



Economic Development and Tourism In-House Service Delivery Model Report

Prepared for City of Burlington

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Executive Summary

In November 2025, Burlington Council directed staff to report back with in-house municipal service delivery options for Burlington's economic development and tourism function. The function is currently provided by the arms-length not-for-profit organization, the Burlington Economic Development and Tourism Corporation (BEDT). Council also directed staff to prepare a draft Service Agreement related to the operations of BEDT.

This report addresses in-house service delivery. It does not evaluate or compare an in-house model to a Service Agreement model, nor does it recommend one model over another.

This report includes:

- An overview of Burlington's economic development and tourism ecosystem.
- A review of in-house service delivery models implemented by other Ontario communities.
- A summary of consultation with Members of Council, City staff, and BEDT leadership.
- The two structural options for implementing an in-house model.

The two options presented are:

- **Option 1:** Establishment of a combined economic development and tourism department reporting directly to the CAO, elevating the function's organizational profile and strategic prominence; and
- **Option 2:** A functional model in which an economic development department is established under the Development and Growth Management division and a tourism department is established under the Community Services division, supporting integration with municipal services.

Both options include the creation of a Municipal Services Corporation to administer revenue from the Municipal Accommodation Tax.

Experience in the six municipalities consulted indicates that in-house models are driven by objectives such as clearer governance and accountability, stronger alignment with corporate priorities, and enhanced Council oversight of strategic direction.

The two in-house options presented in this report are both viable models for Burlington. The choice between the two options would be determined by Council's preference for greater organizational prominence for the economic development and

tourism mandate and deeper functional integration within the City's administrative structure.

Should Council endorse an in-house model, it is recommended that the City lead the development of a comprehensive Economic Development and Tourism Strategy, informed by stakeholder consultation and research. Burlington does not currently have such a strategy in place. This Strategy would guide implementation and positioning within the City's organizational structure, support alignment across the corporation, and be subject to regular review to ensure continued responsiveness to evolving economic conditions and community priorities.

1. Purpose and Context

Burlington's economic development and tourism services are currently delivered through the Burlington Economic Development and Tourism Corporation (BEDT), an arms-length, not-for-profit corporation funded primarily by the City of Burlington and through Municipal Accommodation Tax (MAT) revenue.

Council has requested staff to report back regarding a potential Service Agreement with BEDT as well as in-house models for economic development and tourism functions. Approval of either a Service Agreement or in-house model represents an evolution of the current approach and, consistent with other municipalities that have undertaken similar reviews, is fundamentally an assessment of the rationale for change.

This In-House Service Delivery Model report is part of the broader Council directive but is not a service level assessment. It does not evaluate the scope of services currently delivered, nor does it recommend expansion or reduction of functions. The specific focus of this report is governance structure and organizational alignment for economic development and tourism service delivery.

2. Burlington's Economic Development & Tourism Ecosystem

Currently, economic development and tourism services in Burlington are delivered through an ecosystem that comprises many economic and tourism related organizations and stakeholders, both within and outside the community. This includes BEDT, Burlington's main service provider and partner, as well as organizations providing small business support being the Halton Region Small Business Centre and Burlington's BIAs. Additionally, Innovation Factory and Angel One Network provide business start-up and scale-up support within the city-operated TechPlace.



BEDT's vision is to champion Burlington's economic prosperity, attracting and supporting businesses and visitors. Its mission and related strategic pillars include:

- 1) Attract and development new investment.
- 2) Grow and support existing businesses.
- 3) Promote a vibrant business and tourism destination.
- 4) Deliver outstanding customer experience.

Another organization within the ecosystem is the Burlington Chamber of Commerce, a member-based organization offering networking opportunities and advocacy for the business community. As well, there are existing businesses, ICI realtors, community organizations and other local stakeholders in the ecosystem that provide input regarding new investment, expansion, and development or partnership leads.

In addition to local business support, there are various agencies undertaking investment attraction initiatives including the Ministry of Economic Development, Job Creation and Trade, and Invest in Canada, a departmental corporation reporting through the Minister of International Trade, Export Promotion, Small Business and Economic Development, and Global Affairs Canada, specifically the Trade Commissioner Service which works with Invest in Canda to identify and attract investment leads.

RTO3, the Provincial Regional Tourism Organization representing Halton, Hamilton and Brant, supports marketing and promotion, product development and industry collaboration.

Maintaining a relationship with the above-noted organizations allows BEDT to convey Burlington's value proposition through a large network of people operating regionally, provincially, nationally and internationally. Together, these organizations provide a wide range of support for Burlington's business community.

The City of Burlington has several roles with respect to economic development and tourism. It provides strategic leadership throughout the corporation, building the necessary pieces of infrastructure, creating the conditions for investment, and enhancing quality of life for residents, visitors and businesses. The City's various departments interact directly with the business community to deliver requisite planning approvals, building permits, and licensing for new and expanding development, as well as planning and coordinating festivals, tournaments and events throughout the community. In addition to being the major funding source for BEDT, the City also provides direct services to BEDT including Payroll, Finance, Insurance, Benefits, IT, and office space.

3. In-House Models in Other Communities

As part of this project, a review was undertaken of six Ontario communities that currently have in-house models for economic development and tourism services. Some brought these functions in-house years ago, while others implemented an in-house model as recently as 2025. This review of Ontario communities provides information derived from Council reports, Strategic Plans and, where possible, recent discussions with municipal leadership in these communities. The examples reflect what models worked in the other municipalities but do not necessarily represent what service delivery model might work best in Burlington.

Hamilton, Oakville, Ottawa, Peterborough (City and County), and Timmins were reviewed. The rationale for an in-house model was consistent across these communities:

- A desire for strategic direction to be created by the City and set by Council.
- Integration with other municipal functions.
- Provision of a business lens and subject matter expertise at the Council table and throughout the corporation.
- Coordination, efficiency, and flexibility.
- Delivering on a Council approved Economic Development Strategy becomes the responsibility of the whole corporation.

The City of Hamilton and Town of Oakville were reviewed specifically for how they handle the allocation of Municipal Accommodation Tax (MAT) revenue. Provincial legislation requires that 50% of MAT revenue be allocated to an eligible not-for-profit tourism entity.

Hamilton's economic development and tourism functions are divisions within the City's Planning & Economic Development department. With the introduction of MAT in 2024, the City established a Municipal Services Corporation called Hamilton Tourism Development Corporation to administer the 50% MAT revenue that is allocated to a not-for-profit corporation.

Oakville has a hybrid model for economic development and tourism services. Economic Development is a department within the Town's Planning & Development commission. Tourism services are provided by an industry led, not-for-profit corporation called Oakville Tourism Partnership (branded as Visit Oakville). The Town allocates the 50% MAT revenue to Visit Oakville for its operations.

Until recently, economic development and tourism services in the City and County of Peterborough were provided by the Peterborough & the Kawartha Economic Development, a regional, arm's-length, not-for-profit corporation. This corporation was dissolved in 2024, and in-house departments were established in both corporations to deliver these services. The City of Peterborough is in the process of exploring how the allocation of MAT revenue should be handled (the County does not have a MAT).

In Timmins, a municipal subdepartment was responsible for tourism services, while economic development was delivered through the Timmins Economic Development Corporation (TEDC), an arm's length, not-for-profit corporation. In 2024, TEDC was dissolved and both functions merged into one department within the City. An approach for allocating the 50% MAT revenue that was previously administered by TEDC has yet to be determined.

The City of Ottawa represents a hybrid model being an in-house Economic Development department that provides oversight and direction to several external not-for-profit organizations including Invest Ottawa, Tourism Ottawa, Ottawa Film Office, and the Ottawa Music Industry Coalition. Tourism Ottawa is the Destination Marketing Organization that administers the MAT revenue.

Table 1, on the following page, is a summary of the current models in these communities, while a more fulsome review of the models is provided under a separate document.

Table 1: Economic Development and Tourism Models in Other Communities

Community	Model
Hamilton	<ul style="list-style-type: none"> In-house Economic Development and Tourism & Culture divisions within Planning & Economic Development department. Hamilton Tourism Development Corporation, an internal Municipal Services Corp. within Tourism & Culture for MAT administration.
Oakville	<ul style="list-style-type: none"> In-house Economic Development department since 2008. Tourism handled by an external, stakeholder led Oakville Tourism Partnership Corporation, called Visit Oakville, which receives 50% MAT revenue allocated to the not-for-profit.
Peterborough, Timmins	<ul style="list-style-type: none"> Transitioned to In-house Economic Development departments in 2025. Currently exploring option of a Municipal Services Corporation to administer MAT revenue.
Ottawa	<ul style="list-style-type: none"> In-house Economic Development department provides oversight and direction to various external organizations through service agreements with the City. Main external organizations are Invest Ottawa and Tourism Ottawa (DMO, administers MAT).

The above-noted municipalities expressed common goals for their in-house models such as enabling Council to directly set and guide the respective municipality's strategic direction for economic development, while ensuring stronger integration across municipal functions, enhancing coordination, efficiency, and flexibility, embedding a consistent business lens and subject matter expertise in decision-making, and positioning the entire organization to collectively deliver on a Council-approved Economic Development Strategy.

4. Consultation with Members of Council, Staff and BEDT

Meetings were held with Members of Council, City Leadership Team, and the BEDT Executive Director and Board Chair. The consultations were undertaken to hear their views on priorities and directions for economic development and tourism, what outcomes are considered important, and thoughts on an in-house model for the function.

Members of Council

There was consistent feedback from Members of Council regarding the intended outcomes from the City's investments into economic development and tourism; specifically:

- Drive new investment, business retention and expansion.
- Increase the non-residential tax base.
- Attract high-quality jobs.
- Increase tourism visitation and spending.

Members of Council emphasized the importance of strategic oversight rather than operational involvement for the economic development and tourism function. Some perceived there to be a benefit to Council being more involved in the business community, helping to promote Burlington as a desirable place to live and work. Comments were made about a holistic approach to service delivery in which Council sets direction and staff deliver the infrastructure, programs and conditions that create a vibrant, attractive, welcoming environment. Through Council's direction, various departments set the stage for investment and tourism while the economic development and tourism role is perceived as promoting the city for that purpose.

Many Members of Council noted the need to have an economic and tourism voice at Council, bringing subject matter experts who could aid Council's understanding of business challenges and opportunities, thus adding a business lens to their decision-making process.

Notwithstanding the above-noted stated benefits to the City, Members of Council suggested the need to clarify roles of economic development and tourism staff and improve communication with City staff and Council. Comments were made about specific functions within economic development and tourism such as whether staff should be involved with small business support and if there was an ROI for their

involvement in international trade missions, given other organizations (like Toronto Global) and ministries involved in this work. Some Members of Council expressed the need for the function to be more proactive and strategic in addressing crisis situations, such as those experienced by the city with COVID-19 and Tariffs.

Burlington Staff

City staff noted the value of the economic development function as a facilitator in helping businesses navigate municipal processes, providing economic data and communicating the needs and challenges of businesses to City staff. However, staff also identified challenges associated with the current model, including inefficiencies in handoffs and potential misalignment or differing perspectives between the external organization and the City, which can impact responsiveness and consistency in service delivery.

With respect to tourism, staff indicated that many city departments are involved such as Recreation, Community and Culture (RCC) Customer Experience, Fire, By-law, and Public Works. Staff identified a need for a more coordinated approach with tourism staff in connecting with community groups and promoting the city, so that their efforts are not duplicated, resources and infrastructure capacity are understood, promotion/branding of the city is coordinated, and the needs of the whole city are incorporated into decision making.

In considering an in-house model, staff identified several ways in which they could work with economic development and tourism staff:

- Greater integration of departments to discuss cross functional issues and opportunities.
- Informal discussions to build relationships and communication amongst staff that foster a shared corporate culture.
- Create a one-stop shop for businesses.
- Provide a voice of business that has a formal role at Council meetings.
- Discuss and implement alignment and coordination amongst all departments that deal with business and tourism stakeholders.

BEDT

Representatives from BEDT indicated that the organization's priority outcomes include increased investment, business retention and expansion, and tourism spending, objectives that align closely with those expressed by Members of Council. They emphasized a strong focus on customer experience, including their role in facilitating communication and coordination between City staff and the business community. BEDT also noted its intent to align the priorities outlined in its 2025 Interim Strategy with the City's Horizon 2050 Plan.

Tourism was framed not only in terms of visitor spending, but more broadly as a driver of economic development, supporting investment attraction and talent retention. They indicated that this reflects their outcomes-based approach to measuring impact, including higher-value visitation, overnight stays, and overall economic contribution. In this context, BEDT described its role as an integrated economic development and destination development partner, rather than solely a coordination function.

While not opposed to a potential transition to an in-house service delivery model, BEDT representatives emphasized the value of their Board, whose volunteer members bring perspectives from the local business community. Should Council choose to proceed with an in-house model, they expressed a preference for maintaining economic development and tourism within a single organizational structure to support a cross-departmental approach, rather than dispersing responsibilities across multiple departments or divisions.

Several considerations were also identified in relation to a potential in-house model, including the role of an advisory body to ensure continued business community input, the management of confidential business information in the context of Freedom of Information requirements, and the potential application of internal chargebacks for space and services.

5. Options for an In-House Model in Burlington

Two options for an in-house model delivering economic development and tourism services are presented below. Both options address the legislative requirements for the allocation of MAT revenue through a Municipal Service Corporation.

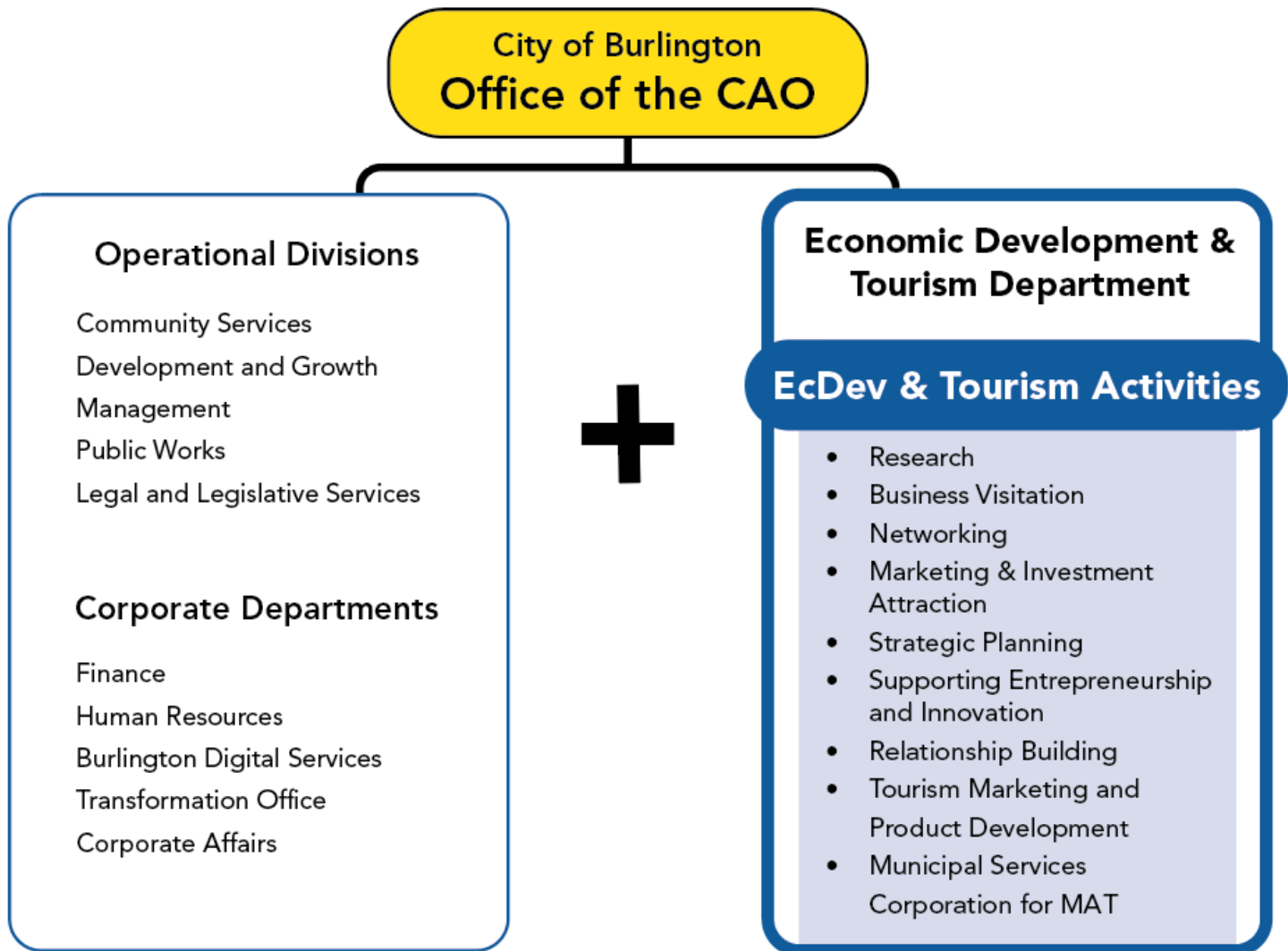
The question of any changes to the actual services being delivered and the related departmental budget should be addressed in conjunction with the City's development of an Economic Development and Tourism Strategy. It is through the development of such a strategy, that the requisite functions within economic development and tourism, and potential budget and/or operational efficiencies are identified. Once implemented, there may be further evolution of the economic development and tourism role and/or its position within the Corporation, as business needs, external factors, as well as community and Council priorities, change.

Option 1: Standalone Economic Development & Tourism Department reporting to the CAO

Economic Development & Tourism

Under this model, a consolidated department for economic development and tourism would be established, reporting directly to the City's Chief Administrative Officer (CAO) that would be structured into two units: one focused on economic development and the other on tourism. The tourism unit would be created as a municipally controlled not-for-profit corporation with an Advisory Board to be eligible for the Municipal Accommodation Tax (MAT) revenue.

Integrating Economic Development and Tourism under a single department reporting to the CAO primarily strengthens strategic alignment, corporate influence, and external credibility. It shifts the function from an operational focus to being a central driver of municipal competitiveness and community prosperity.



This model offers the following potential benefits:

- **Elevated Strategic Positioning:** Reporting directly to the CAO signals that Economic Development and Tourism are corporate priorities. This positioning elevates the function within the administrative structure and reinforces its importance to Council’s strategic objectives.
- **Stability:** Given the broad range of departments that interact with economic development and tourism functions, this model ensures a corporate-wide perspective under the CAO during the initial implementation of an in-house delivery model, supporting coordination, collaboration and integration across the organization.
- **Stronger Corporate Alignment:** Economic Development and Tourism are inherently cross-cutting functions. They intersect with planning, building

infrastructure, finance, community services, public works, communications, and corporate strategy. Direct reporting to the CAO facilitates coordination across divisions without being structurally tied to one.

- **Unified Growth Narrative:** A unified department allows the municipality to present a clear and consistent external value proposition to businesses, investors, developers, and visitors.
- **Improved Responsiveness to Council:** Direct CAO reporting provides Council with streamlined access to subject matter expertise on economic competitiveness, tourism performance, market intelligence, and private-sector perspectives. It may also enhance accountability by clearly identifying one senior leader responsible for delivering on Council-approved economic and tourism strategies.
- **Enhanced External Credibility:** From a business and tourism stakeholder perspective, reporting to the CAO can signal that the municipality takes economic competitiveness seriously. It may strengthen confidence among investors and developers, elevate the City's profile in regional and intergovernmental discussions, position the department as a strategic advisor within the corporation rather than solely an operational unit.

Option 2: Embed Economic Development & Tourism departments within existing City Divisions

Economic Development

Under this model, a dedicated Economic Development department would be established within the Planning & Growth Management division. The department would also assume oversight of TechPlace operations, creating a consolidated and coordinated service model for the business community.

Positioning Economic Development within this division would support a “one-window” approach for businesses by aligning development inquiries, approvals, policy development, and investment attraction functions. The Economic Development department would leverage its expertise in market research, sector analysis, and stakeholder engagement to enhance the division’s ability to respond efficiently and strategically to business needs. This structure would facilitate closer alignment between the division’s objectives and economic development priorities, ensuring a seamless and coordinated development experience.

Tourism

As with Option One, this option proposes the creation of the Burlington Tourism Development Corporation (BTDC), a municipally controlled not-for-profit corporation. Under this option, BTDC would be housed within the Community Services division. It would be administered by City staff and supported by an Advisory Committee comprising City staff and tourism industry stakeholders. It would be responsible for administering the 50 per cent of Municipal Accommodation Tax (MAT) revenue allocated to eligible not-for-profit tourism entities.

While operating as a distinct corporate entity to meet legislative and funding requirements, the BTDC would maintain strong operational linkages with departments within the Community Services division. This alignment reflects the reality that many tourism-related initiatives, including destination development, marketing, events, cultural programming, visitor services, and customer experience, require coordination, input, or execution from Community Services departments.

Embedding the tourism function within the division would support an integrated visitor and stakeholder experience by aligning tourism promotion and development activities with recreation, culture, events, and community programming functions.

Development & Growth Management Division

Departments

Planning Department
Building Department
Land Partnerships



Economic Development & Tourism Department

Economic Development Activities

- Research
- Business Visitation
- Networking
- Marketing & Investment Attraction
- Strategic Planning
- Supporting Entrepreneurship and Innovation
- Relationship Building

Community Services Division

Departments

RCC Department
Customer Experience Department
Transit Department
Fire Department



Burlington Tourism Development Corporation (BTDC)

Corporation Activities

- Tourism Marketing and Product Development
- Strategic Planning
- Municipal Accommodation Tax Administration

This model offers several potential benefits:

- **Functional integration:** Aligning Economic Development and Tourism within City divisions strengthens coordination with related municipal functions.
- **Administrative efficiencies:** Bringing staff in-house may streamline internal processes and enhance information-sharing across departments.
- **Improved service coordination:** Businesses and tourism stakeholders would benefit from streamlined access to municipal services through clearly defined departmental structures.
- **Enhanced collaboration:** Co-location within City Hall supports informal relationship-building and regular cross-departmental engagement, allowing economic and tourism market intelligence to inform corporate decision-making.
- **Direct Council access to subject-matter expertise:** Council would benefit from direct access to professional expertise in economic development and tourism at meetings and during strategic deliberations.

Consideration should be given to the resource implications of establishing additional departments within existing divisions, including staffing, administrative support, and leadership capacity.

6. Conclusion

This report outlines the current ecosystem for economic development and tourism services in Burlington, summarizes in-house service delivery models used by other municipalities, and incorporates input from Members of Council, City staff, and Burlington Economic Development and Tourism (BEDT) regarding priorities. Based on this analysis, two potential in-house service delivery models for economic development and tourism functions are presented for Council's consideration.

Research into other Ontario municipalities indicates that in-house delivery models are often driven by similar objectives. These typically include a desire for clearer governance and accountability, stronger alignment with municipal corporate priorities, and greater Council oversight of strategic direction.

Feedback from six municipalities that have in-house models highlights the importance of a Council-approved, City-facilitated Economic Development Strategy. Such a strategy establishes economic development as a shared corporate responsibility, reinforces alignment across departments, and strengthens accountability for implementation. The City of Burlington does not currently have a Council-approved Economic Development Strategy.

Two structural options are presented for Council's consideration. Both are viable approaches to delivering economic development and tourism services in-house:

- **Option 1** integrates Economic Development and Tourism within the CAO's Office and elevates the function within the administrative hierarchy. This model may signal greater prominence and strategic importance to the business community and external partners.
- **Option 2** adopts a functional alignment model, embedding Economic Development and Tourism within the City's existing division structure to strengthen operational integration with related municipal services.

Under either option, the City would establish a **Municipal Tourism Services Corporation** to ensure eligibility to receive the 50% Municipal Accommodation Tax revenue that is allocated to not-for-profit entities, in accordance with provincial requirements.

Should Council endorse an in-house model, the placement of the function within the corporate structure will also require consideration. Two in-house options have been presented in this report; however, they are not necessarily static. An initial alignment under the CAO may be appropriate, followed by the development of a comprehensive Economic Development and Tourism Strategy, and a subsequent review of the function's long-term positioning within the organization.