



Burlington Economic Development Organizational Review

Part A Report

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Primary Objectives – Part A

1

Conduct a strategic review of Burlington Economic Development Corporation and provide a current state business model and business processes related to integrated economic/business development supported by BEDC and the City

2

Review and analyze examples of other municipalities including the advantages and disadvantages and structures of internal economic development vs. external independent economic development corporations

3

Consider the role of economic development and BEDC, in supporting the start-up and scale-up of companies and the different approaches taken by municipal economic development to support Innovation & Entrepreneurship

4

Provide recommendations for economic development in Burlington include gaps and focus areas for the City's economic development strategy moving forward and the best business model to achieve these objectives.



Project Phases – Part A



Project Initiation - Meetings with SC and Senior Staff



Current State Assessment - Background and Document Review



Stakeholder Input – Council, Board of Directors, Senior Staff, Businesses, External Partners



Community Benchmarking – Ajax, Mississauga and London



Draft Report – Provides a Summary of Findings and Recommendations



Current State Assessment

- Current Operations Assessment considered:
 - Organizational structure
 - Funding and financing
 - Programming and services including TechPlace operations
 - Reporting relationships with City of Burlington
 - 2020 Performance Management Plan
 - COVID-19 related activities
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Stakeholder Input - BEDC

- Business survey (May 2020)
 - businesses are highly satisfied with the marketing and promotion of Burlington, business retention and expansion (BR+E) and investment attraction activities.
 - Higher levels of dissatisfaction with downtown revitalization, advocating for industry needs, workforce development, support programs for small businesses and entrepreneurs and real estate development assistance.
 - Only a small percentage of respondents knew who to contact about business concerns, suggesting need for an expanded BR+E effort and a more effective marketing strategy to educate businesses on available programs and services
 - Businesses highlighted the need for programming that ensures the availability of a skilled local workforce, advocacy for favourable purchase or lease rates and a timely development approvals process.
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Stakeholder Input - BEDC

- Perceived Gaps in Programming
 - Investment attraction hampered by shortage of high-quality development-ready employment lands
 - The high cost of land is exacerbated by the bureaucracy and timing for development approvals
 - Need to address workforce challenges - people who live in the community do not work here
 - Housing affordability and transportation challenges limit the attraction of younger talent
 - The value proposition of TechPlace is not clear
 - Focus on Growth of Existing Businesses
 - Build on Existing Positive Relationships and Partnerships
 - Need for better boundaries between BEDC and the City of Burlington
 - Strong Relationships and Ongoing Communications is Key
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Stakeholder Input - BEDC

- Positive descriptors most often mentioned concerning BEDC, include
 - Supportive, accommodating, excellent data analysis
 - Very professional, excellent customer service, proactive in trying to work with businesses, city staff and Council
 - Regular and frequent contact between BEDC Executive Director and senior staff within the Administration and Members of Council
 - Able to anticipate changes and challenges and pivot quickly, freedom to advance new ideas and initiatives – ‘they think outside the box’
 - Demonstrated thought leadership when compared to peer communities in the GTHA
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TechPlace Review

Key Findings





What's an Incubator?

- Business incubators are generally characterized as business spaces shared by tenant companies
- They provide a value-added intervention system to tenant companies which includes programs and services designed to nurture and develop them into successful enterprises over a defined period
- Operations include the selection of a suitable tenant, monitoring and assisting the venture, and the infusion of resources into that venture
- Operations not typically carried out by a single organization but instead as a physical or virtual space where services come together
- Typically provide access to resources, knowledge and networks which help entrepreneurs get through initial obstacles



Current Perceptions - TechPlace

- Value proposition is strong but not being communicated effectively
 - A critical branding tool and differentiator for Burlington
 - Helps builds an image of the community as one that draws young and innovative talent
- Need for a more strategic approach to programming and service delivery
 - Success stories not well promoted
 - Better education/engagement of entrepreneurs on what programs are available from government agencies
- Lack of an educational institution to serve as a partner/catalyst for local ecosystem
- Need more support for companies trying to commercialize their technologies
- Lack of anchor firms in the community puts a heavy load on SMEs to lead in the local demand of new technologies; limits the sponsorship opportunities
- General lack of knowledge on the current state of LaunchPad graduates



Improve and Enhance Current Operations

- Move forward with TechPlace 2.0 in 2020/2021
- Expand the BEDC Board of Directors to include a technology industry leader
- Ensure the organization is managed by someone with strong networks in the regional innovation ecosystem
 - Target the development of programs and services that support growth of local industry sectors
 - Develop additional revenue sources including sponsorships
 - Develop success stories and testimonials
 - Develop and report on relevant KPIs, ROI
- Consider charging a reduced rent to Haltech for the use of the space
- Consider co-locating with a post-secondary institution as part of any plan for post secondary expansion in Burlington
- Consider ways to deepen the brand recognition and reputation of the city



BEDC Operational Review

Key Findings



Comparison of Attributes of Economic Development Models

- Governance
 - Administration
 - Reporting Relationships
 - Accountability
 - Advisory Committees
 - Alignment with Private Sector
 - Autonomy
 - Decision-Making
 - Adaptable/Flexibility
 - Risk-Taking
 - Internal Coordination/Collaboration
 - Communication to Business Community
 - Marketing
 - Funding and Financing
 - Performance Metrics
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Community Benchmarking

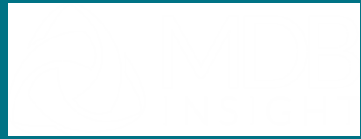
- Pros and cons can be attributed to both models
- Considerable opportunity for overlap based on programming and staffing.
- Research conducted by the University of Waterloo suggests that neither model has been determined to be superior as the importance of context, community characteristics and priorities must be recognized.
- Accountability is often the key consideration in favour of an internal economic development model but can be addressed by KPIs, reporting.
- Decision comes down to whether a community wants to be involved directly in the operation of an economic development department or whether a board of directors comprised of members of the private and public sectors would be more appropriate.

Functions	Internal		External	
	Ajax	Mississauga	Burlington	London
Business Retention and Expansion	✓✓✓	✓✓✓	✓✓✓	✓✓✓
Workforce Development	✓	✓✓✓	✓	✓✓✓
Innovation and Entrepreneurship	✓✓✓	✓✓✓	✓✓✓	x
Investment Attraction	✓	✓✓✓	✓✓✓	✓✓
Land Development	✓✓	✓	✓✓	✓✓
✓✓✓ = Core Function ✓✓ = Facilitate ✓ = Support x = Not Directly Involved				



Recommendations

- Role of Board of Directors
 - Skills Matrix
 - Governance
 - Improvements to Delivery Models
 - Engaging with the City of Burlington
 - Program Delivery
 - Increased Support for Local Businesses
 - Innovation and Entrepreneurship
 - Investment Attraction
 - Marketing and Communications
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Thank you!

Q+A

