



Building Markham's Future Together
Journey to Excellence

Markham 2020: **Success By Design**

Performance Review of the City's
10-Year Economic Strategy

Findings and Recommendations
November 21, 2016



Markham 2020: Success By Design

- A. Markham 2020 Strategic Review
- B. Key Findings & Conclusions
- C. The Road Ahead
 - Blueprint for 2016-2019
 - Recommendations for Markham 2030
 - Next Steps

A. Markham 2020 Strategic Review

In 2008, Markham Council adopted “Markham 2020,” the City’s 10-year economic strategy and blueprint for the economic development program.



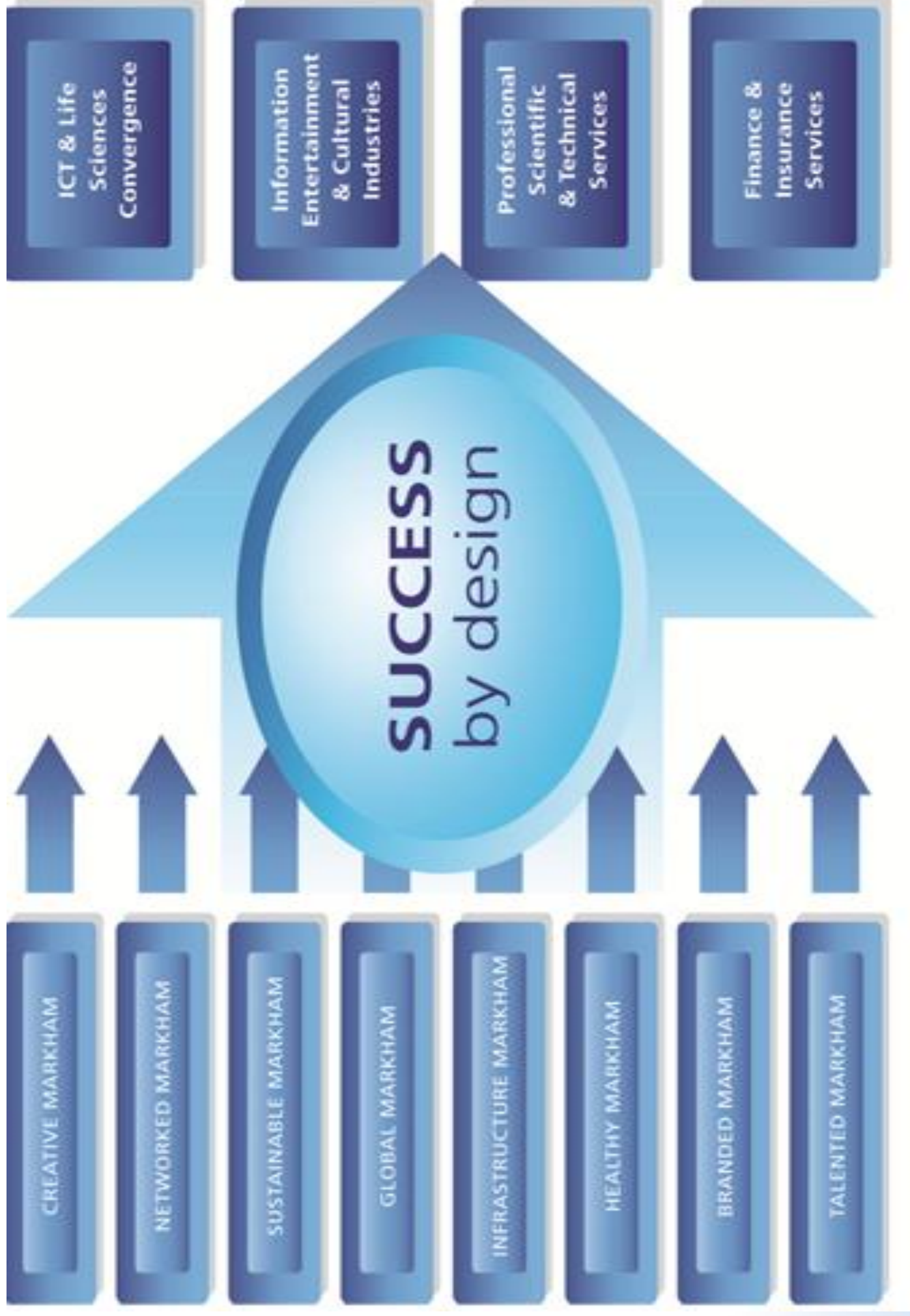
Mayor Scarpitti and Richard Florida at launch of Markham 2020, October 2008

A. Markham 2020 Strategic Review

In September 2015, Council approved the following 4-phase process to evaluate the performance of *Markham 2020*.

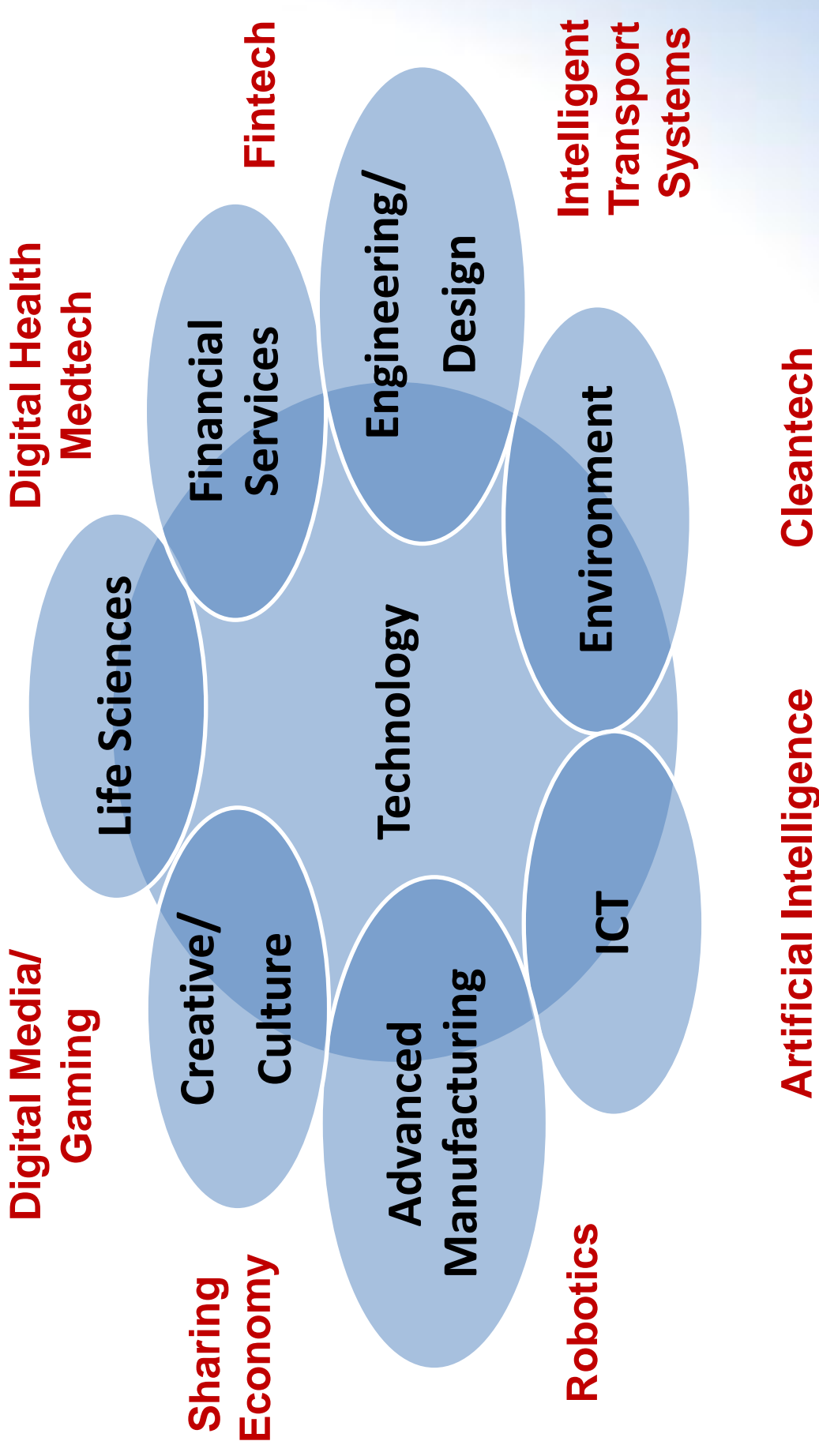
- **Phase 1: Research** – May to August 2015
 - Collect performance data and consult with stakeholders
- **Phase 2: Community Engagement** – October 2015 to January 2016
 - Host series of open house-style public meetings and webinars
- **Phase 3: What's NEXT at Flato Markham Theatre**– April 2016
- **Phase 4: Key Findings and Recommendations**– November 2016
 - Present to Council, publish report and online magazine

Framework for Action – Circa 2008



Framework for Action – Today (2016)

- CREATIVE
- NETWORKED
- SUSTAINABLE
- GLOBAL
- INFRASTRUCTURE
- HEALTHY
- BRANDED
- TALENTED



ICT #Technology

The way we traditionally think about the tech sector – as one industry sector among many – understates the fact that many of the tools, techniques, and skills that we associate with “high tech” are in fact utilized across a much broader section of the economy. Looking through this lens, Canada’s tech sector is much bigger than our current definitions are able to capture.

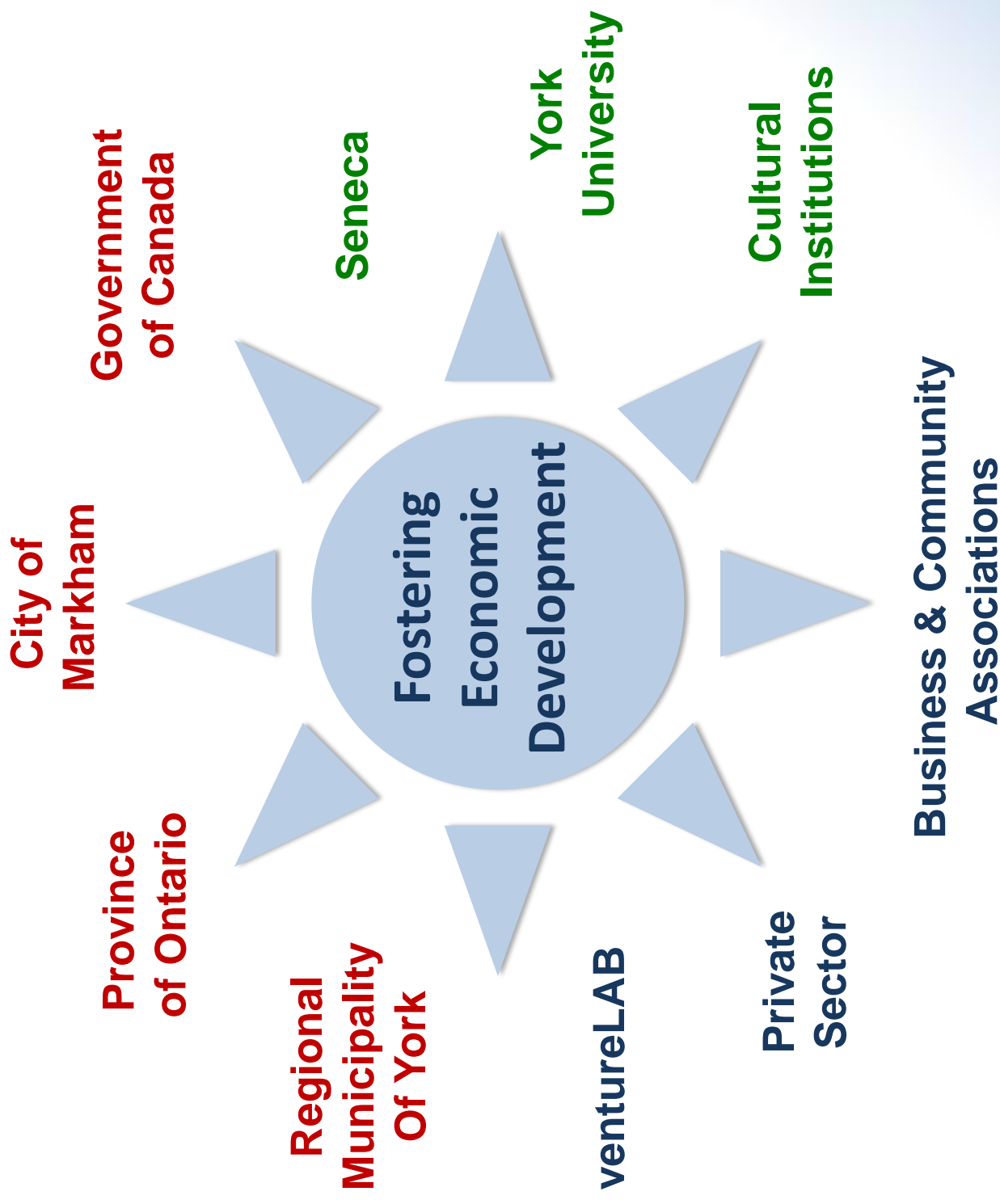
– “The State of Canada’s Tech Sector, 2016”, Brookfield Institute for Innovation and Entrepreneurship

“Companies in nearly every industry sector represented in LinkedIn are hiring for technology skills” ,

LinkedIn/CivicAction Economic Graph Initiatives, 2016

Strategic Collaborations Remain Foundational

- CREATIVE
- NETWORKED
- SUSTAINABLE
- GLOBAL
- INFRASTRUCTURE
- HEALTHY
- BRANDED
- TALENTED



B. Markham 2020 Review: Key Findings & Conclusions

- 1. Priority Sectors**
- 2. Global Business Strategies**
- 3. SME and Commercialization of Technology and Innovation**

B. Markham 2020 Review: Key Findings & Conclusions

1. Priority Sectors – Key findings (past 8 years)

- All priority sectors grew in employment and number of firms
- Technology playing increasingly important role across all sectors
- Increasingly diverse employment base (more non-ICT employment)
- Strong geographic concentration of all types of employment along Hwy 404/Hwy 7/Hwy 407 corridors
- Highest concentration of per capita high-tech employment among Canadian cities, including Toronto, Ottawa, Waterloo
- Advanced manufacturing is resilient
- Approximately 1/4 of manufacturing jobs are technology jobs

**ICT& Life
Sciences
Convergence**

**Information,
Entertainment
& Cultural
Industries**

**Professional,
Scientific
& Technical
Services**

**Financial
& Insurance
Services**

B. Markham 2020 Review: Key Findings & Conclusions

1. Priority Sectors – Conclusions

Retain title as *Canada's High Tech Capital* by...

- ❑ Understand and leverage the expanding role/impact of technology on Markham's other priority sectors
- ❑ Further grow all our priority sectors and advanced manufacturing
- ❑ Lead as a technology-enabled corporation – e.g. Digital Markham
- ❑ Ensure future workforce is suitably trained and educated to meet current and future needs of industry
- ❑ Evolve our highly concentrated employment areas into employment “communities” that include cultural, transit and other amenities to attract and retain workers and employers

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B. Markham 2020 Review: Key Findings & Conclusions

2. Global Business Strategy – Key findings

- Foreign Direct Investment: 59% of all foreign companies in Markham are U.S. based; 20% from Europe; 15% from Asia
- 57% of foreign companies are in ICT sector
- Diversifying source of FDI – increased FDI from China and increased interest from India
- MNEs have greater economic impact on indirect jobs, investments in R&D, tech transfer, supply chain opportunities
- 49% of FDI MNEs employ fewer than 20 people; 25% employ 20-99; 26% employ 100-500+
- Servicing Chinese investment inquiries requires dedicated and customized resources and marketing program
- ❖ Markham's strengths – cost competitive (taxes, parking, rents, etc.), new design-build options, proximity to decision-makers, skilled and diverse talent, pro-business environment
- ❖ Markham's weaknesses – scarcity and limited access to public transit, distance from downtown, retaining labour due to pull of downtown, limited employment land supply and pressure for employment land conversions

B. Markham 2020 Review: Key Findings & Conclusions

2. Global Business Strategy – Conclusions

- ❑ Investment attraction strategy must balance focus on emerging markets (China and India) while also cultivating relationships and opportunities in the U.S.
- ❑ FDI comes in all company sizes (SMEs and MNEs) and all investment is important to Markham’s prosperity in terms of employment, tech transfer, supply chain opportunities, R&D
- ❑ Continue focus on cost competitiveness, talent retention and attraction, liveable communities including infrastructure development
- ❑ Markham’s existing Economic Alliance and Sister City Program is insufficient to meet demand and requires review and replacement

B. Markham 2020 Review: Key Findings & Conclusions

3. SME and Commercialization of Technology and Innovation

- Key findings
 - SMEs represent over 54% of the total employment in Markham
 - Since 2007, MSBC clients have shifted from goods producing to services industry (technology, health care, social services, and professional services)
 - MSBC clients are increasingly youth, women, and new immigrant entrepreneurs – programs geared to these groups are well subscribed
 - MSBC services delivered in collaboration with multiple organizations
 - Partnership with ventureLAB, York University, Seneca reinforces “*high-tech capital*” reputation

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B. Markham 2020 Review: Key Findings & Conclusions

3. SME and Commercialization of Technology and Innovation

- **Key findings** (continued)
 - Majority of ventureLAB and Innovation York clients and companies are in the ICT, health and manufacturing sectors – based across the GTA and beyond
 - Markham and York Region are part of the Digital Corridor and the Innovation Supercluster, connected to the Toronto-Waterloo corridor
 - The Markham Convergence Centre is a model of collocating business support services (ventureLAB, Innovation York, National Research Council, MBT) cultivating the ecosystem for innovation in Markham/York Region
 - Recruiting and retaining skilled management talent remains a challenge for start-up and growth stage companies

B. Markham 2020 Review: Key Findings & Conclusions

3. SME and Commercialization of Technology and Innovation – Conclusions

“It takes a village to support innovation.”

- ❑ Invest in and nurture partnerships between industry, academia and other levels of government to further strengthen the local ecosystem for start-ups and growth-stage companies
- ❑ Assist companies in finding management talent and optimize innovation and technology – scaling companies is key to increasing productivity and critical to community prosperity
- ❑ Continue investing in start-up and scale-up support services for increasingly diverse client base

STRENGTHS

- Significant growth
- Highly educated workforce skilled in knowledge-based industries
- Diverse and multilingual population
- Low taxes
- Positive perception of City among business community
- Friendly and inviting to newcomers
- Strategic collaborations

2008

2016

- All of the above
- Markham Convergence Centre
- More strategic collaborations – e.g., ventureLAB ethnic chambers
- York University commitment
- Recent investments in transportation – VIVA dedicated bus lanes

WEAKNESSES

- Lack of affordable housing
- Reduction in manufacturing, perhaps due to lack of suitable, serviced employment land, increasing operating costs
- Absence of university, commercialization hub

- Continued lack of affordable housing
- Sustainability of manufacturing
- Ability to attract Millennial workforce
- Canada's economic competitiveness still in question
- Limited employment land supply

OPPORTUNITIES

Optimum outcomes

- Increased diversity of housing stock helps attract and retain wider range of workers
- Growth of key sectors

2008

- York U attracts additional investment
- Availability of housing and emphasis on mixed-use neighbourhoods enhances livability (Markham Centre, proposed Buttonville airport redevelopment)
- Enhanced transportation increases efficiency, livability
- Regional Express Rail enhances access
- Digital Markham Strategy supports increased growth in technology across all sectors

2016

THREATS

Risks if not addressed

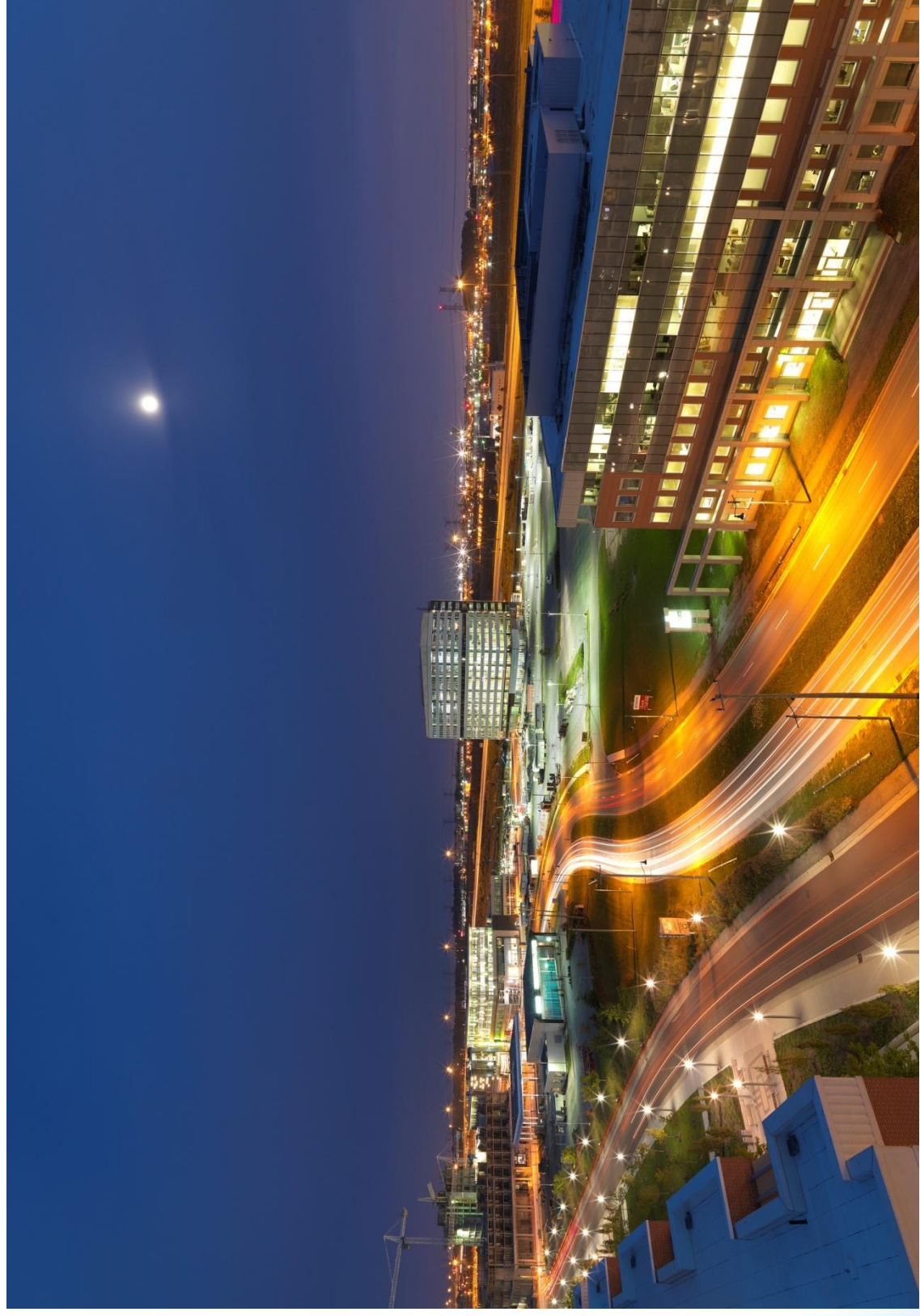
- Lack of available land for development reduces choice
- Lack of accessible, regionally and locally connected public transportation reduces competitiveness

- Pressure for employment land conversions
- Lack of high-speed regional public transportation discourages continued growth
- Loss of high-tech brand advantage to other jurisdictions

“I congratulate Markham for the vision they’ve shown with this plan. I’ve travelled the world and I’ve seen firsthand how governments can be enablers of growth and disablers of growth. In this city, where I’ve lived for almost three decades, Council and the Mayor are very much partners in growth.”

— Warren Jestin, Former Scotiabank
Senior Vice-President & Chief Economist

C. The Road Ahead



C. The Road Ahead

Changing competitiveness drivers

- “Convergence” has a new, broader meaning as technology underpins all sectors and blurs lines between traditional industries
- Presence of new global economic competitors
- Rise of highly mobile work force is placing emphasis on live/work/play and “cool” factor
- “*Innovation Agenda* is a key priority for both Federal and Provincial Governments (Ontario Innovation Agenda 2016, Federal Budget 2016)

Changing macroeconomic environment

- Multilateral trade agreements are in turmoil
- Global security threats are on the rise
- Global economy remains sluggish

C. The Road Ahead

Markham 2020: Blueprint (2016-2019)

- Markham's 10-year strategic plan remains the key guiding blueprint for the City's economic development department
- The strategy review is an opportunity to make necessary adjustments, prioritize actions and recommend appropriate resources for the remaining term of the strategy
- The full Blueprint can be viewed at <http://www.markham.ca/wps/portal/Markham/BusinessDevelopment/EconomicDevelopment/Markham2020/>

Blueprint for 2016-2019

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
Priority Sectors	<ul style="list-style-type: none"> - Markham2020 strategy review process confirmed the four targeted sectors are expanding and continue to show strategic growth potential - Technology (such as advanced robotics, artificial intelligence, connected platforms, etc.) is impacting and permanently changing traditional sectors - Priority sectors employment concentrated along Hwy 404/407/7 corridors 	<ul style="list-style-type: none"> - Continue to target priority sectors - Leverage employment data to track and measure performance and create asset maps of each sector - Measure the impact of the convergence of technology not only with life sciences but also with all priority sectors - Consider targeting advanced manufacturing as a priority sector. Begin tracking activity of advanced manufacturing 	<ul style="list-style-type: none"> - Ongoing - Ongoing - As resources permit, begin by identifying technology jobs across all priority sectors - Reflect in next strategy - Start data compilation based on YR employment survey - Develop cluster map 	<ul style="list-style-type: none"> - Lead - Lead - Partner: Opportunity to partner with research institutes, private sector

C. The Road Ahead

Recommendations for Markham 2030

- Optimize potential of York University's new campus
- Continue to focus on key growth sectors and emphasize Markham's strengths as a hub for technology across all sectors
- Dedicate resource for research and data analysis in support of priority sectors and Global Markham program
- Consider advanced manufacturing as additional priority sector
- Focus on serving global growth markets and strengthening U.S. market efforts

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C. The Road Ahead

Recommendations for Markham 2030

- Leverage Markham's cultural diversity
- Drive collaboration across all programming
- Work with ventureLAB/private sector/York University and Seneca on developing a Markham Innovation Agenda
- Enhance innovation and high-tech branding through online marketing strategy
- Facilitate the planning and development of the Future Urban Area employment lands

C. The Road Ahead

Next Steps

- ❑ Launch Markham2020 Online Magazine communication and marketing tool – [\[go to online magazine\]](#)
- ❑ Continue to monitor progress, review plan annually, and share with stakeholders
- ❑ Commission new Markham 2030 strategy in 2019

Appendix:

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/Support
<p>SMEs and Commercialization</p>	<ul style="list-style-type: none"> - Markham Small Business Centre successfully supporting small business start-ups - MSBC collocation within the Markham Convergence Centre synergistic - Clients increasingly female, ethnically diverse, and youth engagement is high - ventureLAB among top three RICs - Clients focused on health, technology innovations - Markham yielding significant return on investment in ventureLAB and Markham Convergence Centre - Innovation York important component to the MCC ecosystem, strong supporter of student and faculty entrepreneurship 	<ul style="list-style-type: none"> - Continue to promote SME focused programming through ventureLAB, MSBC, Innovation York - Connect SMEs to MNEs through existing programs and networks - Continue to support collaboration between ventureLAB, MSBC, City, and Innovation York - Support focus on scaling companies for increased productivity - Continue investing in ventureLAB articulating key outcomes and deliverables - Partner with ventureLAB, York University, York Region, Seneca, and private sector to develop a Markham Innovation Strategy 	<ul style="list-style-type: none"> - Ongoing and reflect in next strategy 	<ul style="list-style-type: none"> - Markham Economic Development, MSBC lead in collaboration with partners including ventureLAB, Innovation York, Seneca, etc

Economic Enablers: Developing an Ecosystem through Collaboration

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Global Markham <i>Where direct foreign investment approaches or equals domestic investment in new jobs.</i></p>	<ul style="list-style-type: none"> - US is the single greatest source of FDI in Markham - Markham's key markets including China and India are well developed - Current relationships with key ethnic based businesses associations, partners and academic institutions are effective 	<ul style="list-style-type: none"> - Develop a US focused investment attraction strategy targeting strategic states (border, states, California, Texas) - More thorough approach to capturing FDI data is needed - Continue to develop and support existing relationships - Identify new partnership opportunities including Toronto Global - Evaluate program support in light of increased number of inbound delegations and demand for more international alliances - Place emphasis on technology and innovation in Global Markham messaging 	<ul style="list-style-type: none"> - Begin to identify partnership opportunities - Ongoing - Ongoing - As part of next 10-yr strategy - Immediate - Ongoing 	<ul style="list-style-type: none"> - Lead/Partner

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Talented Markham <i>A city with a high performance labour force.</i></p>	<ul style="list-style-type: none"> - York University Campus strengthens Markham's value proposition, enhances local research and innovation capacity, increases ability to attract and retain business and talent - Education and skills levels of Markham residents are among the highest in the country - Challenge in attracting millennial workforce - Affordable Housing – lack of affordable housing limits Markham's ability to attract millennial workforce and limits our ability to meet the needs of a diverse population 	<ul style="list-style-type: none"> - Ensure York University campus in Markham becomes a catalyst for innovation by working together with York to influence programming for new campus and facilitate partnerships with local companies - Continue to encourage increased densities and mixed use, complete communities ie. Markham Centre - Continue to advocate for further investments in public transportation - Promote investment in arts and culture and community facilities to attract and retain talent - Build awareness of Markham as a business and cultural destination - Work with Seneca, York University and ventureLAB to position new campus as centre of excellence - Ensure training and education of labour force meet the changing needs of students and industry 	<ul style="list-style-type: none"> - Ongoing - Ongoing - Ongoing - Ongoing - 2017 - 2016-2017 - Ongoing 	<ul style="list-style-type: none"> Support, CAO lead in partnership with York and York Region] - Support - Support - Partner with private sector/ventureLAB - Lead/Partner - Partner - Support

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Networked Markham <i>A Networked City is one in which collaboration, partnerships and knowledge-sharing foster commercial success.</i></p>	<ul style="list-style-type: none"> - EcDev has developed numerous strategic partnerships to deliver and sustain shared economic development objectives (partners include international business associations and chambers, private sector, academia including York University and Seneca , non-profits, Markham Library, Regional government, etc) 	<ul style="list-style-type: none"> - Continue to engage in strategic collaborations and identify new partnerships - Expand collaboration with private sector - Emphasize academic partnerships (Innovation York, Seneca Helix) in research and commercialization and innovation agenda - Facilitate implementation of Digital Markham to position Markham as a leading Digital/Smart City. - Partner with private sector, ventureLAB, hospitals, York University, Seneca to develop Markham Innovation Strategy - Partner with York University and Seneca on program development and innovation agenda for new campus 	<ul style="list-style-type: none"> - Ongoing - 2017 - Ongoing - 2016-2017 - 2016-2017 	<ul style="list-style-type: none"> - Partner - Partner - Support - Partner - Partner

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Branded Markham <i>An identifiable brand and regarded among the top cities in N. America.</i></p>	<ul style="list-style-type: none"> - Markham's brand as Canada's High Tech Capital is well recognized, although weakened somewhat due to changing economic environment, lure of downtown Toronto, aggressive marketing by other jurisdictions, delay in Digital Markham strategy and implementation - Align branding with innovation agenda 	<ul style="list-style-type: none"> - Sustain High Tech brand - Build narrative around role of technology in other priority sectors - Branding 404/7/407 as regional tech hub for knowledge-based companies in the GTA - Support implementation of Digital Markham Strategy as it positions the City as a leader in technology adoption and supports High Tech Capital brand - Leveraging/Coordinating "innovation" messaging and #TorontoTechCorridor messaging - Enhance online presence through social media, communications/marketing strategy - Implement Social Media training for Council and staff around EcDev messaging 	<ul style="list-style-type: none"> -Ongoing with expanded efforts as additional resources are allocate -Ongoing -2017 -Ongoing -2017 	<ul style="list-style-type: none"> - Lead in partnership

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Creative Markham <i>A Creative City is one where innovation, technology, cultural diversity and the arts fuel successful enterprises.</i></p>	<ul style="list-style-type: none"> - Markham's Culture and Economic Development Departments have merged to form an integrated department with aims to better position Markham as a destination for business and innovation, and creative and cultural expression and inspiration - Markham's public art program is helping to build a sense of place, attracting talent and business - Private sector led art installations like those in Remington's Downtown Markham contribute to the development and draw of Markham's key centres and corridors and help promote the City 	<ul style="list-style-type: none"> - Identify opportunities for placemaking in established business areas with high concentration of employment ie. Public art, intensification, cultural amenities - In new developments such as future urban area, support integration of public space and amenities within employment areas - Support Culture in strengthening the role of cultural and library facilities as creative hubs and facilitate the emergence of "hot spots" - Develop a "Destination Markham" strategy 	<ul style="list-style-type: none"> - Ongoing - Ongoing - Ongoing - 2017 	<ul style="list-style-type: none"> - Lead/Partner - Support - Support - Lead/Partner

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Sustainable Markham <i>Where environmental policies and practices are among the most advanced in North America.</i></p>	<ul style="list-style-type: none"> - Markham Council endorsed the Greenprint, Markham’s Community Sustainability Plan in 2011. The Sustainability Office is currently focused on implementing actions related to Energy and Climate and Food Security priorities. - Promote fair and ethical business practices - Encourage and promote environmentally sustainable businesses - The City of Markham hosts nearly 1.9MW of roof top solar on 9 facilities - Markham developing our Municipal Energy Plan (MEP), which is 50% funded by the Province. Our MEP is the plan to achieve net zero energy, water, waste and emissions by 2050 	<ul style="list-style-type: none"> - Support corporate initiatives by participating as a member of the Sustainability Campaign Steering Committee - Promote environmental business practices/technologies - Target knowledge based businesses including cleantech companies 	<ul style="list-style-type: none"> - Ongoing 	<ul style="list-style-type: none"> - Support

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Infrastructure Markham <i>Recognized as having efficient infrastructure.</i></p>	<ul style="list-style-type: none"> - Transportation infrastructure and amenities are important to retaining and attracting business and employment - Constrained supply of prime employment lands, suggesting need to protect against future employment land conversions - Current imbalance of supply of jobs east and west of Kennedy Road 	<ul style="list-style-type: none"> - Advocate for enhanced public transit network and better connectivity (elimination of double fare) - Continue to collaborate with York Region transit to support VIVA transit, Metrolinx Mobility Hub in Markham Centre, increased RER - Reinforce need to protect remaining employment lands across Markham and in particular, in east Markham for high quality employment - Leverage Digital Markham strategy to engage/promote local technology solutions targeted to solving city issues such as transportation challenges ie. Green Owl Mobile, Markham based company developed traffic mitigation platform, sharing real time traffic and road condition information - Facilitate the planning and development of the Future Urban Area employment lands 	<ul style="list-style-type: none"> - Ongoing - Ongoing - Ongoing - Beginning 2017 	<ul style="list-style-type: none"> - Support

Strategy Focus	Summary of Review	New Actions to be Taken	Timeline	Lead/Partner/ Support
<p>Healthy Markham A city that is supported by quality access to health care programs and services and active/healthy lifestyle.</p>	<ul style="list-style-type: none"> -Markham is the first municipality to be recognized at the Gold level (Level IV) for <i>Organizational Quality & Healthy Workplace</i> by Excellence Canada -The City of Markham invests in community recreational facilities and amenities that promote a healthy and active lifestyle for its residents - Markham Stouffville Hospital/Cornell Community Centre & Library collaboration: new \$75-million centre is a health and wellness campus connected to the Markham Stouffville Hospital and promotes a healthy, active lifestyle for all members of the community. innovative wellness programs will help bridge the gap between treatment and recovery -City partners with Markham Stouffville Hospital on economic development initiatives such as international missions, business investor meetings, 	<ul style="list-style-type: none"> - Promote global health initiatives including Markham Stouffville Hospital’s Health for All and York University’s Global Health program - Support corporate initiatives to enhance healthy, active lifestyles - Support efforts to increase public transit ridership through connected cycling and pedestrian paths and networks - Support MSH to develop onsite innovation campus opportunities - Engage with MSH on Cornell Community Secondary Plan 	<ul style="list-style-type: none"> - Ongoing 	<ul style="list-style-type: none"> - Support