilities.

**Recommendation 25 - Agricultural Shared Interest Networks** It is recommended that stakeholders be encouraged to form shared interest networks to examine and (if appropriate), develop specific regional and sub-regional proposals to pursue agriculturally-based economic development opportunities in such areas as functional foods/nutraceuticals, biofibres and agro-tourism.

**Recommendation 26 – Agricultural Partnerships:** It is recommended that stakeholders be encouraged to develop partnerships with educational institutions to provide the research, development facilities, and skills training required to pursue agriculture-based opportunities.

### 7.2.7 Technology

**Interest in Technology Sector Limited to Places Close To Major Cities:** While many communities are interested in improved access to broadband as a support service, the number of communities with an interest in technology businesses strictly defined tends to be limited to places with proximity to Ottawa or communities that believe they can offer a tele-working option for technology workers serving major centres.

The Opportunity Action Plan consultations indicated that interest in technology is focused mainly on three areas:

- Broadband access and connectivity for non-tech businesses of all types, from graphic designers and artists to tourist operators and knowledge workers. (This issue is dealt with more fully in a subsequent section of this Plan.)

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<sup>40</sup> This opportunity can be pursued as a subset of one or more of the region’s three biotechnology Regional Innovation Networks currently contemplated under the Ontario Biotechnology Cluster Innovation Program (funding is being sought through the Ontario Ministry of Economic Development and Trade).

- Complementary business support or technical services for tech centres, particularly Ottawa (e.g. telecommunications), and to a lesser extent, Kingston and Peterborough.
- Technology without a strict software development focus, such as engineering technology and services to support local manufacturers, or recycling electronic waste.

Consultations also left the consultants with a sense that many communities recognize it will be extremely difficult to compete as high-tech centres themselves without universities and a critical mass of companies in some tech sub-sector. Specialty niches, especially in roles supporting the larger centres or in knowledge-based industries, may have some potential and certainly have high appeal for Eastern Ontario communities.

In 1999, Doyletech Corporation carried out a study on what the Ottawa Technology Cluster (OTC) companies purchase for their Cost of Goods Sold. It indicated that in 1999, they purchased \$2.4 billion in the way of products ranging from semiconductors to machined parts and \$1.5 billion in the way of services ranging from the assembly of components and systems to brokerage and warehousing.

In the latter part of 2000, Doyletech completed a supply capability analysis on certain firms in the Cornwall/Napanee/Pembroke triangle and found that the suppliers' level of knowledge of OTC activities and needs is relatively low. The study identified supply opportunities for companies that were not high-tech companies (e.g. machine shops and metal fabricators). Established supply linkages were working very well, but the number of such linkages was very small. While the establishment of additional linkages would require some investment in capital equipment, marketing and technical resources, the major impediment was identified as a lack of knowledge about the requirements and key contacts.

A key question for communities close to Ottawa is how to get the attention of the technology sector there. Early efforts advanced by the Doyletech Corporation to develop a brokering function (linking technology companies with in-region suppliers) was good in concept but was not sustained. In part, this may have been another casualty of the high-tech meltdown; regardless, the potential opportunity and the need for a brokering function remain.

Another recent Ottawa-oriented initiative has involved a number of organizations in the Lanark and Grenville areas working together in an advertising campaign to promote their communities to the Ottawa Technology Cluster. It may be time to consider ways to place that program on a more sustainable footing for the longer term.

Selected technology-oriented opportunities may also be available for certain centres in the region, and might be combined with related operations in other Eastern Ontario centres. One example might be the Land O'Lakes Communications Network and Electronic Waste Recovery Facility located in Sharbot Lake. The waste centre, one of eight in Ontario, has a good track record dealing with municipalities (six different counties) and with funders. It has connections with other types of waste management facilities and with educational institutions. African countries such as Kenya that are looking for a modest size Computers-for-Schools model have visited the facility and refer to their approach as the Sharbot Lake model. Results from this pilot project are expected within the year and should help assess the operation's potential as a sustainable stand-alone operation.

**Recommendation 27 – Support for Technology Projects:** It is recommended that the Opportunity Action Plan support one or more proposals to:

- Connect with the Ottawa Technology Cluster through sub-regional marketing programs (perhaps similar to the “Grenville. Get There” program, but on a multi-county basis) and supply chain initiatives such as the Doyletech concept.
- Promote the advancement and use of Internet and related technologies in the tourism sector.
- Promote emerging centres of technology-related expertise, such as the electronic waste recycling centre.
- Work actively with post secondary education institutions to align their curricula and programs with economic development needs and objectives (e.g. apprenticeship, tourism and technology programs, research expertise partnered with private sector and economic development initiatives).

### 7.2.8 Alternative Energy

**Encourage Investigations of Potential in Alternative Energy:** Many stakeholders reported interest and a sense of practical and philosophical compatibility with increased economic activity in the alternative energy sector. This interest is linked to an understanding of and a desire to protect the natural resources that exist across the region (for example, forests, agricultural land, good wind locations) as well as some related challenges (for example, waste management and landfills, changing energy markets and technologies). Wind energy, ethanol production and incineration/cogeneration were the three specific opportunities mentioned most often.

Through the Opportunity Action Plan, there is a regional/sub-regional opportunity to support stakeholders in investigating these opportunities. For example, seeking a shared understanding of provincial and federal policy and regulatory environments should be of interest to multiple stakeholders. Shared interest networks could be encouraged to pursue projects where natural resources cross county boundaries (for example, forestry).

**Recommendation 28 – Support for Alternative Energy Projects:** It is recommended that investigation of wind energy and ethanol projects be encouraged, particularly where there is likely to be benefit to the rural community (example: royalties to farmers for land leased to wind farm developers, arable land put back into production to grow crops as feedstocks to supply ethanol plants). For ethanol particularly, early support could be offered for research and advocacy related to potential regulatory environments and technology assessment to determine the nature and timeframes associated with this opportunity. Support for business case development could follow.

### 7.2.9 Forestry

In the consultation phase for Plan development, fourteen stakeholders mentioned forestry as a sector with potential, either for their communities or the region as a whole. The consultants also reviewed reports and consulted with public and private sector organizations knowledgeable about the forestry sector in Eastern Ontario. The key issues raised were:

- Biomass from the forestry sector could allow some communities to pursue energy-from-waste opportunities. However, these require partnership development to assure required supply of waste streams and for use of heat and/or electricity if a cogeneration option is pursued. Some proponents have noted that further escalation of the costs of conventional energy would significantly improve the business case for these operations but might also increase the price of feedstocks needed for energy-from-waste systems.
- Secondary manufacturing is of interest to a number of stakeholders. However, few specific projects appear to be coming forward in the near term to advance this interest.
- Availability of and access to adequate wood supply; this is viewed primarily as an access issue -- particularly with private woodlots -- rather than a concern about total volume of biomass<sup>41</sup>. The importance of this issue varies across the region and is connected to lack of awareness of sustainable forestry practices now in use by many operators. There is some concern that the quality of wood being harvested may deteriorate over time if wood supply availability is not addressed.
- The need for introduction of more mechanical harvesting equipment to increase efficiency in the logging sector. There was some indication that this strategy would be more appropriate for larger operations than for the region's smaller operators due to concerns about mobility of equipment.
- Labour supply (related in part to perceptions of the forestry sector as a less attractive career opportunity; high proportion of operators moving closer to retirement age).

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<sup>41</sup> See *A Canadian Biomass Inventory: Feedstocks for a Bio-Based Economy*, BIOCAP Canada Foundation, 2003 for more information on feedstock availability.

Eco-tourism in the forestry sector was identified by several stakeholders as being of interest. However, they also noted that pursuit of this activity requires specialized expertise and staffing.

Some stakeholders recommended working through the region's stewardship councils to pursue resolution of many of these opportunities and issues.

**Recommendation 29 – Support for Forestry Projects:** It is recommended that discussions take place between provincial representatives of the Ontario Ministry of Municipal Affairs, the Ontario Ministry of Natural Resources, and the forestry sector in Eastern Ontario to identify provincial funding options for pursuit of:

- Energy-from-waste cogeneration options
- Secondary manufacturing opportunities
- Improved awareness of sustainable forestry as a strategy to engage private woodlot owners in good management practices, and
- Initiatives that support labour force development.

Policy linkages to the province on electricity pricing issues and liaison between energy project proponents and potential energy consumers could also be undertaken. Support for business case development could be provided through the EODF or other similar funding sources for any of these types of opportunities.

### 7.3 Economic Development Infrastructure

Some of the issues of common concern across the region are related to resolution of barriers to economic development rather than pursuit of particular sectoral opportunities. In most cases, these barriers are related to key pieces of economic development infrastructure which are not in place either across the region as a whole or in major parts of the region.

#### 7.3.1 Broadband Access

**Make Connectivity An Early Priority:** Many communities, especially those which are not on the 401 corridor, have expressed deep concern about the economic development implications of lack of access to broadband services (high-speed internet). Because connectivity is now seen by many stakeholders as “basic infrastructure” for virtually all sectors – public and private – the EODF and similar funding sources have an opportunity to provide leadership on this shared concern. A region-wide initiative could have a number of subcomponents such as:

- Funding government relations efforts to underscore the importance of broadband for urban and rural areas and the need for targeted funding support (for example, either separate from or as a separate funding stream within the Canada-Ontario Municipal Rural Infrastructure Fund (COM-RIF)).
- Information-sharing on new models to introduce broadband service to one or more pilot stakeholder communities. This could include funding pilot projects in certain areas which would generate results of value to other parts of Eastern Ontario (for example, local wireless connectivity in remote, rocky areas).
- Underwriting the costs of analytical work to assess costs, choose technology solutions, or developing regional/sub-regional solutions (where those are appropriate).

Where possible, projects funded by the EODF and similar funding sources should draw upon the expertise and experience of individuals and organizations already resident in Eastern Ontario.

**Recommendation 30 – Support for Broadband Access Projects:** It is recommended that, through the EODF or other similar funding sources, a region-wide initiative be undertaken to extend broadband to unserved areas throughout Eastern Ontario. We further recommend that this initiative be made an early priority for regional funding purposes. Specific projects could be:

- Government relations efforts to underscore the importance of broadband for urban and rural areas
- Information-sharing on new models to introduce broadband service to one or more pilot stakeholder communities, and
- Underwriting the costs of analytical work to assess costs, choose technology solutions, or develop regional/sub-regional solutions.

### 7.3.2 Labour Supply

**Support the Development of a Broad Labour Supply Strategy:** The size, quality and future availability of the work force in Eastern Ontario communities is a basic economic development issue.

Some communities have focused on the paucity of opportunities to retain and attract young people and the challenges of attracting physicians (a very specific type of labour force supply). Others are acting on identified needs in areas like the trades or development of soft skills, or in responding to trends such as the aging workforce.

A few stakeholders expressed concern about the contemporary work ethic among local young people. Shortages of particular categories of skilled labour are considered a critical issue. In some areas, basic literacy levels and work motivation are also seen as issues to be addressed.

Several communities are expressing interest in immigration to supply regional labour requirements in a wide variety of occupations. Stakeholders noted several challenges in attracting immigrants to Eastern Ontario from other urban centres (for example, addressing possible cultural isolation and lack of urban amenities and lifestyles that appeal to them).

A number of communities expressed concern that the relatively small size of their available labour forces constrains their economic development strategies. In particular, some communities know they cannot supply the workforce needed for large plants and enterprises interested in relocating to their communities, and so they focus instead on attracting or growing smaller firms.

Some stakeholders anticipate that labour force issues will require a range of strategies from skills development programs to human capital attraction strategies. In particular, some believe that the region should present a more immigrant-friendly image, which would help to attract entrepreneurs, skilled labour, and physicians. Others have plans to tap the urban refugees (early retirees) who bring extraordinary experience and capability to the region but whose abilities remain underutilized.

**Recommendation 31 – Labour Force Development Projects:** It is recommended that the Opportunity Action Plan support pilot projects to accelerate implementation and assessment of the results in labour force development, such as:

- Primary health care strategies (for example, work currently under way in Leeds-Grenville)
- Strategies to attract early retirees with expertise (for example, work currently under way in Prince Edward)
- Planning for immigration strategies (leadership involvement in Hastings and Frontenac Counties)
- Initiatives to address the imbalance of the labour force due to aging (example: work under way by the LAFLG Training Board)
- Finding employment for new labour force entrants (for example, work under way by the LAFLG Training Board)
- Encouraging young people to consider employment in specific sectors (for example, work under way in the Quinte area)
- Support collaborative efforts with educational institutions and other partners/stakeholders such as industry in areas such as:
  - Apprenticeship programs.
  - Training for specific sectors (such as tourism, engineering technology etc.)
  - Research linkages with private sector and economic development initiatives.

### 7.3.3 Branding the Region

A brand is a complex mental impression created in the minds of a particular audience. That impression can apply to an organization, its people, its programs, projects, products, services and experiences, or even to a whole community. And to some significant extent, it can be managed.

A brand represents meaning, influenced by function -- what the organization or service actually *does* -- and the image and emotional experiences associated with it. It involves identity, relationships and reputation. It involves a message and a promise. It can grow to become an icon that cuts through the clutter of an over-communicated world and triggers recall of the meaning of the brand. Examples that come to mind might include Stratford Festival, Tim Hortons or Starbucks, Microsoft, the Thousand Islands, Queen's University, Best Western, Upper Canada Village, Famous Players, Lexus or BMW.

A number of stakeholders called for initiatives to 'brand' the region. Sometimes these suggestions referred to nothing more than designing a regional logo or slogan; in other cases, a more fully developed concept of branding was intended - one that involves the entire meaning of a brand including value propositions, attributes, benefits, values, personality, communications, mix of services and products, experiences, setting, customer service, brand associations, champions, and so on. Full branding is a much bigger challenge than simply developing a common visual identity, logo or slogan. It requires a comprehensive effort to get behind a distinctive and meaningful value proposition to external markets.

Since brand development is based on strategic priorities and designed in relation to primary target audiences, a significant amount of collaborative work remains to be done before a regional brand could be launched. And there are various ways to approach development of either a single Eastern Ontario brand or more likely a "family" of brands -- say, a series of product brands (similar to Niagara wines), sub-regional brands (such as the Rideau Cultural Heritage Corridor), or geographic areas (such as the 1000 Islands region).

**Grow the Regional Brand from Strategies and Collaborative Networks:** Most suggestions to 'brand' the region or a family of sub-regions are related to tourism marketing and business/talent recruitment purposes. Previous initiatives in Eastern Ontario at the county or multi-county level have foundered or been postponed because of the difficulty in reconciling diverse local interests, collaborating, and coming to a consensus on what the value proposition behind the brand should be.

One approach that may hold promise is to first build up a common strategy in multi-county sub-regions (such as counties close to the Ottawa high-tech cluster, or those in the Rideau Heritage Corridor, or arts and culture festivals across Eastern Ontario). Then at some later date, those sub-regions would be connected to form a coherent family of brands.

A second possibility would be to launch sub-regional brands (within some overall long-term branding strategy for Eastern Ontario) in connection with major initiatives. An example might be the 2007 events in the Lanark, Leeds-Grenville and Brockville area – International Plowing Match, Senior Games and Rideau Cultural Heritage Corridor.

Depending on the sector involved, existing region-wide organizations such as OEEDC, various sectoral associations, or others could be engaged in leading the development and implementation of branding efforts.

**Recommendation 32 – Branding The Region:** It is recommended that the Opportunity Action Plan support one or more branding projects in the areas of tourism and business recruitment, but at some later date, once strategic plans and collaborative networks are in place to provide the platforms and consensus for branding strategy and brand building.

#### 7.3.4 Access to Capital

**Access to Capital Important But Not Often Mentioned:** Some stakeholders consider access to capital to be such a pervasive issue in economic development that they did not even mention it as something of specific importance to Eastern Ontario. For many parts of Eastern Ontario, access to capital may be a serious barrier to economic development. Availability of capital is a factor that often determines whether people with ideas can act on those ideas to create new businesses or expand businesses already in the region. For communities that lack services provided by conventional banks and trust companies, the existing CFDC funding may be the only significant source of capital. In other cases, this funding supports businesses that would not easily get conventional financing. The CFDCs' knowledge of the community can address this information barrier. Thirdly, if the capital pool is local, it can be a means of encouraging businesses to stay in a community rather than move to another jurisdiction to be closer to a financier or investor.

A Capital Investment Resource Jump Team report prepared for the County of Haliburton in March of 2004 may be instructive for other parts of Eastern Ontario. That report suggested that efforts to create and maintain a pool of equity-oriented investors in any community must recognize that this type of investor is usually a small percentage of the total population. The Haliburton analysis suggested that potential investors prefer to be involved with existing expansion-oriented companies rather than start-ups, want some involvement with and ability to contribute knowledge to the companies in which they invest without that involvement becoming a full-time preoccupation, are likely to have at least \$25,000 to invest, and – in a community the size of Haliburton County – considered the number of investment opportunities of more than \$200,000 in size to be five or less per year.

This same report indicates that there are a few other formal structures for matching investor and entrepreneur commitments. These are Community Small Business Investment Funds<sup>42</sup>, the ELNOS Corporation for Business Development (Elliott Lake)<sup>43</sup>, and the Community Ventures Capital Fund which began in Cornwall and now serves the geographic area represented by at least five eastern Ontario CFDCs. Less formal investment structures have existed in Peterborough, Kingston, Toronto, and Montreal.

While it is likely that additional attention must be paid to access to capital across Eastern Ontario, pending the results of the Access to Capital Study being funded from the 2004-2005 EODF allocation, the consultants are not offering any further recommendations on this issue at this time.

### **7.3.5 Capacity Building Projects**

**Strategic Planning:** Since a significant number of stakeholders have not yet developed strategic plans for their organizations, the EODF and similar funding sources could support the Eastern Ontario Opportunity Action Plan and local efforts to undertake strategic planning with forums to encourage stakeholders to link local planning to a regional or sub-regional approach.

For example, this could be done through training or planning sessions co-hosted by the EOWC and the CFDCs, but timed to coincide with the annual OEEDC conference. The sessions would not replace the strategic planning activities of any individual stakeholder but would be designed to expose organizations undertaking strategic planning for the first time (or updating their plans) to the various approaches to this work, and place particular focus on the relationship between

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<sup>42</sup> See [www.trd.fin.gov.on.ca/userfiles/page\\_attachments/CSBIF\\_Guide\\_English\\_Internet.pdf](http://www.trd.fin.gov.on.ca/userfiles/page_attachments/CSBIF_Guide_English_Internet.pdf) for more information.

<sup>43</sup> See [www.elnos.com](http://www.elnos.com) for more information.

community-wide strategic planning efforts and economic development, whether undertaken by a CFDC, an economic development office, other municipal departments, or business associations such as Chambers of Commerce or Business Improvement Areas. Case studies could be presented to demonstrate the relationship between strategic plans and business plans and how strategic plans are being implemented for particular sectors. The opportunity to implement strategic plans through regional or sub-regional partnerships could also be presented.

**Partnership Development:** More often than not, organizations that will finance economic development projects require evidence of partnerships – between the public and private sectors, among community groups with an interest in a project, among sectoral associations, and across community boundaries. Whether within a stakeholder community or among a subset of stakeholders, the EODF and similar funding sources could invest in the region’s capacity to develop partnerships by providing strategic support to partnership development for regional priorities. Examples of this support could be partnerships that create “anchors of expertise” around educational institutions (primarily colleges and universities), access to broadband initiatives, or tourism product development and marketing. Any initiative of this sort would be based on helping participating stakeholders access best practice information about partnership development and ensuring that learning that comes out of these initiatives is shared across the region to enable other groups of stakeholders to pursue partnerships which reflect additional priorities.

**Project/Business Plan Development:** Many of the economic development projects anticipated for Eastern Ontario over the next two to five years are in the formative stages. They are based on general evidence from other jurisdictions or informal assessments of assets, strengths, liabilities and weaknesses. Stakeholder communities would benefit from support to help them bridge the gap from a concept to a formal plan for implementation. Particularly when a project-based approach is to be used, support will be needed to work through project or business plan development so that stakeholders can bring forward strong cases for financial support – whether those cases are presented to angel investors, a CFDC, conventional financial institution, or the provincial or federal levels of government.

**Resource Acquisition:** Funding is a critical issue for both stakeholder organizations and the groups with which they work on a daily basis. The Opportunity Action Plan could include steps to help stakeholder organizations improve their ability to identify and apply for funding from provincial and federal programs as well as philanthropic foundations. This expertise can also be transferred through these stakeholder organizations to community groups which may have great ideas but do not know how to identify – or successfully apply to – a high-potential funding source.

**Branding and Marketing:** It is vital to develop regional and sub-regional plans. For each implementation project, stakeholders will need to identify and profile the target markets, determine the required products and services to serve those markets, and create the right messages and marketing vehicles and tools. We recommend that sector-focused branding and marketing efforts start with the tourism and manufacturing sectors.

Strategic investments in branding and marketing through the Opportunity Action Plan could give funding priority to initiatives and support projects that demonstrate an understanding of their competitive horizons and are regional or sub-regional in nature. By using the term competitive horizons, we are reflecting the different market orientations that exist across Eastern Ontario and across sectors. For instance, international marketing programs may be required where the decision-makers and those that influence them are organizations found in other jurisdictions (for example, manufacturing). For tourism, regionally-focused marketing programs may be more appropriate where individual consumers can be identified, understood and engaged in these tourism-oriented experiences. For technology-focused businesses, marketing may take a business-to-business flavour with emphasis on marketing to potential customers within the region and possibly in neighbouring communities.

**Project/Program Evaluation:** For stakeholders whose work has focused on ongoing program delivery, most often with in-house staff, there may be value in supporting capacity-building initiatives that help them become more comfortable in an increasingly project-focused funding atmosphere. That means helping stakeholder organizations acquire skills in call-for-proposal processes, application review processes, contracting/funding award processes and documentation, and project evaluation requirements. For organizations that have focused primarily on financial indicators (for example, loan default rates or return on investment for portfolios), a broader set of indicators may be called for in the future (such as jobs retained in a community, net additions to the labour force, funds leveraged, or private sector investment).

## 7.4 Recommended Longer Term Regional Action Projects/Programs

The focus of this Opportunity Action Plan is the next two to five years. However, there are some areas of opportunity which, by their nature, are likely to take more than five years to materialize. To avoid over-emphasis on the short-term, we note the need for attention to several longer-term regional action projects and programs:

- Developing new forms of academic and research partnerships with educational institutions. For colleges and universities, the introduction of a new academic or research program requires substantial lead time for program design, curriculum development, internal and external approvals, securing financial support<sup>44</sup>, and recruiting new faculty and students.
- Building a regional brand for Eastern Ontario from the efforts and learning of sub-regional groups in any and all sectors --- from tourism and manufacturing to forestry, education and business outsourcing.
- Pursuing international markets, through well-developed branding followed by imaginative, inclusive marketing programs and targeted relationship development with influencers and decision-makers abroad.
- Pursuing the tele-working option, particularly for those communities which must resolve the broadband issue in order to offer employers and workers a realistic opportunity. Home-based business development could also be part of this strategy.
- Supporting the development of spin-off technologies and businesses from the region's biomedical and health sciences sectors. This can take place in parallel to redevelopment of hospital facilities as well as the emergence of biomedical innovation networks within the region.
- Bridging the urban-rural divide by providing opportunities for rural and urban areas to work together on projects which build relationships and demonstrate shared benefits. Examples could be proactive efforts to build hub-and-spoke tourism packages, value chains linking biomass productivity with manufacturing and processing capabilities, or technology transfer for energy projects.

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<sup>44</sup> The 2004 Rae Review Discussion Paper on higher education in Ontario estimated that the cost of introducing a new academic program at an Ontario institution is approximately \$250,000. Resource materials for this review of higher education are available at [www.raereview.on.ca](http://www.raereview.on.ca).

- Tracking progress against the longer-term Smart Growth Panel reports for Eastern and Central Ontario, and identifying actions in the five to ten year timeframe which should be incorporated into the Opportunity Action Plan later in the implementation period.

## **7.5 Identification of Information Gaps/Requirements for Further Research**

Despite the number of reports and studies reviewed by the consultants, few presented much in the way of up-to-date local statistics, applicable secondary research, or rigorous analytical cases based on data. These gaps were particularly noticeable with respect to substantiating economic opportunities for Eastern Ontario, such as quantifying target market potential or anticipating economic impacts.

A couple of examples: The need to extend broadband and connectivity into un/under serviced areas was clearly identified, but no data is available to quantify the investment that would be required to address the problem. Almost all communities in the region identified tourism as an economic opportunity, often as a priority, but it appears no detailed studies have been completed to map potential target markets such as cultural tourism, eco-tourism or family-focused recreational tourism.

Along with the lack of local data, without a commonly accepted definition of “Eastern Ontario,” it will continue to be a difficult task to aggregate regional data, especially from secondary sources. For example, at this time, there is no regional data set for “Eastern Ontario” which would describe its economic structure, demographic and employment profiles, or expenditure patterns.

As more counties and sub-regional groups prepare strategic plans and feasibility studies, the more these gaps will be closed. Sector studies being conducted by OEEDC in tourism, plastics, logistics and the automotive sectors, following on the heels of their food-processing sector study, will also help to address the absence of objective data. Outreach and inventory programs such as BR+E and Premier-Ranked Destination will also help.

At the same time, data from Statistics Canada, the Ontario Rural Economic Development Data and Intelligence program - REDDI, and secondary literature (such as the Travel Activities and Motivation Studies - TAMS) are readily available to support initial planning for local and regional initiatives.

**Recommendation 33 – Support to Address Information Gaps:** It is recommended that some portion of funds allocated for implementation of the Eastern Ontario Opportunity Action Plan be used to support research studies at the appropriate stages of economic initiative development – as a business case is developed, the feasibility of an opportunity is validated or projections are detailed for a business plan. Research is also required to develop a strategic data set at the regional level.

## 8.0 Implementation Timeline

### 8.1 High-Level Timeline for Implementation

**Most Contemplated Projects Have Local Focus:** While the Opportunity Action Plan catalogued 155 economic development projects planned for 2005 and beyond, most of these projects (99) are local in focus. More than two dozen (26) “multi-county” projects are anticipated. Just 13 are ‘region-wide’ in scope. The “regional” projects proposed for funding through the current EODF process have been included in this analysis. This analysis shows that while there are relatively few regionally-focused projects that can be implemented immediately, many projects are at a sufficiently early stage of definition that stakeholders may still have an opportunity to explore the contributions their project could make at both local and regional/sub-regional levels.

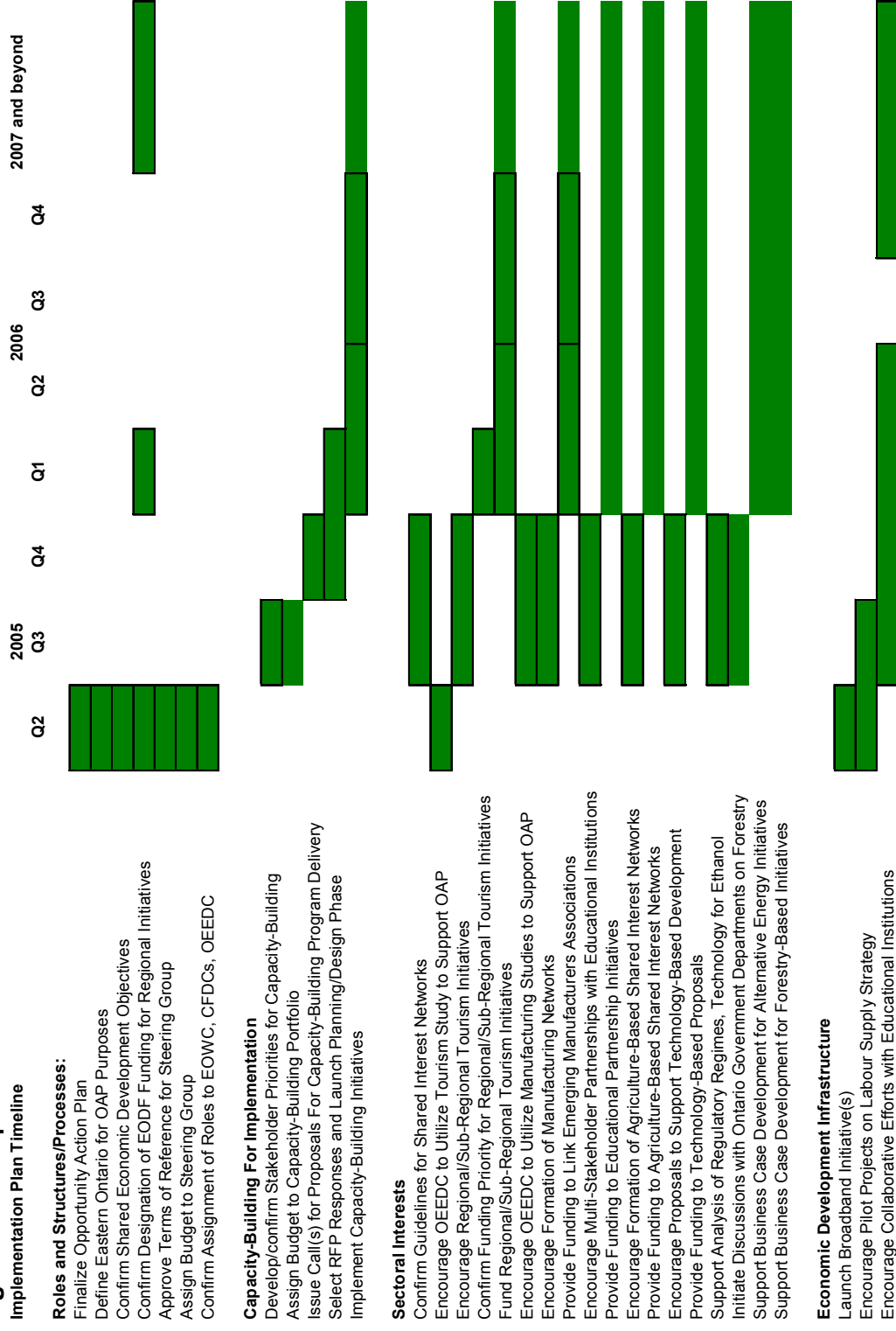
**Support Needed To Develop Regional/Sub-Regional Proposals:** Regardless of geographic scope, relatively few projects are fully-developed at this stage. About a third (62) are at the conceptual stage of development while almost as many (47) are in the business/project formation stage. Fourteen projects are in the “growth” phase which in this context, most often means an existing program is being expanded and/or reworked for broader application. The status of economic development projects across Eastern Ontario is summarized in figure form in Section 6.6.1. Capacity-building support will be essential to help stakeholders move ideas from the strategic to tactical levels --- or from the idea to implementation. This issue is addressed in Sections 6.3.4 and 7.3.5.

### 8.2 Proposed Sequencing of Projects and Programs

The following figures set out the key steps needed to begin implementation of the Opportunity Action Plan and suggest the various types of initiatives that might be undertaken on the regional economic development front in Eastern Ontario over the next five years. As always, the region’s ability to implement any of these projects is dependent upon 1) financing and 2) the emergence of champions to manage/execute projects. However, based on the assumption that resources are available and that stakeholders are proactive in calling for proposals targeted to these priorities, the chart suggests what could happen immediately (within the next 12 months), what could happen in the near-term (24 months) and what could happen in the medium term (three to five years).

Timing is dependent on the existence of champions in the region who will get behind a particular regional/sub-regional initiative and bring forward a project plan that can be funded from any regional allocations. To that extent, the timing shown below is a guideline only; projects can move forward more quickly if the will is there to do so. Similarly, implementation will be delayed if there is no impetus for action from stakeholders themselves. Blank cells do not mean that there would be no support for projects in the category. Rather, there is simply insufficient indication of specific projects coming forward to justify specific references.

**Figure 8.2.1: Implementation Timeline**



**Figure 8.2.2 Proposed Sequencing of Projects and Programs**

| Immediate (1 Year)  | Near-Term<br>(Second Year)   | Medium-Term<br>(3-5 Years)  |
|---|--|---|
| <b>Opportunity Action Plan</b>  |  |   |
| <ul style="list-style-type: none"> <li>• Plan shared with stakeholders; agreement in principle plan achieved</li> </ul>   |  |   |
| <ul style="list-style-type: none"> <li>• Plan shared with out-of-region stakeholders</li> </ul>   |  |   |
| <ul style="list-style-type: none"> <li>• EOWC leads development of provincial advocacy coalition</li> </ul>   |  |   |
| <ul style="list-style-type: none"> <li>• CFDCs lead development of federal advocacy coalition</li> </ul>  |  |   |
| Immediate (1 Year)  | Near-Term<br>(Second Year)   | Medium-Term<br>(3-5 Years)  |
| <b>Economic Development Infrastructure</b>  |  |   |
| <ul style="list-style-type: none"> <li>• Definition of Region and shared objectives – agreement secured</li> </ul>  |  |   |
| <ul style="list-style-type: none"> <li>• EODF regional allocation – in principle/05-06 allocation</li> <li>• Multi-year funding – commitment secured</li> </ul>               |  |   |
| <ul style="list-style-type: none"> <li>• Steering Group – creation and provision of initial admin. Support</li> </ul>   |  |   |
| <ul style="list-style-type: none"> <li>• Capacity-Building – initial offering in six target areas</li> </ul>  | <ul style="list-style-type: none"> <li>• Capacity-Building – expansion of offerings to more stakeholders</li> </ul>  |   |
| <ul style="list-style-type: none"> <li>• Broadband Access – size/cost/options established</li> </ul>  | <ul style="list-style-type: none"> <li>• Broadband Access – first projects launched to address</li> </ul>  | <ul style="list-style-type: none"> <li>• Broadband Access – full coverage established</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Marketing/Branding – plan for supporting branding in tourism and manufacturing; initial support to sub-regional corridors</li> </ul> | <ul style="list-style-type: none"> <li>• Marketing/Branding – continuing support for branding in tourism and manufacturing</li> <li>• Two new sub-regional efforts supported in other sectors</li> </ul> | <ul style="list-style-type: none"> <li>• Marketing/Branding – plan developed to grow a regional brand from sub-regional efforts</li> <li>• Two new sub-regional efforts supported in other sectors</li> </ul> |
| <ul style="list-style-type: none"> <li>• Marketing/Branding – plan for Plowing Matches developed/launched</li> </ul>  | <ul style="list-style-type: none"> <li>• Marketing/Branding – Plowing Matches plan implemented</li> </ul>  |   |

**Figure 8.2.2 Proposed Sequencing of Projects and Programs (continued)**

| <b>Immediate<br/>(1 Year)</b>  | <b>Near-Term<br/>(Second Year)</b>   | <b>Medium-Term<br/>(3-5 Years)</b>  |
|--|--|---|
| <ul style="list-style-type: none"> <li>Labour force development – support for projects targeted to areas identified in Plan</li> </ul>   | <ul style="list-style-type: none"> <li>Labour force development – support for projects targeted to areas identified in Plan</li> </ul>   | <ul style="list-style-type: none"> <li>Labour force development – support for projects targeted to areas identified in Plan</li> </ul>  |
| <ul style="list-style-type: none"> <li>Access to Capital – strategy development for public and private sector organizations</li> </ul>   | <ul style="list-style-type: none"> <li>Access to Capital – plan(s) to grow captive capital pools</li> </ul>  | <ul style="list-style-type: none"> <li>Access to Capital – implementation of plans to grow captive pools</li> </ul>   |
| <b>Sector-Specific Projects</b>  |  |   |
| <b>Tourism</b>   |  |   |
| <ul style="list-style-type: none"> <li>Tourism investment study and other research complete</li> </ul>   | <ul style="list-style-type: none"> <li>Networks – creation of 1</li> </ul>   | <ul style="list-style-type: none"> <li>Networks – creation of 2</li> </ul>  |
| <ul style="list-style-type: none"> <li>Support for regional tourism strategy</li> </ul>  | <ul style="list-style-type: none"> <li>Support for regional tourism leadership</li> </ul>  | <ul style="list-style-type: none"> <li>Support for regional tourism leadership</li> </ul>   |
| <ul style="list-style-type: none"> <li>Sub-regional corridors – support first projects</li> </ul>  | <ul style="list-style-type: none"> <li>Sub-regional corridors – support expanded set of projects</li> </ul>  | <ul style="list-style-type: none"> <li>Sub-regional corridors – support expanded set of projects</li> </ul>   |
| <b>Manufacturing</b>   |  |   |
| <ul style="list-style-type: none"> <li>Manufacturers' Associations – support for linkages</li> <li>Marketing/branding – develop manufacturing branding strategy</li> </ul>                           | <ul style="list-style-type: none"> <li>Networks – creation of 1</li> <li>Sub-sector marketing-support first projects</li> </ul>  | <ul style="list-style-type: none"> <li>Networks – creation of 2</li> <li>Sub-sector marketing-support additional projects</li> </ul>  |
| <ul style="list-style-type: none"> <li>Sectoral studies – extend value of Food Processing study; share results from Plastics, Logistics; execute Auto Parts</li> </ul>                               |  |   |
| <ul style="list-style-type: none"> <li>Information-gathering – support for templates and to organizations collecting manufacturing data</li> </ul>   | <ul style="list-style-type: none"> <li>GIS-based distribution of manufacturing resources – implementation plan developed</li> </ul>  | <ul style="list-style-type: none"> <li>GIS-based distribution of manufacturing resources – project execution</li> </ul>   |
| <b>Agriculture</b>   |  |   |
| <ul style="list-style-type: none"> <li>Networks – creation of 1</li> <li>Research – support sub-regional market research</li> <li>Marketing – support sub-regional projects</li> </ul>               | <ul style="list-style-type: none"> <li>Networks – creation of 2</li> <li>Research – support sub-regional market research</li> <li>Marketing/branding – develop agricultural branding strategy</li> </ul> | <ul style="list-style-type: none"> <li>Networks – creation of 2</li> <li>Research – support partnerships with research institutions</li> <li>Marketing/branding – support sub-regional implementation projects</li> </ul> |
| <b>Alternative Energy</b>  |  |   |
| <ul style="list-style-type: none"> <li>Policy – fund project to provide insight for multiple stakeholders</li> <li>Feasibility studies – fund one or more projects to build business case</li> </ul> | <ul style="list-style-type: none"> <li>Feasibility studies – fund one or more projects to build business case</li> </ul>   |   |

| Immediate<br>(1 Year)  | Near-Term<br>(Second Year)   | Medium-Term<br>(3-5 Years)  |
|--|--|---|
| <b>Forestry</b>  |  |   |
| <ul style="list-style-type: none"> <li>Labour force development – first project supported</li> </ul>   | <ul style="list-style-type: none"> <li>Energy from Waste – first project supported</li> <li>Sustainable forestry – first awareness project supported</li> <li>Secondary manufacturing – first project supported</li> </ul> |   |
| <b>Services - Education</b>  |  |   |
| <ul style="list-style-type: none"> <li>Partnerships – creation of 1</li> </ul>   | <ul style="list-style-type: none"> <li>Partnerships– creation of 1</li> <li>Academic-Market Alignment – support first projects</li> </ul>  | <ul style="list-style-type: none"> <li>Partnerships – creation of 2</li> <li>Academic-Market Alignment – support additional projects</li> <li>Research-Market Alignment - support first projects</li> </ul> |
| <b>Services - Other</b>  |  |   |
| <ul style="list-style-type: none"> <li>Opportunity Identification – encourage stakeholders to consider regional/sub-regional opportunities in business outsourcing and services to small business</li> </ul> |  |   |
| <b>Technology</b>  |  |   |
| <ul style="list-style-type: none"> <li>Sub-regional marketing – support first project</li> </ul>   | <ul style="list-style-type: none"> <li>Brokerage concept - support first project</li> </ul>  |   |

**APPENDICES**  
**Eastern Ontario Opportunity Action Plan**  
June 15, 2005

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## **Appendix A: Terms of Reference**

The Eastern Ontario Opportunity Action Plan was the first project for which funding was announced from the \$10 million Eastern Ontario Development Fund (EODF). An RFP process was conducted in September-October of 2004 with a launch in early November.

### **Excerpts from the RFP:**

#### **Background**

The principals involved consist of the Eastern Ontario Wardens' Caucus consisting of the elected Heads of Council from the Counties in Eastern Ontario, the Community Futures Development Corporations of Eastern Ontario, and the Ontario East Economic Development Commission.

The intent of the study is to develop a strategic economic alliance between the respective counties and individual communities and organizations that will leverage collective economic assets and attract increased investment to offset the impacts of downloading and declining industrial/commercial assessment. This reality is clearly outlined in the report Future Directions and Future Directions – An Update, since 2001.

This strategic alliance between the Eastern Ontario Wardens' Caucus, the Community Futures Development Corporations and the Ontario East Economic Development Commission will focus on establishing increased economic activity within Eastern Ontario. This will serve as an economic model to address the increasing disparity between Eastern Ontario and the rest of the Province, and will greatly improve the economic climate in Eastern Ontario; increasing opportunities for the growth of existing businesses, the establishment of new enterprises, increased employment opportunities, and a vastly improved quality of life for all residents.

The results of this project are one of the targeted outcomes of the anticipated Eastern Ontario Development Fund, and as such the project is conditional upon confirmation of funding.

#### **Objective**

To identify strategic regional opportunities and proposed actions which will retain and attract new investment, job creation and wealth generation in Eastern Ontario.

**Scope**

The study project area includes the respective partner organizations and associations throughout Eastern Ontario. The study project will include, but is not limited to the following requirements:

1. A collection and analysis of all relevant economic studies and reports developed in the past five years (environmental scan).
2. The identification of common themes and recommended actions and directions to position Eastern Ontario in terms of increased investment, wealth generation and job creation.
3. In-depth consultations with a wide range of major stakeholder groups from the following sectors will be undertaken – agriculture, forestry, energy, biotechnology, technology, tourism, manufacturing, health and business services.

## Appendix B: Methodology

The Eastern Ontario Opportunity Action Plan project was executed by a consulting team led by Kathryn Wood of Natural Capital Resources Inc., reporting to and working with a Working Committee composed of representatives from the stakeholder organizations (Eastern Ontario Wardens Caucus, the Community Futures Development Corporations, and the Ontario East Economic Development Commission).

Based on a work plan approved by the Working Committee, the Project had five major phases:

- A Design Phase through which the framework for databases, descriptive criteria and the final report was developed.
- A Region-wide Economic Development Scan: Collection, consolidation, and analysis of all relevant economic studies and reports developed within/for regional stakeholders in the past five years. Where time and access permit, consultations will take place with the sponsoring agencies to understand the context of this work.
- A Stakeholder Consultation Phase through which interviews would take place with at least 30 representatives of the major stakeholder groups from the following sectors– agriculture, forestry, energy, biotechnology, technology, tourism, manufacturing, health, and business services. Because the in-depth consultations would be used to validate known information as well as adding new, current information, the number of consultations should be set to ensure good coverage of the target sectors as well as regional geography and anticipated new opportunities.
- Formulation of Implementation Recommendations through which common themes (opportunities) would be identified and actions and directions recommended to position Eastern Ontario for increased investment, wealth generation and job creation. This strategy would be based on both region-wide opportunities as well as projects, actions/directions of interest to sub-regions.
- A Report and Presentation Phase through which the preceding components would be brought together into a single report which could be shared widely and used as the basis for subsequent decision-making related to regional economic development generally, and EODF or similar funding sources specifically. The project anticipated that multiple presentations to stakeholders would be required to share the contents of the report as widely as possible.

The consulting team gathered more than 115 reports and studies from various stakeholder organizations (see Appendix F) and conducted nearly 50 interviews with various stakeholders. From all areas, some with only one organization present and others with several. The stakeholders were asked a series of questions to identify what significant reports had been recently produced; what actions had been taken since; what they thought were the priority initiatives in their own area and for the region as a whole; what barriers might hamper implementation of the Action Plan, and how to overcome those barriers.

Throughout the project, regular meetings were held with the Working Committee (October 13, 2004, January 18, 2005, February 15, 2005, March 30, 2005). The purposes of the meetings were to present findings from each phase of activity to the Working Committee, solicit feedback and comment, and receive direction/go-ahead for subsequent stages of the project. Starting in December 2004, stakeholders were invited to provide their input online to the consulting team through a Web page describing the project. The URL for this online comment opportunity was: <http://www.ncronline.ca/actionplatform/htm>.

## Appendix C: Interview Guide

The following interview guide was used by the consultants in conducting consultation interviews. In many circumstances, just a single individual represented a particular organization. In other situations, a group meeting of local stakeholders was convened. In this case, the interview guide was adapted for use as a focus group moderator's guide. Where possible, all questions were covered in the interview. However, in some cases, particular questions were not relevant to the organization or interviewee time constraints precluded covering each question. In those cases, the interviewer exercised judgement to select the most important questions and invited subsequent comment/contact if the interviewee had additional thoughts to contribute.

### Interview Guide Content:

**Let's start with a quick recap of the reasons for my visit/call. I am part of a consulting team that has been asked to develop an Opportunity Action Plan for Eastern Ontario. This is a project being funded from the regional allocation of the Eastern Ontario Development Fund to see what we can do to accelerate economic development activity across the region. By talking to people like you – people involved in economic development in Eastern Ontario – we are trying to make sure we are aware of all the economic development initiatives that may be going on or should be going across the region, get a better sense of what the local and regional priorities are likely to be, and get your input on how region-wide economic development should unfold.**

**I expect that our conversation will take 45 minutes to an hour. Do you have that time available now?** [If not, consider rescheduling or see if there is a way to break the interview into parts; may only work if interview is by phone]

**Q1. Confirm Stakeholder Category Descriptor (check off appropriate category; more than one may apply if conducting a small group interview):**

- |   |  |
|---|--|
| <input type="checkbox"/> Elected                                    | <input type="checkbox"/> Executive Director/CFDC   |
| <input type="checkbox"/> Official/County or Municipal Government    | <input type="checkbox"/> Business/Industry Association                                     |
| <input type="checkbox"/> CAO/County or Municipal Government         | <input type="checkbox"/> Other Public Sector   |
| <input type="checkbox"/> CEO or Manager/Economic Development Office | <input type="checkbox"/> Other Private Sector (consultant, business manager/operator etc.) |

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**Q2. Let's start with a bit of a description of your particular involvement in economic development... what aspects of economic development is your organization responsible for? Are there other organizations that look after other aspects? Are you involved in any activities that go beyond your own community, such as serving on an association board or supporting broader initiatives in Eastern Ontario?**

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**Q3a. Now a few background questions: Does your organization have a strategic plan or other document that guides where and how you – and others – invest resources in economic development? We're thinking of a document that identifies economic goals and priorities as well as the ways the community will pursue those goals.**

- Yes
- Have one but not actively used
- No... if no, go to Q4
- Don't know/can't say... go to Q4

**Q3b. [If yes] When was the plan or document completed? Have there been any updates or other revisions?**

Record year of completion or update, whichever is most recent: \_\_\_\_\_

**Q3c. [If yes] What were the major changes in the plan at the time it was updated? For instance, what was added, what was dropped, what was modified?**

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**Q4a Which, if any, of these sectors are part of your community's current strategic plans – whether those plans are formal or informal? Are there major sub-categories that should be indicated, such as types of services?**

- Agriculture – Sub-sectors (if applicable): \_\_\_\_\_
- Bio-medical and health sciences Sub-sectors (if applicable): \_\_\_\_\_
- Energy – Conventional (wood/oil/gas/nuclear) \_\_\_\_\_
- Energy - Alternative – Sub-sectors (if applicable): \_\_\_\_\_
- Forestry – Sub-sectors (if applicable): \_\_\_\_\_
- Manufacturing – Sub-sectors \_\_\_\_\_
- Retail - Sub-sectors (if applicable): \_\_\_\_\_
- Services Sector – Sub-sectors (if applicable): \_\_\_\_\_
- Technology – Sub-sectors (if applicable): \_\_\_\_\_
- Tourism – Sub-sectors (if applicable): \_\_\_\_\_
- Other sectors (ex. business infrastructure, property development) Sub-sectors (if applicable): \_\_\_\_\_
- Programs/projects serving multiple sectors Sub-sectors (if applicable): \_\_\_\_\_
- Convergent opportunities between sectors, with no strong structured market Sub-sectors (if applicable): \_\_\_\_\_

**Q4b. Are you aware of any studies specifically for Eastern Ontario – market analyses, business proposals, or economic development reviews– related to your economic development plans in these sectors in the past five years. These could be fully related or just in part.**

- Yes
- No

Notes re: specifics

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**Q5a. If you were to pick two or three economic development opportunities - that you consider to be particularly good prospects for your area AND across the entire Eastern Ontario region what would they be?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**Q5b. On a scale of 1 to 10, where 1 is not very important and 10 is very important, how would you rate each of these opportunities in terms of their importance to the region's economic development?** [Note to interviewers: record number opposite opportunity above and circle so it is easy to pick out later].

**Q6. For which parts of your economic development strategic plan have you been able to implement specific actions or projects to capitalize on opportunity? Let's focus on just the past two or three years....**

| Description of Action/Project | Sector | Year Completed<br>(note if in process) | Geographic Scope |
|-------------------------------|--------|--|------------------|
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |

**Q7. Are there any specific actions or projects that have been undertaken for economic development purposes even though they may not have been mentioned or foreseen in a strategic plan? Again, let's focus on just the past two or three years....**

| Description of Action/Project | Sector | Year Completed<br>(note if in process) | Geographic Scope |
|-------------------------------|--------|--|------------------|
|                               |        |  |                  |
|                               |        |  |                  |
|                               |        |  |                  |
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**Q8a. Let's look ahead now. What specific actions or projects are on the table or coming forward for your community over the next two years that could be expected to benefit the economy of your community?** [Note to interviewer: as each action/project is described, ask if there is any potential for partnerships with other counties or organizations outside the community, or if in fact the action/project is conceived as a regional initiative already. Also ask about the Project Stage/State of Development, as defined in Grid; for actual use, the chart below will be enlarged to allow ample space for notations]

| Description of Action Project | Sector | Economic Development Model | Type of Regional Impact | Project Stage | State of Supporting Evidence | Strategic Rationale/Choice | Anticipated Scale of Economic Impact |
|-------------------------------|--------|----------------------------|-------------------------|---------------|------------------------------|----------------------------|--------------------------------------|
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
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|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |
|                               |        |                            |                         |               |                              |                            |                                      |

**Q8b. As you think back over the actions and projects that are ahead of you, do you see any critical issues or conditions that would be deal-breakers or otherwise prevent these projects from moving forward?**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

**Q9a. In your experience, what are the two or three biggest barriers to developing region-wide economic development initiatives?**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

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**Q9b. Can you foresee ways that, as a region, we could overcome some of the barriers we talked about?**

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**Q9c. Do you see any leadership role for your organization in addressing these barriers? If so, what would that be?**

Notes re: specifics

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**Q10. What – if anything – has changed in the past couple of years for those working in economic development in Eastern Ontario? For instance, have people changed their approach to economic development? The services they provide? The way they invest their economic development resources? The way they make decisions? The way the economy is evolving around us? The roles of other players?**

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**Q11. How do you see these changes affecting the way we would implement an action plan to capitalize on regional opportunities? For instance, do you imagine that we would use different processes, involve different people organizations, change our implementation tactics?**

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**Q12. Is there anything that we've missed that you would like to comment on at this point?**

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**Q13. Just before I finish, let's make sure I have all the relevant contact information so we can keep in touch.**

Name \_\_\_\_\_

Title \_\_\_\_\_

Organization \_\_\_\_\_

Phone Number \_\_\_\_\_

Email \_\_\_\_\_

Mailing Address \_\_\_\_\_

\_\_\_\_\_

Website \_\_\_\_\_

**Thanks so much for your time. Just so you know what happens next, our job is to distil down all the information we gather from these interviews and from looking at various documents, then summarize it in the form of a regional action plan that counties, CFDCs and regional organizations will start working to implement. You should expect to hear more about the plan after Christmas and see implementation starting by next spring.**

-End-

## **Appendix D: Material That Elaborates on Key Stakeholder Organizations**

### **Eastern Ontario Wardens Caucus**

The Eastern Ontario Wardens Caucus is an informal yet ongoing group which brings the Wardens of 11 counties stretching from Northumberland in the west to Renfrew and Prescott Russell in the east plus the mayors of Kawartha Lakes and the County of Prince Edward. The Caucus comes together on a regular basis to discuss and develop strategies on issues of common concern. The first major project of the EOWC was the creation of the Future Directions Report in 2002, which described the difficult economic circumstances of local government in Eastern Ontario and factors which had produced this situation. This material, which has been updated in the intervening years, has been used in consultations and presentations with both provincial and federal governments. The EOWC worked with Eastern Ontario Community Futures Development Corporations to secure federal support for economic development through the Eastern Ontario Development Fund.

### **Eastern Ontario's Community Futures Development Corporations**

Through FedNor, Industry Canada's Community Futures Program supports 61 Community Futures Development Corporations (CFDCs) throughout Northern and rural Ontario. Under the program, CFDCs deliver a wide variety of programs and services to support community economic development and small business growth.

Firm in the belief that communities themselves are best equipped to make decisions affecting their futures, the not-for-profit CFDCs employ local staff and are governed by a volunteer board of directors representing the community at large. With federal contributions and the guidance and support of FedNor's Community Economic Development (CED) staff, CFDCs pursue their own priorities and strategies for development by creating and implementing a strategic community plan. The board of directors makes all decisions relating to small business financing and CFDC operations.

CFDCs promote economic, social, cultural and environmental priorities, among others, that will benefit the community as a whole. These priorities are addressed by focusing on three main initiatives:

- Business Information, Counselling and Financing: CFDCs provide access to a broad range of business information using on-site libraries, guided access to the Internet, and through referrals. The focus is on providing business planning, pertinent statistics and market information, rules and regulations, as well as other related information. Entrepreneurs can also call on the CFDCs' business counselling services for advice on problem solving, financial management, marketing, personnel issues, technology, and a host of other challenges. Recognizing that small business growth is essential to the economic development of communities, each CFDC has a local investment fund for the start-up, expansion, and/or stabilization of local business.
- Community Economic Development (CED): The Community Economic Development approach takes a broad-based look at future needs and opportunities within local communities. In all activities and services they undertake, CFDCs are guided by CED principles.
- Community Strategic Planning: CFDCs create and implement strategic plans that guide local economic development. A broad cross section of community stakeholders — normally including the private sector, not-for-profit organizations, municipalities, education, labour and First Nations — cooperate to build a vision for their community. The planning horizon is usually five years, with detailed annual work plans leading to the long-term goals.

The Eastern Ontario Development Fund (EODF) is a Government of Canada initiative announced in May 2004 to promote rural socio-economic development in Eastern Ontario, lead to a competitive and diversified regional economy, and contribute to the successful development of business and job opportunities and sustainable self-reliant communities. Fifteen CFDCs located throughout rural Eastern Ontario – from the South Lake CFDC in Keswick in the west through to the Quebec border in the east – were selected to deliver the EODF based on their extensive network of community partners, their proven track record in community economic development, and their established infrastructure. The delivery of the EODF is managed by FedNor. The first allocation in 2004-2005 fiscal year was \$10 million and a further \$8.2 million has been allocated for 2005-2006.

For more information on CFDCs in Eastern Ontario, visit <http://www.ontcfdc.com/>

**Ontario East Economic Development Commission**

The Ontario East Economic Development Commission (OEEDC) was formed in 1988 with 14 members for the purpose of joint marketing and to establish a collective voice for Eastern Ontario regarding issues affecting economic development. Today, Ontario East has 130 members and represents the geographic area from Victoria-Haliburton Counties on the west to the United Counties of Prescott-Russell on the east and bounded by the Ottawa and St. Lawrence Rivers.

The Commission promotes Eastern Ontario as a good place to do business in a variety of ways. Members exhibit under the umbrella of "Ontario East" at several tradeshow throughout Canada and the United States. The Commission has developed a professional marketing brochure and places advertisements in national and international business publications. The overall goal of the marketing program is to raise the profile of Eastern Ontario as a vibrant business location. Through our co-operative marketing efforts, members can obtain increased exposure for their own communities at reasonable costs.

In the spring of 2005, the OEEDC is a group of over 124 Eastern Ontario economic development professionals and business leaders that are working co-operatively to promote the region as a premiere business location in the world. Together, the members of the OEEDC represent more than 200 communities, thousands of businesses and nearly two million residents across Eastern Ontario.

The OEEDC website is: <http://www.onteast.on.ca>.

### Appendix E: Report on Stakeholder Consultation Number/Distribution of Interviews and Supplementary Document Reviews

|   | Community/<br>Organization                    | Senior Staff Person   | Assigned<br>To                          | Status                 |
|---|---|---|---|------------------------|
| 1 | County of<br>Renfrew                          | Norm Lemke, CAO<br><a href="mailto:nlemke@countyofrenfrew.on.ca">nlemke@countyofrenfrew.on.ca</a>   | MD                                      | Conducted Dec.<br>09   |
| 2 | Renfrew CFDC<br>(OVED)                        | Diane McKinnon , Executive<br>Director<br><a href="mailto:mckinnon@bellnet.ca">mckinnon@bellnet.ca</a><br>Mitch Wilkie, chair of OVED.<br>Carl Snelgrove, Business<br>Development Officer, County of<br>Renfrew<br>Cyndy Phillips, Client Service<br>Officer, Enterprise Renfrew County<br>Colleen Sadler, Business<br>Consultant, Enterprise Renfrew<br>County<br>Susan R. Ellis, Coordinator,<br>Economic Development and<br>Tourism, City of Pembroke<br>John Walden, Director, Planning<br>and Development, Town of Deep<br>River<br>Alison Watts, Community<br>Development Clerk, Town of<br>Petawawa<br>Norman Anderson, General<br>Manager, Renfrew Industrial<br>Commission<br>Adam Lininler, Tourism<br>Coordinator, Renfrew Industrial<br>Commission<br>Carolyn Jakes, President,<br>Calabogie and Area Business<br>Association<br>Bruce Moore, Rural Business<br>Consultant, Rural Development<br>Division, Ministry of Municipal<br>Affairs and Housing | MD                                      | Conducted Dec.<br>09   |
| 3 | City of Pembroke                              | Susan Ellis, Coordinator, Economic<br>Development, Recreation &<br>Tourism<br><a href="mailto:sellis@pembroke.ca">sellis@pembroke.ca</a>  | MD<br><br>(Documen<br>t review<br>only) | Documents<br>received  |
| 4 | United Counties<br>of Prescott and<br>Russell | Stéphane Parisien, CAO<br><a href="mailto:spparisien@prescott-russell.on.ca">spparisien@prescott-russell.on.ca</a>  | MD                                      | Unable to find<br>time |
| 5 | Prescott-Russell<br>CFDC                      | Daniel Gigault. General Manager<br><a href="mailto:sdcp@hawk.igs.net">sdcp@hawk.igs.net</a>   | MD                                      | Conducted Jan. 27      |

|    |  |  |                                     |                                   |
|----|--|--|-------------------------------------|-----------------------------------|
|    |  | Lynne F. Groulx, Loans Officer<br>Catherine de Quimper, Planning<br>Coordinator  |                                     |                                   |
| 6  | United Counties<br>of Stormont,<br>Dundas and<br>Glengarry | Michael Waddell, CAO<br><a href="mailto:waddell@sdg.on.ca">waddell@sdg.on.ca</a><br>Andy Brown, CAO<br>Township of South Dundas<br>Anne Marie Waddell<br>Economic Development Officer<br>Township of South Dundas<br>Dennis Fife, Mayor, Township of<br>North Stormont<br>Alvin Runnalls, Mayor, North<br>Dundas/Warden 2005 SD&G                                  | MD                                  | Conducted with L-<br>G on Dec. 06 |
| 7  | Stormont, Dundas<br>and Glengarry<br>CFDC                  | Derrick Moodie, General Manager<br><a href="mailto:dmoodie@sdgcdc.on.ca">dmoodie@sdgcdc.on.ca</a>  | MD                                  | Conducted Dec.<br>8               |
| 8  | Community<br>Ventures Capital<br>Fund                      | James de Pater Fund Manager<br><a href="mailto:james@communityventures.ca">james@communityventures.ca</a>  | MD                                  | Conducted Dec.<br>10              |
|    | City of Ottawa   | Darrell Cox<br><a href="mailto:Darrell.Cox@ottawa.ca">Darrell.Cox@ottawa.ca</a>  | MD<br>(Documen<br>t review<br>only) | Document<br>received              |
|    | City of Cornwall   | Paul Fitzpatrick, Manager,<br>Economic Development and<br>Recreation Services<br><a href="mailto:ecodev@city.cornwall.on.ca">ecodev@city.cornwall.on.ca</a>  | MD<br>(Documen<br>t review<br>only) | Document<br>received              |
| 9  | United Counties<br>of Leeds and<br>Grenville               | Stephane Fournier, CAO<br><a href="mailto:steve.fournier@uclg.on.ca">steve.fournier@uclg.on.ca</a><br>Vincent Germani, Economic<br>Development Co-ordinator<br>Herb Scott, Warden<br>Robert Lawn, Mayor<br>Corporation of the Town of<br>Prescott<br>Steve McDonald, CAO/Clerk<br>Township of<br>Edwardsburgh/Cardinal<br>Ben TeKamp, Mayor, City of<br>Brockville | RW                                  | Conducted Dec.<br>06              |
| 10 | Grenville CFDC   | Heather Lawless, Executive<br>Director<br><a href="mailto:hlawless@grenvillecfdc.com">hlawless@grenvillecfdc.com</a>   | RW                                  | Conducted Dec.<br>01              |
| 11 | 1000 Islands<br>CFDC                                       | Tom Russell, Executive Director<br><a href="mailto:trussell@cybertap.com">trussell@cybertap.com</a>  | RW                                  | Conducted Dec.<br>10              |
|    | City of Brockville   | Dave Paul, EDO<br><a href="mailto:dpaul@brockville.com">dpaul@brockville.com</a>   | RW<br>(Documen<br>t review<br>only) | N/A                               |
|    |  |  |                                     |                                   |

|    |                          |  |                              |   |
|----|--------------------------|--|------------------------------|---|
| 12 | County of Lanark         | Peter Wagland, CAO<br><a href="mailto:pwagland@county.lanark.on.ca">pwagland@county.lanark.on.ca</a><br>Chuck Hudson, Community Development Officer<br>Paul Snider, CAO – C/T, Township of Drummond/North Elmsley<br>Diane Smithson, CAO<br>The Corporation of the Town of Mississippi Mills<br>Mary Vandenhoff, Chair, Economic Development<br>Township of Lanark Highlands<br>Gary Doyle, Warden, County of Lanark<br>Amy Lee Leindecker<br>Promotions Coordinator/ED Office<br>Corporation of the Town of Carleton Place<br>Richard Kidd, Reeve, Township of Beckwith<br>Cassandra McGregor, Executive Assistant<br>Township of Beckwith<br>T.J. Simpson, CAO, Township of Lanark Highlands | RW                           | Conducted<br>With L-G and SDG<br>On Dec. 06 |
| 13 | Lanark Highlands         | Larry McDermott, Mayor of Lanark Highlands<br>Canadian Rural Municipalities<br>613-278-2215(w)<br><a href="mailto:larry@plentycanada.com">larry@plentycanada.com</a>   | KW                           |   |
| 14 | Valley Heartland<br>CFDC | John Doherty, Executive Director<br>613-283-7002<br><a href="mailto:jd@valley.on.ca">jd@valley.on.ca</a>   | RW                           | Conducted Dec.<br>24                        |
|    | Town of Smiths<br>Falls  | Chuck Hudson, Community Development Officer<br><a href="mailto:chudson@smithsfalls.ca">chudson@smithsfalls.ca</a>  | RW<br>(document review only) | N/A   |
| 15 | County of Frontenac      | Elizabeth Fulton, CAO<br><a href="mailto:lfulton@FRONTENACCOUNTY.CA">lfulton@FRONTENACCOUNTY.CA</a><br>Jim VandenHoek, Warden, Frontenac County<br>Terry O'Shea, Clerk-Administrator, Township of Frontenac Islands<br>Heather Fox, Clerk-Administrator, Township of Central Frontenac<br>Betty Hunter, Councillor, Township of North Frontenac<br>Anne Prichard, Executive Director, Frontenac CFDC   | HS                           | Conducted<br>Tuesday, Dec. 07               |
| 16 | Frontenac CFDC           | Anne Prichard, Executive Director<br><a href="mailto:anne@frontenacfdc.com">anne@frontenacfdc.com</a>  | HS                           | Conducted<br>Thursday, Dec. 09              |
| 17 | City of Kingston         | Tom Williams, Interim CEO,   | HS                           | Conducted Dec.                              |

|    |   |  |          |  |
|----|---|--|----------|--|
|    |   | KEDCO<br>New CEO, William (Bill) Beattie,<br>started on Feb. 1 05<br><a href="mailto:beattie@kingstoncanada.com">beattie@kingstoncanada.com</a>  |          | 01   |
| 18 | County of Lennox and Addington                    | Hollee Kew, Manager of Economic Development<br><a href="mailto:hkew@lennox-addington.ca">hkew@lennox-addington.ca</a><br>Murray Beckel, Planner and Chief Building Official<br>Keith Richmond, Manager of Business Retention and Development<br>Doug Sexsmith, Director          | HS       | Conducted Thursday, Dec. 09                |
| 19 | Prince Edward-Lennox CFDC (PELA)                  | Peter Termulen, Executive director<br><a href="mailto:pt@pelacfdc.ca">pt@pelacfdc.ca</a><br>Craig Desjardins, Area Development Manager   | HS       | Conducted Nov. 30                          |
| 20 | County of Prince Edward                           | Richard Shannon, CAO<br>613 476-2148 ext. 225<br><a href="mailto:rshannon@pecounty.on.ca">rshannon@pecounty.on.ca</a><br>Leo P. Finnegan, Mayor<br>613 476-2148<br><a href="mailto:lfinnegan@pecounty.on.ca">lfinnegan@pecounty.on.ca</a>  | RW       | Conducted Dec. 09                          |
| 21 | County of Hastings                                | Jim Pine, CAO<br>613 966-1319<br><a href="mailto:pinej@hastingscounty.com">pinej@hastingscounty.com</a><br>Charles Mullett, Mayor of Bancroft<br>613 966-1319<br>Jean Rixen, Planner<br>613 966-1319<br><a href="mailto:rixenj@hastingscounty.com">rixenj@hastingscounty.com</a> | RW       | Conducted Dec. 09                          |
| 22 | North and South Hastings and South Algonquin CFDC | Bob Cloes, General Manager<br>613 332-5564 <a href="mailto:cfdc@community-futures.ca">cfdc@community-futures.ca</a>  | RW       | Conducted Dec. 09                          |
| 23 | City of Belleville/City of Quinte West/Brighton   | Chris King, Economic Development Manager (QEDC)<br><a href="mailto:chris@quintedevelopment.com">chris@quintedevelopment.com</a>  | KW       | Conducted Nov. 30                          |
| 24 | Ontario East Economic Development Commission      | Steve Hyndman, CAO, City of Belleville<br><a href="mailto:shyndman@citybelleville.com">shyndman@citybelleville.com</a><br>Full membership at OEDC AGM  | KW<br>HS | Conducted Nov. 30<br>Presentation: Dec. 03 |
| 25 | Trenval CFDC                                      | Gerrit DeBruyn, General Manager<br><a href="mailto:info@trenval.on.ca">info@trenval.on.ca</a>  | KW       | Conducted Nov. 30                          |
| 26 | County of Northumberland                          | Bill Pyatt, CAO<br><a href="mailto:pyattb@county.northumberland.on.ca">pyattb@county.northumberland.on.ca</a><br>George Borovilos, EDO   | KW       | Conducted Dec 22                           |

|    |                                |   |    |  |
|----|--------------------------------|---|----|--|
| 27 | Northumberland CFDC            | Dan Borowec, General Manager<br><a href="mailto:nbadb@eagle.ca">nbadb@eagle.ca</a><br>Wendy Curtis, Acting GM while DB is OAP Working Committee Chair   | KW | Conducted Nov. 30  |
| 28 | County of Peterborough         | Gary King, CAO<br><a href="mailto:gking@county.peterborough.on.ca">gking@county.peterborough.on.ca</a><br>Pat Kemp, CAO Township of Galway-Cavendish & Harvey<br>David Clifford, CAO, Clerk-Treasurer, Township of Douro-Dummer<br>Shelley Eliopoulos, CAO/Treasurer Township of Asphidel Norwood<br>Lane Vance, Manager of Financial Services, Township of Smith-Ennismore-Lakefield   | KW | Group interview (9 people) conducted Dec. 08                   |
| 29 | City of Peterborough (GPA EDC) | Ann Marie Kelleher<br>Manager, Rural Economic Development<br><a href="mailto:amkelleher@gpaedc.on.ca">amkelleher@gpaedc.on.ca</a><br>Laura Lauzon, EDO<br><a href="mailto:llauzon@gpaedc.on.ca">llauzon@gpaedc.on.ca</a><br>Greater Peterborough Area Economic Development Corporation<br>Marshall Elliott, Planner<br>City of Peterborough<br><a href="mailto:mjpelliott@city.peterborough.on.ca">mjpelliott@city.peterborough.on.ca</a> | KW | Included in Dec. 08 interview hosted by County of Peterborough |
| 30 | Greater Peterborough CFDC      | Judy Heffernan, General Manager<br><a href="mailto:jheffernan@cdc.on.ca">jheffernan@cdc.on.ca</a>   | KW | Conducted Dec. 14  |
| 31 | City of Kawartha Lakes         | Jane Lunn, CAO<br><a href="mailto:jlunn@city.kawarthalakes.on.ca">jlunn@city.kawarthalakes.on.ca</a><br>David Amos, Economic Development Officer<br>Richard Danziger, Development Services Manager  | KW | Conducted Dec. 13  |
| 32 | Kawartha Lakes CFDC            | Andrew Wallen, General Manager<br><a href="mailto:awallen@kawarthasmallbusiness.com">awallen@kawarthasmallbusiness.com</a>  | KW | Conducted Dec. 01  |
| 33 | County of Haliburton           | Jim Wilson, CAO<br><a href="mailto:jwilson@county.haliburton.on.ca">jwilson@county.haliburton.on.ca</a><br>Jane Tousaw, Development Services Coordinator and Planner  | KW | Conducted Dec. 13  |
| 34 | Haliburton County CFDC         | Andy Campbell, General Manager<br><a href="mailto:hcdc@halhinet.on.ca">hcdc@halhinet.on.ca</a>  | KW | Conducted Dec. 13  |
| 35 | South Lake CFDC                | Peter Budreo, General Manager<br><a href="mailto:pbudreo@ils.net">pbudreo@ils.net</a>   | KW | Conducted Dec. 15  |
|    | Sectoral Expertise             |   |    |  |
| 36 | Agriculture –                  | Peter Coughler  | KW | Conducted Dec.   |

|    |   |   |          |   |
|----|---|---|----------|---|
|    | OMAF  | <a href="mailto:peter.coughler@omaf.gov.on.ca">peter.coughler@omaf.gov.on.ca</a>  |          | 08  |
| 37 | Agriculture – OFA   | John Williamson, President<br>Frontenac Federation of<br>Agriculture; affiliated with OFA<br><a href="mailto:eilevale@kos.net">eilevale@kos.net</a> 613-353-2475  | KW       | Conducted May 05  |
| 38 | Biomedical and<br>Health Sciences   | S.McDonald;<br><a href="mailto:mcdonald@kingstoncanada.com">mcdonald@kingstoncanada.com</a><br>R.Goodfellow;<br><a href="mailto:randal@goodfellowagricola.com">randal@goodfellowagricola.com</a>  | KW       | Documentation<br>Reviewed                                 |
| 39 | Forestry –<br>Haliburton Forest   | Peter Schiefelbaum, Haliburton<br>Forest<br><a href="mailto:haliburtonforest@sympatico.ca">haliburtonforest@sympatico.ca</a><br>705 754-2198  | KW       | Conducted Jan. 31   |
| 40 | Forestry –<br>Freymond<br>Lumber  | Lou Freymond 613-332-3020,<br>Freymond Lumber (Bancroft)<br><a href="mailto:lou@freymondlumber.ca">lou@freymondlumber.ca</a>  | KW       | Conducted Jan. 31   |
| 41 | Forestry –<br>Sustainable Forest<br>Licence holders<br>(for Crown land<br>in Ontario) | Steve Munro, Westwind Forest<br>Stewardship Inc. 705-746-6832<br><a href="mailto:info@westwindforest.ca">info@westwindforest.ca</a><br>Peter Nitschke, Bancroft Minden<br>Forest Company 613-332-6890<br><a href="mailto:bmfc.monager@bancroft.cc">bmfc.monager@bancroft.cc</a><br>Jeff Leavey, Ottawa Valley Forest<br>Inc.<br>613-735-1888 <a href="mailto:ovf@webhart.net">ovf@webhart.net</a><br>Ian Manson, Ministry of Natural<br>Resources 705-755-3214<br><a href="mailto:ian.manson@mnr.gov.on.ca">ian.manson@mnr.gov.on.ca</a><br>Ken Maltby, Ministry of Municipal<br>Affairs 705-324-1481<br><a href="mailto:Ken.Maltby@mah.gov.on.ca">Ken.Maltby@mah.gov.on.ca</a> | KW       | Participated in<br>roundtable<br>discussion Feb. 16<br>05 |
| 42 | Energy – BIOCAP<br>Canada   | Susan Wood (co-author, BIOCAP<br>biomass study)<br><a href="mailto:woods@biocap.ca">woods@biocap.ca</a>   | KW       | Conducted March<br>24                                     |
| 43 | Export<br>Development<br>Officers   | Martin Edwards<br><a href="mailto:trenval.export@sympatico.ca">trenval.export@sympatico.ca</a>  | KW       | Conducted Nov.<br>30                                      |
|    | Manufacturing –<br>Food Processing  | Chris King<br><a href="mailto:chris@quintedevelopment.com">chris@quintedevelopment.com</a>  | KW       | Conducted Nov.<br>30                                      |
| 44 | Manufacturing –<br>General  | Ron Richards, President Kawartha<br>Manufacturers Association<br><a href="mailto:sirbif@lindsaycomp.on.ca">sirbif@lindsaycomp.on.ca</a>   | KW       | Conducted Dec.<br>01                                      |
| 45 | Rural Economic<br>Development –<br>OMAH   | Rita Byvelds/Bonnie O'Neill<br><a href="mailto:Rita.Byvelds@mah.gov.on.ca">Rita.Byvelds@mah.gov.on.ca</a>   | HS<br>HS | Conducted Dec.<br>01                                      |
| 46 | Rural Economic<br>Development –<br>OMAH   | Brian Ritchie<br><a href="mailto:42ritchies@cogeco.ca">42ritchies@cogeco.ca</a>   | HS       | Conducted Dec.<br>07                                      |
|    | Services Sector   | Decision to cover Chambers and<br>BIAs via online tool  | RW       | First online option<br>up Dec. 03                         |
| 47 | Technology  | Jim MacPherson<br>613 279-3737<br><a href="mailto:jimmac@frontenac.net">jimmac@frontenac.net</a>  | RW       | Conducted Dec.<br>03                                      |

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|----|-------------|---|----|-----------------------|
| 48 | Technology  | Technology Access Group –<br>Kawartha Lakes<br>Lynda Rickard<br><a href="mailto:Lynda.rickard&gt;tag4kl.org">Lynda.rickard&gt;tag4kl.org</a>              | KW | Conducted Dec.<br>01  |
| 49 | Tourism     | Terry Shea – Land o' Lakes<br>Tourism Association<br>(613) 336-8818<br><a href="mailto:info@lol.on.ca">info@lol.on.ca</a>                                 | RW | Conducted Dec.<br>02  |
| 50 | Tourism     | Michel Lalonde<br>Seaway Valley Tourist Association<br><a href="mailto:mike@cornwalltourism.com">mike@cornwalltourism.com</a>                             | MD | Conducted Dec.<br>08  |
| 51 | Tourism     | Gary de Young, Director of<br>Tourism<br>International Tourism Council<br><a href="mailto:gary@visist1000slands.com">gary@visist1000slands.com</a>        | RW | Conducted April<br>05 |
| 52 | Tourism     | Gary Clarke, Biosphere Reserve<br>Project and Smart Growth <a href="#">Panelist</a><br><a href="mailto:gclarke@realontario.ca">gclarke@realontario.ca</a> | KW | Conducted Feb. 09     |
| 53 | All Sectors | Jim Nubel, Chair, Eastern Ontario<br>Smart Growth Panel 613-830-1639<br><a href="mailto:nubel@sympatico.ca">nubel@sympatico.ca</a>                        | KW | Conducted Feb. 08     |

## Appendix F – Economic Development Document Scan

Regional/Part-Region Documents:

| Title   | Year | Source <sup>1</sup> |
|---|------|---------------------|
| Biotech Central Eastern Ontario – Biotech Cluster Innovation Plan (BCIP) - Regional Innovation Profile  | 2003 | KW                  |
| Biotech Central Eastern Ontario – Biotech Cluster Innovation Plan (BCIP) Strategies   | 2004 | KW                  |
| Central Ontario Smart Growth Panel – Final Report “Shape the Future”  | 2003 | KW                  |
| CFDC East and South East Regional Conference – Strategy Session Highlights  | 2004 | RW                  |
| EASTCAT – A Regional Facility Propelling the Knowledge-Based Economy / Prepared for The City of Brockville Economic Development Offices           | 2003 | RW                  |
| East Central Ontario Training Board Region – Focus on Training Report/Environmental Scan  | 2000 | JS                  |
| Eastern Ontario CFDC Network – Brainstorming Session Highlights   | 2003 | RW                  |
| Eastern Ontario – Ontario East Economic Development Commission: Strategies For Growth   | 2004 | KW                  |
| Eastern Ontario – Ontario East Economic Development Commission/ Statement of Direction  | 2003 | RW                  |
| Eastern Ontario CFDC Network Strategy Session Highlights  | 2001 | RW                  |
| Eastern Ontario Smart Growth – Final Report: “Shape The Future”   | 2003 | KW                  |
| Eastern Ontario – Smart Growth Zone Profile   | N/A  | RW                  |
| Eastern Ontario – Ontario Smart Growth: Consultation Paper  | 2001 | RW                  |
| Eastern Ontario Trails Alliance – Economic Development Studies  | 1999 | JS                  |
| Eastern Ontario – Ottawa Regional Analysis  | 2002 | RW                  |
| Eastern Ontario Counties – Future Directions Update   | 2004 | RW                  |
| Eastern Ontario – A Comparative Economic Development Study of Northern and Eastern Ontario prepared for the Upper Canada Economic Renewal Project | 1998 | RW                  |
| Eastern Ontario – Ontario East Tourism Corporation Marketing Planning Guide   | 2004 | RW                  |
| Eastern Ontario – Eastern Ontario Trails Alliance: Trails Assessment Report – Phase II  | 1999 | RW                  |
| Hastings, Prince Edward, Lennox and Addington Counties – Environmental Scan – East Central Ontario Training Board                                 | 2002 | JS                  |
| Hastings, Prince Edward, Lennox and Addington Counties –  | 2000 | RW                  |

<sup>1</sup> JS = Jamie Simmons; KW = Kathryn Wood; RW = Robert Wood,; HS = Harvey Schachter; MD = Margaret Dunn

|  |      |    |
|--|------|----|
| Environmental Scan – Focus on Training Report  |      |    |
| LAFLG: Economic Impacts of Agriculture on the Economy of LAFLG   | 2000 | RW |
| LAFLG: Training Board Environmental Scan   | 2001 | RW |
| LAFLG: Training Board Environmental Scan   | 2002 | RW |
| LAFLG: Training Board Local Area Plan  | 2001 | RW |
| LAFLG: Training Board Report on Training Needs and Labour Market Issues  | 1997 | RW |
| LAFLG – The Economic Impacts of Agriculture on the Economy of Frontenac, Lennox and Addington and the United Counties of Leeds and Grenville: Socio-Economic Profile and Agriculture-Related Business Survey | 2000 | KW |
| LAFLG Training Board – Trends, Opportunities and Priorities (TOPs) – 2004-2005<br>Labour Market Trends and Issues Survey   | 2004 | RW |
| Ontario – Ministry of Transportation: Strategic Transportation Directions  | 2002 | RW |
| Ontario Woodlot Association – Woodlot Co-operative/Resource Jump Team/Final Report   | 2003 | JS |
| Ontario Population Projections, 1999 – 2028 by Ontario Ministry of Finance   | 2000 | RW |
| Ottawa Eastern Ontario Biotech Cluster Innovation Plan (BCIP) – Strategies   | 2004 | KW |
| Upper Canada: Changing Times: Time for Change<br>A Plan to Transform the Economy of Eastern Ontario<br>Sponsored by the Upper Canada Economic Renewal Project  | 1999 | RW |

## County/CFDC-Specific Plans:

| Title  | Year | Source |
|--|------|--------|
|  |      |        |
| Brockville – Economic Development Strategy   | 2001 | RW     |
| Brockville – Chamber of Commerce Downtown Revitalization Report  | 2002 | RW     |
| Brockville – Proposed Hotel Development  | 2000 | RW     |
| Brockville – Business & Retention Final Report   | 2003 | RW     |
| Brockville – Business Care and Retention   | 1999 | RW     |
| Brockville – Destination Downtown Strategic Action Plan/<br>Background Report  | 1996 | RW     |
| Brockville – Destination Downtown Strategic Action Plan/<br>Vision and Strategic Action Program  | 1996 | RW     |
|  |      |        |
| Brockville – Destination Downtown Strategic Action Plan/<br>Retail Recruitment Action Program  | 1996 | RW     |
| Brockville – Economic Development Strategic Plan<br><a href="http://www.brockville.com/UploadedFiles/4.pdf">http://www.brockville.com/UploadedFiles/4.pdf</a>                                    | 2000 | RW     |
| Frontenac CFDC Strategic Plan to 2008<br><a href="http://www.frontenaccfdc.com/downloads/FCFDC-StrategicPlanTo2008.pdf">http://www.frontenaccfdc.com/downloads/FCFDC-StrategicPlanTo2008.pdf</a> | 2003 | KW     |

|  |      |       |
|--|------|-------|
| Frontenac County – The Frontenac Centre<br><a href="http://frontenaccounty.ca/PDFs/FrontenacCentre-Concept.pdf">http://frontenaccounty.ca/PDFs/FrontenacCentre-Concept.pdf</a>       | 2002 | KW    |
| Frontenac and Lennox and Addington Counties: Canadian Agriculture Rural Communities Initiative Socio-Economic Research Project / Final Report by Land O'Lakes Communications Network | 2003 | RW    |
| Gananoque – Economic Development Committee, Communications Plan  | 1992 | RW    |
| Grenville Community Futures Development Corporation: 2003-2006 Business Plan   | 2002 | RW    |
| Grenville CFDC Annual Planning Session – Progress vs. GCFDC 2003-2006 Business Plan  | 2003 | RW    |
| Grenville – Grenville 2001: Positioning Our Community For The Future   | 1998 | RW    |
| Grenville County Profile   | N/A  | RW    |
| Haliburton – Strategic Plan  | 2003 | KW    |
| KEDCO Business Plan  | 2004 | HS    |
| Lanark Highlands Vision for 2020<br><a href="http://www.lanark-highlands.com">http://www.lanark-highlands.com</a>  | 1999 | RW    |
| Lanark – Economic Development Assessment Study commissioned by the Valley Heartland CFDC   | 2004 | RW    |
| Lakefield Speed Skating Oval Inc. – Business Plan  | 2001 | JS/KW |
| Land O' Lakes Region – Resource Jump Team Report/Tourism Product Development   | 2003 | JS    |
| Leeds Grenville Jump Team Report<br><a href="http://www.grenvillecdc.com/pdfdoc/eco_jumpreport.pdf">http://www.grenvillecdc.com/pdfdoc/eco_jumpreport.pdf</a>                        | 2003 | RW    |
| Leeds & Grenville and North Grenville – Practical Design Guidelines for the Corridor of County Road 43 as a Public Space   | 2001 | RW    |
| Leeds & Grenville Business and Services Industry Analysis  | 1998 | RW    |
| Leeds & Grenville – Economic Development Strategy  | 1990 | RW    |
| Leeds & Grenville – Economic Development Strategic Plan  | 2002 | RW    |
| Leeds & Grenville – United Counties of Leeds & Grenville Economic Development Study/Workshop Information Package   | 1990 | RW    |
| Leeds & Grenville – Socio-Economic Profile   | 2002 | RW    |
| Leeds & Grenville – Competitive Advantage Analysis   | N/A  | RW    |
| Leeds & Grenville – Labour Flow Analysis   | N/A  | RW    |
| Leeds & Grenville – Socio-economic Analysis  | 2004 | RW    |
| Leeds & Grenville – Market Threshold Analysis  | N/A  | RW    |
| Leeds & Grenville – Community Profile produced by the LAFLG Training Board   | 2001 | RW    |
| Lennox and Addington County – Trends, Opportunities and Priorities/Community Plan of Action  | 2004 | JS    |
| Lennox and Addington County – Agriculture Sector Business Retention & Expansion Survey   | 2004 | JS    |
| Lennox and Addington County – Manufacturing/Industrial Sector Business Retention & Expansion Survey  | 2003 | JS    |

|   |           |    |
|---|-----------|----|
| Lennox and Addington County – Economic and Social Profile   | 2001      | JS |
| Lennox and Addington County – Addington Highlands Development Proposal<br><a href="http://www.lennox-addington.on.ca/business/addingtonInvestment.pdf">http://www.lennox-addington.on.ca/business/addingtonInvestment.pdf</a> | 2002      | RW |
| North Hastings Community Strategic Plan   | 2002      | RW |
| North Grenville – Business Retention + Expansion Program Review   | 1999      | RW |
| North Grenville – Economic Development Committee Planning Workshop  | 2000      | RW |
| North Grenville – Economic Development Strategy – “Mapping A New Direction”   | 1992      | RW |
| Northumberland County – Strategic Business Plan for Regional Economic Development   | 2002      | JS |
| Northumberland – Tourism Marketing Plan 2001: The Northumberland Experience   | 2001      | KW |
| Northumberland – Economic Development in Northumberland County: Feasibility Study, Final Report   | 2003      | KW |
| Peterborough, County of – Strategic Planning Exercise 2002, 2001; Strategic Plan 1999, 1998; Strategic Economic Development Plan 1990   | 1990-2002 | JS |
| Prince Edward County – Economics of Agriculture   | 2001      | HS |
| Prince Edward County – Market Readiness Assessment & Strategic Economic Development Plan<br><a href="http://www.thecounty.ca/cips/pdf/MarketReadinessStudy.pdf">http://www.thecounty.ca/cips/pdf/MarketReadinessStudy.pdf</a> | 2004      | RW |
| Prescott – Destination Hotel Accommodation Development, Market Study and Financial Projections  | 2000      | RW |
| Prescott – Marketing The Retail Sector, Strategy Session Highlights   | 2000      | RW |
| Quinte – Industrial Target Marketing Study for Quinte Economic Development Commission   | 2001      | KW |
| Quinte – Manufacturing Sector – Strategic Blueprint for Economic Growth: An Integrated Workforce Development System   | 2001      | KW |
| Renfrew – Business Retention and Expansion Report   | 2004      | MD |
| Stormont, Dundas and Glengarry – United Counties Strategic Sectors Report <a href="http://www.sdg.on.ca/advagr.htm">http://www.sdg.on.ca/advagr.htm</a>   | N/A       | RW |
| Smith/Ennismore/Lakefield, Township of – Economic Strategy 2003-2012  | 2003      | JS |
| Smiths Falls, Town of – Strategic Plan<br><a href="http://www.town.smiths-falls.on.ca/WhatsNew/Strategic%20Plan.pdf">http://www.town.smiths-falls.on.ca/WhatsNew/Strategic%20Plan.pdf</a>                                     | 2002      | RW |
| South Glengarry, Township of – Economic Development Strategic Plan  | 2003      | JS |
| South Grenville – Economic Development Strategy Session Highlights  | 2004      | HS |
| Wolfe Island – Enhancing Wolfe Island Tourism   | 2000      | HS |
| Wolfe Island – A Plan for Economic Development  | 1998      | HS |
| Victoria, County of – Sector Based Economic Development Strategy  | 1998      | JS |

## Sector-Specific Studies (Regional/Sub-Regional Scope)

| Title   | Year      | Source          |
|---|-----------|-----------------|
| <b>Aboriginal Affairs</b>   |           |                 |
| Building Partnerships for the 21st Century – Indian Affairs and Northern Development Ontario Region Business Plan   | 1999-2000 | RW              |
| Report of the Working Group on Aboriginal Participation in the Economy  | 2001      | RW              |
| <b>Agriculture/Rural/Aboriginal Affairs</b>   |           |                 |
| Canada – Rural Action Plan, Building Our Future Together, The National Rural Conference, Government of Canada   | 2001      | RW              |
| Rural Canada in the Knowledge-Based Economy   | N/A       | RW              |
| Ontario – Rural Action Plan: “Strong Rural Communities: Working Together For Success” by Ministry of Municipal Affairs and Housing  | 2004      | HS              |
| Small, Rural and Remote Communities: The Anatomy of Risk  | 2003      | SK <sup>2</sup> |
| Towards More Effective Rural Economic Development in Ontario; An Applied Research Project – Technical Report #3   | 2003      | RW              |
| Innovative Rural Communities: A Framework for Innovative Rural Communities – Year One Report  | 2004      | RW              |
| <b>Forestry</b>   |           |                 |
| “Healthy Forests, Healthy Business” by Terry Lapierre for Ontario Ministry of Natural Resources, Central and Eastern Ontario Region   | 2001      | MD              |
| A Canadian Biomass Inventory: Feedstocks for a Bio-Based Economy, BIOCAP Canada Foundation  | 2003      | KW              |
| <b>Manufacturing:</b>   |           |                 |
| Food Processing - Ontario East Economic Development Commission - Eastern Ontario as a Prime Location for Large Food Processors<br><a href="http://www.frontenaccfdc.com/downloads/OEED-FoodSectorStudy.pdf">http://www.frontenaccfdc.com/downloads/OEED-FoodSectorStudy.pdf</a> | 2003      | JS/KW           |
| Eastern Ontario Food – Processing Sector Competitiveness Study<br>Final Draft Revision D<br>Prepared for: Ontario East Economic Development Commission  | 2004      | RW              |
| <b>Technology</b>   |           |                 |
| A Vision of High Technology Activity in Eastern Ontario by Doyletech  | 2000      | RW              |
| Creating Economic Development Linkages With The Ottawa  | 2000      | RW              |

<sup>2</sup> Provided by Stephen Kelly

|   |      |    |
|---|------|----|
| Technology Cluster, A Needs Analysis Study for KEDCO, City of Brockville, Grenville Community Development Centre, County of Lennox and Addington, Town of Gananoque |      |    |
| The Socio-economic Benefits Generated by 24 Colleges of Applied Arts and Technology in Ontario  | 2004 | RW |
|   |      |    |
| <b>Tourism:</b>   |      |    |
| An Overview of Tourism – 1000 Islands-St. Lawrence Seaway: An Overview of Domestic & International Travel Surveys (2001) and  | 2001 | RW |
| An Overview of Tourism – 1000 Islands-St. Lawrence Seaway Travel Activities & Motivation Survey (TAMS)  | 2001 | RW |
|   |      |    |

## **Appendix G – Précis of Major Reports**

### **Regional/Part-Region**

**A Comparative Economic Development Study of Northern and Eastern Ontario, prepared for the Upper Canada Economic Renewal Project  
Centre for the Study of Training, Investment and Economic Restructuring, Faculty of Public Affairs and Management, Carleton University, Ottawa.  
1998**

The authors examined the level of funding from Industry Canada to Eastern and Northern Ontario from the mid-80s to mid-90s, a period in which the formation of FedNor led to more economic development funding directed to Northern Ontario. A larger share of Ontario provincial program funds was channelled from the Ministries of Northern Development and Mines, Transportation and Natural Resources to Northern Ontario. Eastern Ontario received a slightly greater share of funding from the Ministries of Agriculture and Economic Development and Trade.

The report says that Eastern Ontario was less able to support a rising population, compared to Northern Ontario, when labour force participation and employment-population ratios for a five-year period were analysed. It argues that federal and provincial program expenditures for Eastern Ontario need to be bolstered to reverse a decline and that federal and provincial efforts be more coordinated to achieve policy ends. FedNor and the Ontario Ministry of Northern Development and Mines are mentioned as possible structural models for a coordinated approach.

**Eastern Ontario Smart Growth Panel  
Final Report  
Shape The Future  
2003**

The panel's vision is that "Eastern Ontario will build upon its thriving social and cultural assets and highly skilled workforce, combined with a strong and diverse economy. People of all ages will have choices in exciting work and economic opportunities as the region's economy continues to be fuelled by its world-class educational institutions, leading-edge technology industries, agricultural assets, manufacturing and natural resources in conjunction with first-class infrastructure and transportation."

It notes that Eastern Ontario is a region faced with two issues. First, the Ottawa area is dealing with high population growth and related challenges, such as traffic congestion and land-use pressures. On the other hand, many other communities, in particular rural communities, need growth to achieve their potential.

It has recommendations to deal with those two contradictory aspects of regional growth, in building economic opportunity and prosperity, safeguarding and promoting the area's unique assets and quality of life, and enhancing environmental stewardship. Those include that the province coordinate its economic development efforts across ministries to better tailor policies and programs to meet the specific regional needs of Eastern Ontario and that it recognize Eastern Ontario as an economic unit through an umbrella organization to improve branding and marketing of Eastern Ontario. It also calls for the establishment of a centre of excellence for biotechnology for Eastern Ontario by building upon the zone's post-secondary educational institutions; provincial support for the timely implementation of high-speed communication infrastructure to all sectors of all communities; increased provincial efforts to promote skilled trades and apprenticeship programs; and provincial encouragement to post-secondary institutions to develop programs in knowledge-based industries, business management and the broader biotechnology industry. It wants all levels of government to work towards the development of a better-coordinated program of workforce training, apprenticeship programs and accreditation of foreign-trained workers.

The report includes considerable detail about the region in its maps and appendices.

### **Central Ontario Smart Growth Panel Shape the Future 2003**

The panel was asked to advise the provincial government on a long-term growth strategy and on two of Central Ontario's most pressing growth issues: gridlock and waste management. The report outlines how to achieve smart growth in the central zone by 2035. It sets out short-, medium-, and long-term actions.

The panel's recommended strategic directions stress the importance of balanced growth; transit as the first priority for an integrated transportation network; protection for the environment; a need for a more collaborative approach to waste management; and optimization of existing infrastructure. It calls for identifying urban expansion areas well in advance as part of comprehensive planning; preserving employment lands as designated in Official Plans, particularly those near major transportation corridors; and supporting downtown revitalization, brownfield redevelopment, cultural heritage conservation, and waterfront revitalization.

The recommended implementation framework and next steps include a call for the establishment of an accountable stakeholder body advisory to the province with the authority and resources to coordinate elements of a provincial Smart Growth strategy that cross municipal boundaries; a facilitator within the provincial government to coordinate and ensure that the policies of all provincial ministries support Smart Growth goals; legislation to give the Smart Growth strategy status; and further research, mapping and analysis.

**Eastern Ontario Counties -- Future Directions  
Allan & Partners Inc.  
Update August 2004  
(original report produced in 2002, then updated in 2003)**

This report updates statistics on several aspects of assessment, tax base, tax policy, population data, and CRF allocations/reconciliations for twelve counties in Eastern Ontario.

It notes limited assessment growth in Eastern Ontario, and the limitations of the property tax base, along with shifts of tax burden from commercial and industrial ratepayers to the residential class. The impact of Local Services Realignment is also identified, with deficits growing for land ambulance service, social housing, farmland and managed forests, and education tax room. The costs for downloaded highway infrastructure were flagged as grave concerns.

**Ontario East Economic Development Commission  
Strategies for Growth  
2004**

The Commission outlines its vision to be the most significant economic development organization representing Eastern Ontario, continuously improving investment and job growth. Its key focus is to develop Eastern Ontario economic strategies and plans; build continuous public/private and partner relations and profile; provide educational opportunities and research to its member base; position Eastern Ontario as a preferred investment site; and act as a voice for Eastern Ontario in policy development.

It will measure its impact by the successful creation of Memorandums of Understanding with regional partners; the successful creation of an Eastern Ontario Deputy Minister or Secretariat within the provincial government; an increase in inquiries on the organization's web site; an increase in the number of members in the organization; the successful realization of operations funding for a five-year term; and an increase in investment in Eastern Ontario.

It lists four primary target markets for its marketing efforts: Site selector firms, biotechnology investment, food processing investments, and Canadian consulates.

**Ontario East Economic Development Commission  
Statement of Direction  
2003**

The Commission argues there is a significant gap between what is needed to market Eastern Ontario and that which is provided by all levels of government and the economic development commission itself. To achieve its role as the most effective economic development agency representing the marketing needs of the region, it says that existing informal partnerships with the federal and provincial government and private sector must be formalized.

It identifies its core competencies as marketing through both external promotions and internal communications; education of its members; research on the economic structure of the region; policy development and analysis; and business development.

It calls for adding representatives of the federal and provincial government to its board, and outlines the need for more financial resources to achieve its mandate.

**Eastern Ontario Strategic Transportation Directions, Draft.  
Ontario SuperBuild and Ministry of Transportation  
2002**

After the Smart Growth vision was released in 2001, the Ministry of Transportation consulted stakeholders on transportation directions to harmonize with the Smart Growth panel's objectives: Promote choices for travel within and between communities; move people and goods efficiently; reduce gridlock in areas with high population and employment growth; and develop integrated transportation networks to promote access and economic activities.

The report provides brief descriptions of population distribution and economic sectors in Eastern Ontario and of modes of transportation and key market areas for Eastern Ontario. The area covered is the eastern limits of the Greater Toronto Area to the Quebec border.

The report proposes these overall transportation strategies: Maintain and improve the provincial highway system; recognize the importance of rail freight to reduce trucking distances; identify municipalities' transit system priorities to enable local governments to apply for funding under the Ontario Transit Capital Renewal Program and the Ontario Transit Improvement Program; encourage integrated land use and transportation planning; improve the 401 corridor; improve mobility and connections in the National Capital Region; improve linkages to the Greater Toronto Area; and develop better cross country links in the rural areas.

**CFDC East and South East Regional Conference -- Strategy Session Highlights****Erik Lockhart/Queen's University Executive Decision Centre  
October 1, 2004**

This report covers proceedings of a workshop held in Kingston to get input from the East and South East CFDC Regions with respect to the direction of the Ontario Association of Community Futures Development Corporations (OACFDC) and to define the corresponding roles of both regions. The participants brainstormed more than 30 ideas for working together, and prioritized them, but did not have time to develop concrete action plans.

Suggested activities for OACFDC over the next three years included acting as a central clearing house for best practices and local success stories; centralizing purchasing power; pursuing investment capital for CFDCs; and various advocacy, marketing, advertising and communications functions. Activities for the regions included serving on regional committees, boards and groups, and sharing information on local activities.

The workshop identified eight potential regional initiatives related to: EODF and securing sustainable funding; joint marketing; strengthening the OEEDC partnership; supporting other CFDCs in the network; looking for opportunities to partner on larger scale programs/projects; co-ordinating input to OACFDC, developing regional projects, and investigating co-operative efforts with other regions.

**Focus on Training Report -- Environmental Scan  
East Central Ontario Training Board  
September 2000**

This document provides an update on the previous year's recommendations on training and adjustment issues for the East Central region and identifies new or emerging issues. It covers key developments, local industry concerns, training issues, local labour force characteristics and provides relevant appendices (sample of survey used; list of organizations consulted).

The report was based on comprehensive community consultations, research and analysis of many items related to local training, industries, occupations and the overall labour market. It touched on labour and training issues in sectors such as logging and forestry, wood products, agriculture, rubber products, paper products, motor vehicle parts, railroad rolling stock, electrical and electronics, manufacturing, construction, physicians, health practitioners, labs and other health services.

Some of the key issues identified for smaller population centres in the rural areas of the region included access to training services, availability of skilled labour, youth leaving the area, and the need for important infrastructure to support business development.

**Trails Assessment Report - Phase II****Greer Galloway Group - Engineers and Planners  
for the Eastern Ontario Trails Alliance  
1999**

Section 4.0 of this report assesses the potential economic benefits of the trails network once it is operating under Phase II. The study is structured according to three primary user groups -- local residents, day-use tourists and overnight tourists. The main activities considered were: motorized vehicles (ATV or dirt bike users); bird watching, cross-country skiing; horseback riding, nature appreciation, recreational cycling, walking, snowmobiling, and snowshoeing.

The annual economic impact due to combined expenditures for construction and operation of the EOTA Phase II trails over a ten-year time period was estimated at \$7.2 million in Year 1, increasing to almost \$9.6 million in Year 10. (This estimate included the impact of all direct, indirect and induced expenditures. Most of the impact came from operations.) Estimated construction budget for Phase II was \$180,100.

The annual economic impact from the whole EOTA network, including Phase I trails, was estimated at \$45.8 million. The total number of direct and indirect jobs created by the development and operation of the Phase II trails was projected to be 487 jobs.

**Changing Times: Time for Change  
A Plan to Transform the Economy of Eastern Ontario  
Sponsored by the Upper Canada Economic Renewal Project  
December 1999**

In early 1999, the Upper Canada Economic Renewal Project undertook an initiative to address the under-performance of the economy in Eastern Ontario. With \$300,000 invested by the federal government, Carleton University's CSTIER centre was commissioned to do a study that compared the economic development performance of Eastern Ontario with that of Northern Ontario.

Among other findings, the report describes Ottawa-Carleton as the economic engine for Eastern Ontario. It notes that cities, towns and municipalities have built their economies on local trade and have a history of "going it alone," believing that their primary competitors are the neighbouring communities (so-called silo syndrome). It identified major infrastructure problems, particularly telecommunications and connectivity, and expressed concerns at the loss of young people who continue to move elsewhere in search of jobs.

Concern was also expressed at the lack of a commonly held vision or regional strategic plan to guide Eastern Ontario's economic development. And lacking a strategic framework, federal and provincial governments can't integrate and rarely collaborate in the delivery of economic development programs to the region. The model for Northern Ontario was referenced for future consideration.

### **Community-Specific Reports**

#### **Ottawa Area in Profile**

**Ontario Ministry of Municipal Affairs and Housing, Provincial Planning and Environmental Services Branch, Toronto**

**2003**

**ISBN 0-7794-4059-5**

[www.mah.gov.on.ca/userfiles/page\\_attachments/library/1/58823\\_Ottawa\\_Profile.pdf](http://www.mah.gov.on.ca/userfiles/page_attachments/library/1/58823_Ottawa_Profile.pdf)

The Ottawa area in this study is from the Cornwall border through Lanark Renfrew and Lanark County and the United Counties of Leeds and Grenville, Prescott and Russell and Stormont, Dundas and Glengarry.

Statistics are drawn from 1996 and 2001 Statistics Canada data; Canada Mortgage and Housing Corporation; Ontario ministries of Finance, Tourism and Recreation, Natural Resources, Agriculture and Food; City of Ottawa Economic Development Corporation; and private sources.

Topics are: Population and housing, employment and economy, managing and servicing growth, transportation, environmental management, natural resources and quality of life. Commentary on issues and trends is captured in sidebars. Graphs present trends. There is limited information for the communities and counties around Ottawa except for Average Value of Dwelling and a map depicting labour force commuting patterns and significant natural heritage features.

#### **Kingston Economic Development Commission (KEDCO)**

##### **Business Plan**

**2005**

The organization has reorganized around six clusters to reflect the funding priorities of senior governments: Visitor services and marketing; entrepreneurship and small business; alternative energy; biotechnology and bio-health; retail, commercial and property development; and manufacturing, warehouse and distribution.

Its tourism goal is to double the number of visitors to Kingston to 5 million by 2010. That will involve developing more "product" or attractions to convince visitors to stay longer

or come at non-peak time. Its product development targets include two new sporting events, and two new and two expanded festivals.

KEDCO sees Kingston as being in a position to become a national if not global leader in alternative energy, specifically fuel cells. It will be promoting the Kingston cluster within the broader North American industry and also identifying business and research organizations that are currently isolated and could be located in Kingston. KEDCO is also working with the province to establish a biotechnology-focused Regional Innovation Network. As well, during 2005, 15 volunteer ambassadors will join KEDCO staff in visiting member businesses – over 500 senior managers – to find ways to stimulate economic growth.

## **Sector-Specific Reports**

### **Aboriginal Affairs**

#### **Economic Development in Ontario First Nations Communities 2002**

**ISBN 0-662-31914-1**

[www.ainc-ianc.gc.ca/on.stec\\_e.html](http://www.ainc-ianc.gc.ca/on.stec_e.html)

Indian Affairs and Northern Development, Ontario Region, provided almost \$16 million in provincial small business funding to aboriginal enterprises in 2001-2002. This report provides capsule summaries of nine economic development projects in Ontario First Nations communities and demographics for Ontario First Nations.

#### **Strengthening Aboriginal Participation in the Economy**

#### **Report of the Working Group on Aboriginal Participation in the Economy to the Federal-Provincial/Territorial Ministers Responsible for Aboriginal Affairs and National Aboriginal Leaders**

**2001**

The Working Group consisted of five national aboriginal organizations, Indian and Northern Affairs Canada, and ministries responsible for aboriginal affairs in all provinces and territories except Newfoundland and Labrador.

The report contains 51 best practices to achieve increased aboriginal participation in the economy. Annex 7.2 is a summary chart of the best practices; Annex 7.3 is a compilation of best practices gathered from requests made in preparing the report.

The authors list these common elements to address barriers to aboriginal participation in the economy: Inclusiveness (defined as meaningful participation at an early stage); transparency; flexibility; follow-through; access to equity; focus on tangible outcomes; innovative “outside the box” approaches by all parties; private sector involvement; and commitment from all levels to support initiatives.

Recommendations include: Galvanize efforts to access new information technology and close the “digital divide”; engage the private sector and actively develop partnerships and role models; share information on best practices and coordinate partnership and multi-sectoral approaches; maintain a focus on youth.

### **Agriculture/Rural Affairs**

#### **Taking Action for Sustainable Rural Communities: The Third National Rural Conference Canadian Rural Partnership, Agriculture and Agri-Food Canada 2004**

The federal government created a Rural Secretariat in 1998 in recognition of the importance of rural Canada.

In a series of consultations leading up to the first National Rural Conference in Magog-Orford in 2000, rural Canadians identified these priority areas for rural Canada: Access to programs and services; access to financial resources; more targeted opportunities for rural and Aboriginal youth; rural community capacity building; infrastructure for community development; skills and technology to participate in the knowledge-based economy; economic diversification through more targeted assistance; access to health care at reasonable cost; access to education at reasonable cost; strategic partnerships for rural community development; and promoting rural Canada as a place to live, work and raise a family.

The second National Rural Conference was held in Charlottetown, PEI in 2002. The third National Rural Conference was in Red Deer in October 2004. It focused on community capacity building, youth, entrepreneurship, northern issues and infrastructure.

Participants say that communities need to cooperate, collaborate and form partnerships, and be inclusive. Training is needed, starting early and involving more e-learning to keep people closer to home; volunteers’ efforts need to be recognized; communities need to recognize and capitalize on their assets and advantages; communities need leaders and vision; good communication is paramount for projects to succeed and understanding of rural infrastructure and rural communities to take place; and communities need funds for community capacity building and consistent and sustained funding in programs. They said that grassroots approaches work best, and funding criteria need to be more flexible.

Participants were critical of government programs that require applicants to obtain a percentage of their funding from municipal governments, since not all rural areas are incorporated and not all communities can pay a percentage required for a new program initiative.

**Small, Rural, and Remote Communities:  
The Anatomy Of Risk  
By Enid Slack, Larry Bourne, and Meric Gertler  
2003**

This paper examines the provincial government's role in responding to the increased social, economic, and fiscal challenges facing small, rural and remote communities, which are defined by the writers as "communities at risk."

The report looks at how provincial growth trends have been increasingly concentrated in a few metropolitan areas in the southern part of the province, largely driven by immigration and growth in the services sector. It details the varied characteristics of small, rural, and remote communities, notably their small size, older demographic structure, population decline, economic specialization, dual labour markets, and geographic isolation. It defines the specific challenges facing communities at risk and describes the current relationships between communities at risk and the provincial government.

The report addresses the question of the most appropriate form and level of government at the sub-provincial level for small, rural, and remote communities. It describes and evaluates the advantages and disadvantages of a number of governance options: Two-tier government, single-tier government, inter-municipal agreements, special purpose locales, senior government funding of services, and intergovernmental transfers.

It recommends that the province develop a comprehensive strategy for small, rural and particularly remote communities – one that recognizes the demographic realities of these communities and the likelihood of continued economic contraction in these areas. That strategy therefore – as politically charged as it might be -- must inevitably involve the development of policies that both anticipate and accommodate widespread population decline. Decline it stresses is not necessarily a problem if it is not too rapid, if its effects on the quality of life are not too severe, and if it is properly managed. If decline is not properly managed, however, its costs and social consequences can be both substantial and inequitable.

At the very least, the report says, the provincial government will have to work together through a series of partnerships with local governments and regional authorities to develop strategies that recognize the inevitability of decline of many such communities and then build on the specific advantages and attractions that do exist in such locations.

**Rural Development  
Rural Canada in the Knowledge-Based Economy  
Industry Canada (in consultation with the Rural Secretariat)  
Special Edition Micro-Economic Monitor (ISSN 1206-260X)  
March 2001**

This report provides a profile of rural Canada and assesses its degree of integration into the knowledge-based economy. Dimensions important to that economy are examined, including human capital, education, training, innovation and connectedness. The

definition of “rural” is taken to be areas with a population of less than 10,000 that are outside of commuting zones for small cities or CMAs.

It concludes that Rural Canada, like its urban counterpart, is more and more involved in the knowledge-based economy -- employment in high-knowledge occupations is growing fast; the workforce is increasingly educated; and computer and Internet use are on the rise.

Rural Canada also lags behind in some key areas, including education, training, connectedness, and likely lags in innovation (a lack of data makes it difficult to say). Some gaps are linked to heavier reliance on location-dependent resource industries.

**Towards More Effective Rural Economic Development in Ontario:  
An Applied Research Project  
Technical Report #3:  
A Report on “Best Practice” in Local Economic Development in Rural Ontario  
David J.A. Douglas, University of Guelph  
2003**

This is one of five technical reports from an applied research study from 1999-2003. Technical Report # 3 is based on interviews with three rural municipalities and one community-based development organization whose peers had been cited as examples of best practice in local economic development.

The authors found the best practice organizations shared these common characteristics: There was political commitment for economic development with dedicated resources and a hands off approach; at least one full-time position for economic development existed; funding for projects was sought from multiple sources; in-house research and analysis was routinely carried out; a plan or strategy was in place; inclusiveness and broad participation were key factors in developing plans and strategies; inter-agency collaboration was evident; there were no barriers to horizontal and vertical collaboration within organizations; inter-municipal collaboration resulted in less duplication of effort and generated lots of goodwill; and best practices for local economic development were considered to be readily transferable to other contexts in rural Ontario.

**Innovative Rural Communities:****A Framework for Innovative Rural Communities****Year One Report****M.E. Robertson & Associates, Alpha Projects, C. Lang Consulting, and University of Guelph****2004**

The Innovative Rural Communities project is a multi-year project launched in 2003. Its goal is to increase understanding of rural innovation and to develop innovation-planning tools. The study partners want to highlight the types of innovation taking place in rural and Northern Ontario and the characteristics of the communities that are fostering innovation. A 21-page literature review, *Perspectives on Innovation: Toward an Understanding of Innovation in the Rural Context*, is located in the report appendix.

The top three factors contributing to innovation were: Meeting a need or issue; having local champions; and a mindset supporting cooperative and partnership efforts. Key characteristics of rural innovators were: Vision, drive and determination; action-oriented; partnership-builders; designers of innovative products and entrepreneurs who see a project throughout the life cycle; teachers and mentors; builders, not maintainers.

Those findings were from 26 in-depth interviews conducted in six areas: Chatham-Kent; Huron County; Kingston-Frontenac; Greater City of Sudbury, Sioux Lookout; and Parry Sound.

More work will be done to identify characteristics of innovative rural communities and policy implications will be analysed in subsequent reports.

**Ontario Ministry of Municipal Affairs and Housing****Stronger Rural Communities****Working Together For Success****2003**

The report outlines three priorities for rural Ontario: Strong people, strong economy; better health; and success for students. Those are intended to be the building blocks to strengthen rural Ontario.

It will be achieved by investing in local community and economic development projects; supporting community revitalization; promoting local leadership; encouraging diverse economies; partnering with municipalities to repair and maintain local roads and bridges; introducing new, innovative financing tools to help municipalities finance critical infrastructure projects; supporting municipal staff by providing training opportunities to boost strategic planning skills; and investing in skills development.

The program also calls for improving workshops on rural tourism, downtown revitalization and brownfield development; working with small rural businesses to increase their business development expertise; improving water quality and upgrading sewage treatment and waste management infrastructure; providing education and outreach on government regulations to help rural communities to meet drinking water

standards; setting targets on waste diversion; supporting wind and water power; and better funding for rural schools.

### **Biotechnology/Bio-Based Economy**

#### **An Assessment of the Opportunities and Challenges of a Bio-Based Economy BIOCAP Canada Foundation, Kingston Ontario K7L 3N6 2003**

Commissioned by the Agri-Food Research Council and BIOCAP, the study was intended to give researchers, legislators and the public a better understanding of research issues associated with the bio-based economy – the replacement of petrochemical-based industrial chemicals with chemicals derived from renewable biological materials. The study focused primarily on bioplastics, bioadhesives, biocomposites, biolubricants, platform chemicals and biofuels (ethanol, biodiesel, methane and other energy sources).

Biofuels is described as having the greatest potential for impact on the agricultural economy and greenhouse gas reductions. However, while technology gains have been impressive for ethanol, more R&D is needed for the production of ethanol from starch and lignocellulosic feedstocks and across the entire production-conversion cycle for biodiesel. The report notes that in the bioplastics sector, the focus of Canadian companies and R&D efforts has been on niche markets which will not significantly affect greenhouse gas emissions. The report also suggests that bio-based adhesives may be an opportunity waiting to be developed. Biocomposites are considered a developing market in Europe but that high interest in North America has not yet translated into market development. For platform chemicals, research opportunities abound, particularly related to cost/performance ratios for enzymes.

#### **A Canadian Biomass Inventory: Feedstocks for a Bio-based Economy BIOCAP Canada Foundation, Kingston Ontario K7L 3N6 Susan M. Wood and David B. Layzell June 27, 2003**

A detailed analysis was carried out to assess the capacity of Canada's biological resources in agriculture, forestry, and to a lesser extent, municipal waste streams, for supplying feedstocks for large-scale production of bio-based energy, industrial chemicals and feedstocks, as well as production of food, feed and fibre. The report notes that 6.8 per cent of Canada's land mass is agricultural land, with 3.6 per cent considered cropland. However, 42 per cent of Canada's land mass is forested and 25 per cent (245 million hectares) is considered Timber Productive Forest with a biomass carbon stock estimated at 15,835 mega-tonnes of carbon. The energy content of this biomass equals 69 years of Canada's energy demand now being met by fossil fuels. Ontario has about 10 per cent of the Timber Productive Forest and harvests about 20 per cent of the annual national total.

Each year, Canada harvests about the same amount of carbon as is represented by the CO<sub>2</sub> emissions from fossil fuel use. A 25 per cent increase in forestry and agricultural production in Canada could provide biomass energy equivalent to about 15 per cent of

the energy now obtained from fossil fuels. The key insight from this report may be that by using the large residual biomass carbon streams (about 42 per cent of the entire forestry and agricultural harvest), Canadians could supply between 18 and 27 per cent of the country's current energy demand now being met by fossil fuels. The report notes that advancement of this part of the bio-based economy would help to meet international climate change commitments, stimulate rural economies, and encourage innovation and economic growth through a renewable and sustainable supply of energy, chemicals and materials.

**Biotechnology Cluster Strategy Plan  
Central Eastern Ontario Biotechnology Cluster Innovation Program  
Central Eastern Ontario Consortium  
February, 2004**

This report describes how the Central Eastern Ontario region (from Gananoque to Brighton) will build on its innovative leadership in technology transfer, biotechnology start-up creation and venture capital funding to advance the biotechnology sector in the region. Based on a ten year horizon, the plan contemplated a Regional Leadership Council to guide implementation of several core strategies: recruitment of world-renowned scientists, rising star academicians and graduate students, more intensive technology prospecting and support for collaborations spanning public and private sectors, growth of larger local venture capital funds and a new angel fund, and development of a new multi-tenant facility and technology park to keep start-ups in the region as they grow.

**Forestry**

**Healthy Forests, Healthy Business  
Ontario Ministry of Natural Resources, Central and Eastern Ontario Region  
2001**

ISBN 0-7794-1481-0

This report presents information on the four Forest Management Units of Central and Eastern Ontario, the forest industry, the impact of forestry on the regional and provincial economies, and new investment opportunities for wood products and value-added economic development.

Ontario Ministry of Natural Resources and Terry Lapierre conducted a survey in the two regions to capture the economic impact of forestry and to identify business enterprises. The Gross Regional Income for the two regions, measured as income generated in the region from all sources, is estimated at \$663 million from forestry and other goods produced by forest products. The direct and indirect impact of forestry on the economies of the communities in the four Forest Management Units and provincially is presented. Local companies that have been successful in breaking into new markets with specialty wood products and appearance wood products are profiled.

**Technology****The Socioeconomic Benefits Generated By 24 Colleges of Applied Arts and Technology in Ontario****M. Henry Robison and Kjell A. Christophersen****CCbenefits Inc****2004**

This provides a comprehensive economic model of the economic and social benefits of Ontario's colleges of applied arts and technology. It found that the 24 colleges play a role in \$11.4 billion, or 4.5 per cent of all annual earning in the provincial economy, through their own operations and past students' earnings, as well as the multiplier effect of those economic activities. The colleges pay \$1.2 billion in direct faculty and staff wages, salaries and benefits, and explain an additional \$10.2 billion in earnings off campus.

Taxpayers see a real money "book" return of 12.1% on their annual investments in the colleges and recover all investments in 10.7 years. Students enjoy an attractive 9% annual return on their investment of time and money – for every \$1 the student invests in college education, he or she will receive a cumulative \$2.16 in higher, discounted for time, future earnings over the next 37 years.

The report also looks at improved health, reduced crime, and reduced welfare costs. It concludes that the benefit/cost ratio for the whole system is 13:1 – for every dollar of provincial or local tax money invested in the College there is a return of \$13 over the next 37 years.

**A Vision of High-Technology Activity in Eastern Ontario During the Period from 2000 to 2030****Doyletech Corporation, Nepean Ontario****Financial Assistance provided by the Ontario Ministry of Economic Development and Trade****October 2000**

As an aide to policy makers at all three levels of government, this report describes the high technology industrial activity that could occur in Eastern Ontario between the years 2000 and 2030. It looks particularly at the impact of the Ottawa Technology Cluster on communities within commuting distance of Ottawa, but anticipates expansion of its influence on communities throughout the Cornwall/Napanee/Pembroke triangle.

The Doyletech Report assesses future potential impacts in 17 technology segments, from aerospace, defence and security through electro-optical, energy, environmental, IT, medical and biotechnology, to software, telecommunications and transportation. It offers projections for cities and counties, and identifies potential mechanisms, accelerators and decelerators.

The technology sector in greater Eastern Ontario area (bounded by Cornwall, Napanee and Pembroke, excluding Ottawa) was projected to grow from 6,200 high-technology

jobs to 36,000 by the year 2030. About 30% of the employment was projected to be in Kingston, where a strong life sciences industry was predicted. Renfrew and Lanark County, influenced by expansion of Ottawa's telecommunications industry, were expected to grow almost as rapidly as Kingston. Strengths were also identified in Brockville, Cornwall and Hawkesbury. Two corridors of activity in the region were expected along Highways 416 and 43.

The impact was expected to be accelerated if improvements were made in such areas as access to venture capital and design of new local economic development strategies. Identified decelerators included brain drain and deteriorating currency valuation.

**Creating Economic Development Linkages with the Ottawa Technology Cluster  
(A Needs Analysis Study of the Ottawa Technology Cluster and A Supply  
Capability Study As It Relates to Meeting Those Needs)**

**Doyletech Corporation, Nepean Ontario  
(for the Kingston Economic Development Corporation, City of Brockville,  
Grenville Community Development Centre, County of Lennox & Addington, and  
Town of Gananoque)  
November 2000**

This report describes the results of a program that was carried out in Eastern Ontario by Doyletech Corporation to assist local economic development authorities in implementing a linkages strategy. The first part of the report includes a needs analysis of the Ottawa Technology Cluster (OTC) that was carried out in 1999 and the second part includes a supply capability analysis of the area covered by the economic development authorities in Kingston, Brockville, Grenville, Lennox & Addington, and the Town of Gananoque.

The three major strategies available to an economic development authority are an importation strategy (in which the emphasis is on attracting branch plants and branch offices of existing firms that are located elsewhere), a grow-your-own strategy (where the emphasis is on helping entrepreneurs incubate new companies) and a linkages strategy (involving the transfer/exchange of products and services with external markets). This report concentrates on the last option and outlines expectations of growth in the communities studied.

In 1999, Doyletech Corporation carried out a study on what OTC companies purchase for their Cost of Goods Sold. It indicated that in 1999, they purchased \$2.4 billion in the way of products ranging from semiconductors to machined parts and \$1.5 billion in the way of services ranging from the assembly of components and systems to brokerage and warehousing.

In the latter part of 2000, a supply capability analysis was done on certain firms in the area and found that the level of knowledge of OTC activities and needs by potential suppliers in these regions is relatively low. There are plenty of supply opportunities for companies that are not high-tech companies (e.g. machine shops and metal fabricators). Supply linkages that are already established are working very well, but the number of such linkages is very small. While the establishment of additional linkages will require some investment in capital equipment, marketing and technical resources, the major impediment is a lack of knowledge about the requirements and key contacts.

**Infrastructure****Scan of the Community Investment Sector in Canada, Draft Report  
Coro Strandberg and Brenda Plant  
September 2004**

This report was prepared for National Round Table on the Environment and the Economy, a federal think tank, for its Capital Markets and Sustainability program. It looks at Community Investing to meet local communities needs that will not be met from mainstream finance. Examples are alleviating poverty, community and cooperative development, environmental regeneration, and economically targeted investing and sustainable venture capital. Strandberg and Plant review the Community Investing sectors in Canada, which are comparatively weak, and the U.S., where it is substantially stronger, thanks to government concessions and taxation favouring community investment. They give examples of different funds operating in both countries. They also identify barriers and opportunities to growing the sector in Canada.

Appendix A of this draft is a 10-page literature review on community, economically targeted and sustainable venture capital investing in Canada and the United States. It mentions an initial step of the Canadian federal government in its 2004 budget, committing \$162 million over five years to help establish regional patient capital funds for organizations producing goods and services on a not for profit basis with surpluses going to social or community goals.

The final report will be on the Round Table web site in April 2005: [www.nrtee-trnee.gc.ca](http://www.nrtee-trnee.gc.ca)

**Manufacturing:****Eastern Ontario Food-processing Sector Competitiveness Study  
Prepared for the Ontario East Economic Development Commission  
WCM Consulting Inc.  
March, 2004**

Because it is a particularly important employer in the region, Eastern Ontario's food processing sector was studied to develop a profile of suppliers and identify barriers to and opportunities for retention, expansion and new investment activities. The study found that Eastern Ontario has a far higher proportion of large multinational firms than in any other food processing sector in Ontario. At the same time, the number of medium size firms is less than average, attributed primarily to the low population density of the region and therefore small local markets.

The attributes that account for Eastern Ontario's historical attractiveness to large multinational enterprises– and may be important factors in attracting additional firms – are 1) industrial plant operating costs which are currently 30 per cent lower than many other nearby jurisdictions, 2) pay rates that are 20 per cent lower than Toronto, coupled with a loyal and productive workforce, 3) competitive jurisdictional costs, 4) excellent transportation routes for cargo distribution, 5) exceptional food-processing curricula at Loyalist College, and 6) the relatively low price of world-market raw sugar available in Canada, compared to the U.S. Concerns noted in the report were the low proportion of raw material supplied to existing firms from Eastern Ontario and the future decline of the working age workforce due to out-migration of young people.

**Appendix H – Project Listing**

| <b>Project Number</b> | <b>Community</b>   | <b>Description of Action Project</b>   | <b>Sector</b>                   | <b>Economic Development Model</b> |
|-----------------------|--|--|---------------------------------|-----------------------------------|
| <b>1</b>              | County of Renfrew  | Infrastructure renewal master plan; five year economic development master plan; and feasibility study of septic sludge; County was also represented at OVED discussion | Other - Physical Infrastructure | Traditional                       |
| <b>2</b>              | Eastern Ontario - whole/large part (sponsored through Prescott Russell CFDC) | Assistance Service for Farm Transfers (EODF Regional Project)  | Agriculture                     | Traditional                       |
| <b>3</b>              | United Counties of Leeds and Grenville                                       | 2007 Seniors Games (promotes winter tourism opportunities)   | Tourism                         | Traditional                       |
| <b>4</b>              | Eastern Ontario - whole/large part (sponsored through Frontenac CFDC)        | Business Immigrant Familiarization Tour  | All sectors                     | Entrepreneurship                  |
| <b>5</b>              | Northumberland CFDC  | Centre of Manufacturing Excellence   | Services - Education            | Economic capacity-building; BRE+R |
| <b>6</b>              | Ontario Ministry of Municipal Affairs and Housing                            | BR+E toolkit re-released and work with more communities (ex. Mississippi Mills; Renfrew)   | All sectors                     | BRE+R                             |
| <b>7</b>              | Eastern Ontario - whole/large part (sponsored by Northumberland CFDC)        | Eastern Ontario Opportunity Action Plan  | All sectors                     | Traditional                       |
| <b>8</b>              | City of Belleville/City of Quinte West/Brighton                              | Trade Missions – CORNET – Toronto Spring 2005; IAMC – 2005; PACKEX – 2005; FabTech - 2005  | Manufacturing                   | Traditional                       |
| <b>9</b>              | Eastern Ontario - whole/large part (sponsored through Trenval)               | EODF Innovation Cluster Study - Tourism  | Tourism Investment              | BRE+R                             |

|           |  |  |                                     |                     |
|-----------|--|--|-------------------------------------|---------------------|
| <b>10</b> | Eastern Ontario - whole/large part (sponsored through Trenval)           | EODF Innovation Cluster Study - Logistics  | Manufacturing - Logistics           | BRE+R               |
| <b>11</b> | Eastern Ontario - whole/large part (sponsored through Trenval)           | EODF Innovation Cluster Study - Plastics   | Manufacturing - Plastics            | BRE+R               |
| <b>12</b> | Eastern Ontario - whole/large part (sponsored through Trenval)           | Regional Biofibres Industry Development Project  | Convergent Industry - biotechnology | Technology Transfer |
| <b>13</b> | United Counties of Leeds and Grenville                                   | Long-Term Care Facilities (2 - Athens and Brockville)  | To be confirmed                     | To be confirmed     |
| <b>14</b> | Town of Smiths Falls   | Rideau Regional Centre, Signage and other standard tourism and tourism marketing issues, formation of an industrial network, need for collaboration, industry outreach | To be confirmed                     | To be confirmed     |
| <b>15</b> | Eastern Ontario - whole/large part (sponsored by Haliburton County CFDC) | Skills Canada Regional Initiative  | Unknown                             | Unclassified        |
| <b>16</b> | United Counties of Prescott and Russell                                  | Nothing available due to lack of availability for interview  |                                     |                     |
| <b>17</b> | Prescott-Russell CFDC  | Nothing mentioned in interview beyond ongoing programs; CFDC sees itself as a support to economic development rather than providing strategic direction                |                                     |                     |
| <b>18</b> | City of Cornwall   | New strategic plan under development; nothing to report at this time; economic development functions are contracted to SDG CFDC  |                                     |                     |
| <b>19</b> | 1000 Islands CFDC  | Nothing mentioned in interview beyond ongoing CFDC programs or support for projects mentioned elsewhere in this listing  |                                     |                     |
| <b>20</b> | County of Prince Edward  | Ideas and concepts discussed in interview but no other action items mentioned beyond ongoing programs or projects mentioned under CFDC listing below                   |                                     |                     |

|           |  |  |   |                                      |
|-----------|--|--|---|--------------------------------------|
| <b>21</b> | County of Hastings   | Strategic plan under way; nothing mentioned in interview beyond ongoing programs or projects mentioned in the CFDC listing below   | Other - Physical Infrastructure                             | Economic capacity-building           |
| <b>22</b> | South Lake CFDC  | Community Broadband Initiative; 15 members in profit/NFP/municipal sector building a combination hard-wired/wireless system destined to ensure coverage throughout the area; expect to be able to bring in at \$80.00 for equipment and \$30.00 per month; building redundancy component; hopeful that municipal partner will be the last of the funders/partners required to move project forward | Forestry; Services (Education); Tourism - Eco Manufacturing | Economic capacity-building<br>BRE+R  |
| <b>23</b> | County of Haliburton   | Frost Centre Redevelopment   | Other - Physical Infrastructure                             | Economic capacity-building           |
| <b>24</b> | Northumberland CFDC  | Manufacturers Association  | Manufacturing   | BRE+R                                |
| <b>25</b> | Kawartha Lakes CFDC (in concert with Technology Access Group - Kawartha Lakes) | Community Partnership Development (for broadband)  | Other - Physical Infrastructure                             | Economic capacity-building           |
| <b>26</b> | Kawartha Lakes CFDC (in concert with Kawartha Manufacturers' Association)      | Manufacturing Consortiums (best practice information, cost issues, cross-sector collaborations)  | Manufacturing   | BRE+R;<br>Economic capacity-building |
| <b>27</b> | County of Lennox and Addington   | Manufacturing Alliance - creating manufacturing alliance, which will bring senior leaders together to hear speakers and network  | Manufacturing   | BRE+R                                |
| <b>28</b> | City of Ottawa   | Rural-Urban Summit to build development bridges between urban and rural parts of the city  | All sectors   | Traditional                          |

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| <b>29</b> | County of Lennox and Addington          | Tourism - Cemeteries: Working on a package that would feature tours of preserved, historic cemeteries, along with eating at a nice restaurant and staying in a B&B   | Tourism - Cultural  | Traditional         |
| <b>30</b> | County of Lennox and Addington          | Cultural Tourism Packages – working on three brochures for cultural experiences in the Southern part of the region. Based on Loyalist heritage.  | Tourism - Cultural  | Traditional         |
| <b>31</b> | County of Lennox and Addington          | Wind Energy Development - two wind farm sites (Loyalist and Amherst Island)  | Energy - Alternative  | Technology Transfer |
| <b>32</b> | County of Lennox and Addington          | Mobile Abattoirs – want to set some up and are seeking support from regional wardens and CFDC  | Agriculture   | Entrepreneurship    |
| <b>33</b> | County of Lennox and Addington          | Tourism Branding Project - working with Land o' Lakes Tourism Association (includes northern part of Frontenac)  | Tourism   | Traditional         |
| <b>34</b> | County of Lennox and Addington          | Bird watching promotion  | Tourism   | Traditional         |
| <b>35</b> | Prince Edward-Lennox and Addington CFDC | Film Location Guide – aiming to be one of the first areas to have scenes of locales shot (for Prince Edward County) and on the web site that the film industry in Ontario is building so filmmakers scouting locations can see actual sites. | Tourism and other sectors, as filmmakers buy lumber to build set, hire electricians, etc. | Traditional         |
| <b>36</b> | County of Lennox and Addington          | Beef Branding Project  | Agriculture - Livestock   | Traditional         |

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| <b>37</b> | County of Lennox and Addington                    | Loyalist Settlement - Working to build a historical settlement on Highway 33, a four-season tourist attraction with a 100-acre site, that would be the centerpiece for various historical sites already in that area. It would be experiential.  | Tourism - Cultural              | Traditional                |
| <b>38</b> | Ontario Ministry of Municipal Affairs and Housing | First Impressions Community Exchange – two communities do an exchange, visiting each other and giving first impressions on what fresh eyes feel needs to be done to be more attractive to economic development – will roll out by March 31   | All sectors                     | Traditional                |
| <b>39</b> | North and South Hastings & South Algonquin CFDC   | Eco-tourism - dark skies zone  | Tourism - Eco                   | Traditional                |
| <b>40</b> | County of Frontenac                               | Sharbot Lake Train Museum  | Tourism - Cultural              | Traditional                |
| <b>41</b> | County of Frontenac                               | Technology (Broadband) Project - in January 2005 a small ISP company plans to offer wireless service in Arden -- a small broadband link through a two-way satellite (\$15,000) at the library would provide wireless connectivity for 8 km... to be used by artists, home-based businesses, graphic designers who need to download logos, and so on. It would need only 10 customers to function as a micro industry, much like a microbrewery. Feb 04 update: private sector company trying to launch wireless internet in South Frontenac by end of March 05 | Other - Physical Infrastructure | Economic Capacity Building |

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| 42 | County of Lennox and Addington  | Technology (Broadband) Project - with Frontenac County; in January 2005 a small ISP company plans to offer wireless service in Arden -- a small broadband link through a two-way satellite (\$15,000) at the library would provide wireless connectivity for 8 km... to be used by artists, home-based businesses, graphic designers who need to download logos, and so on. It would need only 10 customers to function as a micro industry, much like a microbrewery. | Other - Physical Infrastructure | Economic Capacity Building |
| 43 | County of Peterborough/Greater Peterborough Area Economic Development Corporation | Technology (Broadband) Access Project - Phase One (municipality is leading by providing backbone which it needs for its own purposes; anticipates community can build off this platform)   | Other - Physical Infrastructure | Economic capacity-building |
| 44 | County of Frontenac   | Incineration (Energy from Waste)   | Energy - Alternative            | Technology Transfer        |
| 45 | United Counties of Leeds and Grenville  | International Plowing Match - 2007   | Tourism - Agriculture           | Traditional                |
| 46 | County of Frontenac   | Wind farm developments   | Energy - Alternative            | Traditional                |
| 47 | United Counties of Leeds and Grenville  | Build strategies based on recently completed BR&E (outreach/inventory) projects in Leeds and 1000 Islands, Gananoque, Elizabeth-Kitley and South Grenville   | All sectors                     | Traditional                |
| 48 | United Counties of Leeds and Grenville  | Leeds-Grenville competitiveness update; project headed by Eric Sweeney/Ontario East  | All sectors                     | Traditional                |
| 49 | County of Frontenac (via E-Waste Project)   | Electronic Waste Project Pilot Project (funded in part by the CFDC) runs until September 2005, hope to know costs/revenues to establish a sustainable ongoing facility.  | Technology                      | Entrepreneurship           |

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| <b>50</b> | County of Lanark   | Action on Vision 2025, addressing protection/enhancement of the natural environment, managing growth, investing in infrastructure, strengthening and diversifying the economy (tourism, agriculture, forestry, aggregates, downtowns), protecting small town character, quality of life and quality of services | Infrastructure; multiple sectors | Traditional         |
| <b>51</b> | United Counties of Leeds and Grenville - South Grenville | Development of Primary Care and Wellness Centres  | Infrastructure                   | Traditional         |
| <b>52</b> | Renfrew CFDC (OVED Partners)                             | Ottawa River Festival (seeking Heritage River designation); money for event coordinator   | Tourism                          | Traditional         |
| <b>53</b> | United Counties of Leeds and Grenville - South Grenville | South Grenville Website Portal  | All sectors                      | Traditional         |
| <b>54</b> | United Counties of Leeds and Grenville - South Grenville | Feasibility Study for Infrastructure  | Other - Physical Infrastructure  | Traditional         |
| <b>55</b> | United Counties of Leeds and Grenville - South Grenville | Development of comprehensive marketing strategy and community profiles  | Infrastructure                   | Traditional         |
| <b>56</b> | United Counties of Leeds and Grenville - South Grenville | Improvements to bike/walking paths  | Tourism/local use                | Traditional         |
| <b>57</b> | County of Frontenac                                      | Frontenac Centre Investment Presentations (Eco-tourism resort and arts facilities)  | Tourism - Eco; Cultural          | Traditional         |
| <b>58</b> | County of Frontenac                                      | Dark Skies Tourism Product Development  | Tourism - Eco                    | Traditional         |
| <b>59</b> | Ontario Ministry of Municipal Affairs and Housing        | Innovation Teams – looking at one for Renfrew, Haliburton and Bancroft forest area but others will emerge as communities access it  | Forestry/Diverse                 | Technology Transfer |

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| <b>60</b> | City of Kingston   | Biotech/Biohealth Sector Development - Operating plan being developed to develop a biotech/biohealth sector, in partnership with hospitals and Queen's University                       | Convergent industry - biotechnology   | Technology Transfer        |
| <b>61</b> | City of Belleville/City of Quinte West/Brighton                                | Biotech Cluster Innovation Program – Ongoing Participation in Biotech CEO and associated RIN  | Convergent industry - biotechnology   | Technology Transfer        |
| <b>62</b> | City of Kingston   | Biotech CEO RIN- Negotiating to attract Provincial Regional Innovation Centre, which would cover the area from Brockville to Quinte West to Smiths Falls. Expect to hear in spring 2005 | Convergent industry - biotechnology   | Technology Transfer        |
| <b>63</b> | Kawartha Lakes CFDC (in concert with Technology Access Group - Kawartha Lakes) | Broadband-sharing project(s) [ex. ORION, hospitals, school boards]  | Other - Physical Infrastructure   | Economic capacity-building |
| <b>64</b> | Trenval CFDC   | Geo-centre Tourism Project  | Tourism – Family-focused and Eco-tourism  | Economic capacity-building |
| <b>65</b> | City of Brockville   | Centre of Excellence in Brockville: Eastern Ontario Centre for Advanced Technology (EASTCAT) at St. Lawrence College (facility opened in January 05)<br>Economic Development Study      | Technology  | Economic Capacity Building |
| <b>66</b> | Northumberland CFDC  |   | Other sectors – municipal planning (ex. Oak Ridges Moraine, Greenbelt legislation issues) | Economic capacity-building |
| <b>67</b> | Northumberland CFDC  | Wellness Centre   | Services; also tourism  | Richard Florida            |

|           |  |   |                                |                                       |
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| <b>68</b> | Northumberland CFDC  | Seed crushing plant   | Energy - Alternative           | Entrepreneurship                      |
| <b>69</b> | Northumberland CFDC  | Technology transfer   | Biomedical and Health Sciences | Technology Transfer                   |
| <b>70</b> | County of Hastings - Bancroft; North and South Hastings & South Algonquin CFDC | Energy from forestry sector waste (heat and co-gen options)   | Forestry                       | Technology Transfer; Entrepreneurship |
| <b>71</b> | City of Kingston   | Fuel Cells – continue to meet with companies interested in Kingston   | Energy - Alternative           | Traditional                           |
| <b>72</b> | Prince Edward-Lennox and Addington CFDC  | Development of Prince Edward marathon (qualifier for Boston marathon - 3,000 runners in fall of 2004)   | Tourism - Sports-Oriented      | Traditional                           |
| <b>73</b> | City of Kingston   | Tourism visitor services - Revamp, with a third visitor centre, improved training, and students on the street greeting tourists and helping them  | Tourism                        | Traditional                           |
| <b>74</b> | Ontario Ministry of Municipal Affairs and Housing                              | Community revitalization – four communities in Hastings and three in Kawartha looking at specific downtown branding based on Rue Principale model in Quebec – a team helps them with streetscape implementation | Retail would be prime          | Traditional                           |
| <b>75</b> | Frontenac CFDC   | Two projects coming on-stream in 2005; information cannot be released publicly yet; both are in the Skills Development area and address strategic priorities for the Frontenacs                                 | Services                       | Economic Capacity Building            |
| <b>76</b> | City of Belleville/City of Quinte West/Brighton                                | Competitive Analysis (via CompetitiveAlternatives.com)  | All sectors                    | Traditional                           |
| <b>77</b> | City of Belleville/City of Quinte West/Brighton                                | QEDC Influencers Awareness Program (OMAF, MEDT, Ont East)   | All sectors                    | Traditional                           |

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| <b>78</b> | City of Kawartha Lakes                          | Focus groups for College – location and access are issues; social life; seeking niches   | Services - Education   | Richard Florida            |
| <b>79</b> | City of Belleville/City of Quinte West/Brighton | QEDC Marketing Package (via MEDT)  | Manufacturing  | Traditional                |
| <b>80</b> | City of Kawartha Lakes                          | Tourism Packaging to extend industry to four seasons (Fall of Fall, Sensational Summer, Wonder of Winter, etc.)  | Tourism  | Traditional                |
| <b>81</b> | City of Kawartha Lakes                          | Agriculture and Tourism Promotion – Farm Festival (weekend); Farm Fresh linked to Kawartha Fresh   | Agriculture; Tourism   | Traditional                |
| <b>82</b> | City of Brockville                              | Airport Expansion to accommodate corporate jets for local industries; approval received for extra 1000 foot extension; local, EODF, provincial and private funding obtained (Tackaberry) | Other - Physical Infrastructure                                  | Economic Capacity Building |
| <b>83</b> | United Counties of Leeds and Grenville          | County branding project (may be developed by sub-county brands for Rideau, Highway 416 and St. Lawrence corridors and boosted by 2007 events)  | All sectors but mainly tourism, downtown revitalization and BR&E | Traditional                |
| <b>84</b> | United Counties of Leeds and Grenville          | Develop curricula-based relationships with St. Lawrence College and Kemptville Agricultural College  | Services - Education   | Agriculture, Forestry      |
| <b>85</b> | United Counties of Leeds and Grenville          | Encourage/promote year-round tourism via having visitor centre open year-round; undertake/promote winter tourism activities; establish centre in power mall                              | Tourism  | Traditional                |
| <b>86</b> | United Counties of Leeds and Grenville          | Municipal projects to update official plans, improve residential sewer and water capacity, and other infrastructure projects   | Infrastructure   | Traditional                |
| <b>87</b> | United Counties of Leeds and Grenville          | Downtown redevelopment programs (eg. Brockville is the leading example; other communities have efforts at various stages)  | Retail; Services   | Traditional                |

|           | City of Belleville/City of Quinte West/Brighton | Quinte District Manufacturing Association Rejuvenation   | Manufacturing        | BRE+R                      |
|-----------|---|--|----------------------|----------------------------|
| <b>88</b> |   |  |                      |                            |
| <b>89</b> | Prince Edward-Lennox and Addington CFDC         | Mentoring Program for Entrepreneurs  | All sectors          | Entrepreneurship           |
| <b>90</b> | Prince Edward-Lennox and Addington CFDC         | Niche agricultural expansion/promotion – trying to establish a brand for The County agricultural goods, from beef to tomatoes, through a variety of small ventures   | Agriculture          | Traditional                |
| <b>91</b> | Prince Edward-Lennox and Addington CFDC         | Retiree attraction program   | All sectors          | Richard Florida            |
| <b>92</b> | Prince Edward-Lennox and Addington CFDC         | Wine industry/viticulture development  | Agriculture          | Unclassified               |
| <b>93</b> | Prince Edward-Lennox and Addington CFDC         | Developing Taste Trail: Marketing program outside community for restaurants, vineyards, etc. A brochure was out last spring and now planning one in French since they get a lot of Quebecers or French-speaking Ottawans who come to Sandbanks already | Tourism/Agriculture  | Traditional                |
| <b>94</b> | North and South Hastings & South Algonquin CFDC | Festival Development in Bancroft (Designated as "Ontario's Most Talented Town" by TVO Ontario) and Tweed "Comfort Country"   | Tourism              | Traditional                |
| <b>95</b> | County of Northumberland                        | OIT Centre of Excellence in Manufacturing  | Services - Education | Economic capacity building |

|            | County of Northumberland   | Northumberland Manufacturers Association   | Manufacturing   | BRE+R   |
|------------|--|--|---|---|
| <b>96</b>  | County of Haliburton   | Technology (Broadband) Access Project - Phase One (municipality is leading by providing backbone which it needs for its own purposes; anticipates community can build off this platform) | Other - Physical Infrastructure   | Economic capacity-building                    |
| <b>97</b>  | Haliburton County CFDC   | Telecommunications Development   | Other - Physical Infrastructure   | Economic capacity-building                    |
| <b>98</b>  | County of Northumberland   | Hotel in Cobourg   | Tourism   | Traditional                                   |
| <b>99</b>  | County of Haliburton   | Tourism Marketing  | Tourism   | Traditional                                   |
| <b>100</b> | Kawartha Lakes CFDC (in conjunction with City of Kawartha Lakes  | Kawartha Innovation Centre   | Emphasis on natural resources, communications and information technology (esp. geomatics) | Entrepreneurship; Economic capacity-building; |
| <b>101</b> | Haliburton County CFDC   | Forestry Industry Development  | Forestry  | BRE+R; Entrepreneurship                       |
| <b>102</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | BR+E study (to include County)   | All sectors   | BRE+R   |

|            | South Lake CFDC  | Business Retention and Expansion Project; so far, have hosted information sessions and pursued through follow-up meetings; based on Huntsville model; estimated cost \$50K | All sectors  | BRE+R                      |
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| <b>104</b> | County of Haliburton   | Planning Project (improved municipal capability to deal with growth-related issues)  | All sectors  | Economic capacity-building |
| <b>105</b> | County of Northumberland   | Water treatment system upgrade – Port Hope   | Other - Physical Infrastructure                              | Economic capacity-building |
| <b>106</b> | Haliburton County CFDC   | Skills training  | Services - Education; Arts and Culture; Tourism, Environment | Economic capacity-building |
| <b>107</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Wellness Centre - Clinic/supportive care/facility development project linked to new hospital complex   | Biomedical and Health Sciences                               | Richard Florida            |
| <b>108</b> | County of Haliburton   | Health care sector development   | Biomedical and Health Sciences                               | Richard Florida            |
| <b>109</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Aerospace/Electronics Study  | Manufacturing  | Traditional                |
| <b>110</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Manufacturing Inventory (what is made in Peterborough)   | Manufacturing  | Traditional                |
| <b>111</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Trent University - Recreation Complex Development  | Services - Education; Tourism - Sports-Oriented              | Traditional                |
| <b>112</b> | County of Peterborough   | Transportation Study - 2005  | Other - Physical Infrastructure                              | Traditional                |
| <b>113</b> |  |  |  |                            |

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| <b>114</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Food Processing Study  | Manufacturing                          | Traditional                |
| <b>115</b> | County of Haliburton   | Information technology spin-offs (databases)                                 | Technology                             | Technology transfer        |
| <b>116</b> | Haliburton County CFDC   | Tourism - Marketing  | Tourism                                | Traditional                |
| <b>117</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Educational Services - Firefighter Academy Training Promotion                | Services - Education                   | BRE+R                      |
| <b>118</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Kawartha Fest - participation with City of Kawartha Lakes in joint promotion | Tourism                                | Traditional                |
| <b>119</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | Hockey School - Promotion  | Tourism - Sports-Oriented              | Traditional                |
| <b>120</b> | Trenval CFDC   | Skills Development   | Services - Education                   | Economic capacity-building |
| <b>121</b> | Kawartha Lakes CFDC (in concert with Technology Access Group - Kawartha Lakes)                           | Technology training  | Services - Education                   | Economic capacity-building |
| <b>122</b> | Greater Peterborough CFDC/Greater Peterborough Area Economic Development Corporation                     | Lakefield Speed Skating Oval   | Tourism - Family-Oriented Recreational | Economic capacity-building |
| <b>123</b> | Haliburton County CFDC   | Sir Sandford Fleming Campus Development                                      | Services - Education                   | Economic capacity-building |
| <b>124</b> | Haliburton County CFDC   | Angel Investor Group   | All sectors                            | Economic capacity building |

|            | Haliburton County CFDC   | Arts Council   | Tourism - Cultural, Culture generally | Economic capacity building |
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| <b>125</b> |  |  |                                       |                            |
| <b>126</b> | County of Peterborough/Greater Peterborough Area Economic Development Corporation                        | International Plowing Match - 2006   | Agriculture                           | Traditional                |
| <b>127</b> | City of Kingston   | Tourism marketing - Improve marketing of tourism, using newly raised funds                       | Tourism                               | Traditional                |
| <b>128</b> | City of Kingston   | Tourism - Create two new festivals/expand two festivals  | Tourism - Cultural                    | Traditional                |
| <b>129</b> | North and South Hastings & South Algonquin CFDC  | Develop at least eight major events per year, with emphasis on developing more winter activities | Tourism and local                     | Traditional                |
| <b>130</b> | North and South Hastings & South Algonquin CFDC  | Farmers' market  | Agriculture                           | Traditional                |
| <b>131</b> | North and South Hastings & South Algonquin CFDC  | Truck Stop   | Manufacturing - Logistics             | Traditional                |
| <b>132</b> | North and South Hastings & South Algonquin CFDC  | Development of the arts community.   | Tourism - Cultural                    | Traditional                |
| <b>133</b> | County of Prince Edward  | Wind Farm development (proposal approved but currently under appeal to OMB)                      | Energy - Alternative                  | Traditional                |
| <b>134</b> | City of Peterborough/County of Peterborough (Greater Peterborough Area Economic Development Corporation) | DNA cluster project (forensics)  | Convergent Industry - biotechnology   | Technology Transfer        |
| <b>135</b> | County of Peterborough/Greater Peterborough Area Economic Development Corporation                        | Agriculture Impact Study (with Kawartha Lakes)   | Agriculture                           | Traditional                |
| <b>136</b> | County of Lennox and Addington   | Food Processing "Influence the Influencer" campaign  | Manufacturing                         | Traditional                |
| <b>137</b> | City of Pembroke   | "Centre of Excellence" concept with Pembroke campus of Algonquin College for eco tourism.        | Tourism - Eco; Education              | Traditional                |

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| <b>138</b> | County of Frontenac, County of Lennox and Addington, County of Leeds Grenville                        | The Thousand Islands-Frontenac Arch Biosphere Reserve; involves a new emphasis on economic development and the environment (integrated economic development); specific sub-projects include Biosphere Routes (one is the Rideau Heritage Route experience); the Biosphere Products Project (sustainable economic activity --- flavours, forests, arts, tourism experiences, green manufacturing), and the Biosphere Community Development Task Force (sustainable communities based on Smart Growth panel.) There are also plans for a Biosphere Conference on Sustainable Development in Canada, to which Eastern Ontario could contribute. | Tourism- Eco                                      | Traditional         |
| <b>139</b> | Lanark, Leeds-Grenville and SDG   | 1000 Islands/St. Lawrence Corridor initiative - 2007   | Tourism - Eco                                     | Traditional         |
| <b>140</b> | Grenville CFDC  | Feedstock development and port facilities (Prescott) which could be used to supply Ethanol plant (tie in with Cornwall)  | Energy - Alternative; Agriculture; Infrastructure | Traditional         |
| <b>141</b> | County of Lennox and Addington  | Four-season family resort in northern part of County   | Tourism - Family/Water-Based                      | Traditional         |
| <b>142</b> | United Counties of Stormont, Dundas and Glengarry   | Ethanol plant  | Energy - Alternative                              | Technology Transfer |
| <b>143</b> | County of Lennox and Addington  | Ethanol Plant – developing an RFP for an ethanol plant. Would provide a site selector with a list of good sites.   | Energy - Alternative                              | Technology Transfer |
| <b>144</b> | City of Belleville/City of Quinte West/Brighton (in conjunction with Northumberland and Peterborough) | Ethanol Plant - working committee set up to pursue feasibility study   | Energy - Alternative                              | Technology Transfer |

|            |  |   | Technology           | Richard Florida            |
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| <b>145</b> | United Counties of Leeds and Grenville;<br>County of Lanark                | Tradeshaw and television advertising project (joint) to lure technology-oriented people and companies out of Ottawa; stakeholders believe initiative needs to evolve to a new level/broader base; in L-G, program is known as Grenville. Get There. |                      |                            |
| <b>146</b> | Lanark, Leeds-Grenville, SDG and Frontenac Counties; Valley Heartland CFDC | Rideau Cultural Corridor initiative - 2007: project to develop and market more tourist destinations along Rideau Canal; pursuit of Rideau Canal World Heritage Site designation for 175th anniversary; Rideau Heritage Routes projects              | Tourism - Cultural   | Traditional                |
| <b>147</b> | Valley Heartland CFDC  | Rideau Canal - 175th anniversary - 2007   | Tourism - Cultural   | Traditional                |
| <b>148</b> | United Counties of Leeds and Grenville                                     | Premier-ranked Destination program --- being considered by the St. Lawrence corridor, which would tie in with Prince Edward and Kingston involvement to extend the asset inventory and readiness program through to Cornwall                        | Tourism              | Traditional                |
| <b>149</b> | Eastern Ontario - whole/large part (sponsored by Kawartha Lakes CFDC)      | Technology Study  | Other Infrastructure | Economic capacity-building |
| <b>150</b> | Eastern Ontario - whole/large part (sponsored by Kawartha Lakes CFDC)      | Access to Capital Study   | Other Infrastructure | Economic capacity-building |
| <b>151</b> | Eastern Ontario - whole/large part (sponsored by Kawartha Lakes CFDC)      | Central Ontario Trails Initiative   | Tourism              | Traditional                |
| <b>152</b> | County of Frontenac, County of Lennox and Addington                        | The creation of a Land O'Lakes and Loyalist Country Guide   | Tourism              | Traditional                |
| <b>153</b> | County of Frontenac, County of Lennox and Addington                        | The creation of market ready tourism packages   | Tourism              | Traditional                |
| <b>154</b> | County of Frontenac, County of Lennox and Addington                        | The development of our website to include a GIS component   | Tourism              | Traditional                |

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| <b>155</b> | County of Frontenac, County of Lennox and Addington   | A signage campaign to better identify the area  | Tourism                                     | Traditional                        |
| <b>156</b> | County of Frontenac, County of Lennox and Addington   | Information terminals in our local tourist information booths   | Tourism                                     | Traditional                        |
| <b>157</b> | City of Ottawa/County of Stormont, Dundas, Glengarry  | Ottawa-Eastern Ontario Regional Innovation Network (funded in part through MEDT Biotechnology Cluster Innovation Program)   | Convergent industry - biotechnology         | Technology Transfer; Hub and Spoke |
| <b>158</b> | City of Ottawa  | Team Ottawa: formation of consortia to bid on major events; Ottawa-Gatineau Hotel Owners Assoc. voluntarily collecting 3% destination marketing fee on guest room revenues. \$5-6 m. anticipated revenues-to be used to promote Ottawa as tourism destination | Tourism                                     | Traditional                        |
| <b>159</b> | Eastern Ontario - whole/large part (sponsored by North & Central Hastings and South Algonquin CFDC) | Business Builders "Enterprise Adventure for Kids"   | All sectors                                 | Traditional                        |
| <b>160</b> | Stormont, Dundas and Glengarry CFDC   | Ethanol plant (economic development functions for County are contracted to SDG CFDC)  | Manufacturing - Processing Agriculture Crop | Technology Transfer                |