

Memorandum

May 16, 2022

MEMO TO: Economic Development Committee

FROM: Anthony Ierullo, Director, Richmond Hill Centre and Economic Development

SUBJECT: **City of Richmond Hill Investment Attraction Strategy**

Recommendations:

- a) That the memorandum from the Director of Richmond Hill Centre and Economic Development be received; and,
- b) That the City of Richmond Hill Investment Attraction Strategy, as outlined in Appendix A of the Memorandum from the Director of Richmond Hill Centre and Economic Development be endorsed.

Background:

In late 2020, the City of Richmond Hill completed a review of economic development programs to ensure that business activities and service levels support corporate and Council priorities. The review resulted in the adoption of a competitively-driven economic development program that highlighted priorities including aggressively supporting economic recovery, expediting non-residential development applications and proactively marketing the City to potential businesses and investors. The program identified the need for the City to engage in business attraction targeting large employers, foreign direct investment (FDI) and marketing Richmond Hill Centre as a high quality investment opportunity.

In 2021, the City engaged MBD Insights to advance the creation of an Investment Attraction Strategy to support and frame planned business attraction activities over the next 10 years. The City of Richmond Hill Investment Attraction Strategy (“the Strategy”) actively seeks to attract investment in key sectors and capabilities central to the future growth and competitiveness of the local economy as detailed in Appendix A.

The Strategy assesses, prioritizes, and defines investment attraction opportunities for the City to attract major employment-generating investment. It is intended to act as a roadmap for the city, framed by the Strategic Priorities set out in the City of Richmond Hill's Council Strategic Priorities 2020 – 2022 and supportive of the City's current Economic Development Strategy objectives. The research and stakeholder engagement conducted as part of the development of the Strategy highlights a strong value proposition for investment attraction, including the City's diverse knowledge-based resident population, high-value industries, and the emergence of Richmond Hill Centre as a future Regional Growth Centre.

This analysis supports the identification of three strategic priorities in the Strategy that are briefly described below:

1. **Establish the investment attraction brand:** Establishing the investment attraction brand ensures that lead generation efforts support and promote the growth of target sectors and high-value industries. An investment attraction brand is a proactive approach to advocating for the community. It increases awareness and positive engagement within the local business community and the wider investor network.
2. **Build a strong Business Retention and Expansion program and after-care support:** The strategic priority of building a strong Business Retention and Expansion (BR+E) program and after-care support will further existing well developed business outreach activities such as the Corporate Calling Program and Business Leadership Council. The Strategy recommends formal sector-based key performance indicators, ongoing targeted business engagement and proactively addressing business concerns to enable growth as potential enhancements to the City's current BR+E program.
3. **Focused support for transitioning industrial lands:** The strategic priority of focusing support for existing employment lands and transitioning industrial parks to enable modern and relevant zoning permissions is essential for Richmond Hill to remain competitive, attract new investment, create jobs, and accelerate economic growth. The intent is not to support the conversion of employment lands, but rather introduce complementary uses that increase the utility of the lands for high quality employment uses.

The Strategy proposes 5-7 action items within each strategic priority area over the short, medium and long term to advance business investment as further detailed in Appendix A. The Strategy also outlines implementation considerations such as the necessary budgets and staffing required to support the effective implementation of the Strategy. Staff are recommending endorsement of the Strategy with the understanding that any additional budget requirements are subject to Council approval as part of the standard budget process.

Attachments:

- Appendix A: City of Richmond Hill Investment Attraction Strategy

CITY OF RICHMOND HILL

Investment Attraction Strategy

PREPARED BY
MDB INSIGHT

MARCH 2022





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Executive Summary

The City of Richmond Hill plans to emerge from COVID-19 stronger, more resilient, and ready to pursue economic growth. Planning for an exciting, dynamic, and vibrant Richmond Hill Centre is underway, and the development of the city's new Official Plan is nearing completion. These major advancements, coupled with Council's pro-business attitude, encourage local business growth and facilitate access to economic recovery programs.

In 2021, the city wanted to understand what sustainable and effective actions it should take to identify, plan, and promote economic development opportunities. This was in response to the impact of COVID-19 and Richmond Hills' economic realities, including vacant or aging commercial and industrial lands and the opportunities surrounding Richmond Hill Centre and the Yonge Street Corridor. With a vision for continued growth as a stronger, more resilient community, the city took a proactive step to target business attraction and implemented a blueprint for success.

This resulting City of Richmond Hill Investment Attraction Strategy effectively assesses, prioritizes, and defines investment attraction opportunities for the city, attracting major employment-generating investment. It is a Roadmap for the city, framed by the Strategic Priorities set out in the City of Richmond Hill's Council Strategic Priorities 2020 – 2022 and supportive of the city's current Economic Development Strategy objectives.

Research and consultations conducted as part of the strategy development suggest that the city has a strong value proposition for investment attraction, including its diverse knowledge-based resident population, high-value industries, and emergence as a regional growth centre. Key factors that inform the value proposition include:

- The city is a draw for a high-end enclave of knowledge workers, who have selected the municipality for its quality-of-life amenities.
- Access to Toronto's amenities, workforce, and businesses; major transportation infrastructure including two 400-series highways; a modern regional transit system, convenient connections to two airports; and access to major colleges and universities are meaningful attributes for a business looking to invest and grow in the GTA
- The city is situated amid Canada's largest technology corridor and is part of the third-largest office agglomeration in the GTA.
- The high-tech node in Richmond Hill is within the Tor-York East (TYE) mega-zone, one of three regionally, provincially, and nationally significant employment zones¹. The TYE mega-zone surrounds the interchange of Highways 404 and 407, including parts of Markham, Richmond Hill and Toronto

The Richmond Hill Investment Attraction Strategy actively seeks to attract investment in key sectors and capabilities central to the future growth and competitiveness of the local economy and achieve the long-term vision of economic development.

¹ Neptis Foundation report Planning for Prosperity, 2015



and represents a significant regional concentration of finance and business services, manufacturing, and the information and technology cluster.

- The employment node at Highway 404 and 407 has the highest employment density among employment areas in the GTHA, partly due to the significant ancillary office activities and major office buildings. This area will likely continue to accommodate the highest employment area densities and remain important for accommodating the existing employment base and new office development.
- Future-focused development offers opportunities for higher-order, single-tenant use, integrated multi-purpose facilities, particularly in the commercial and office sectors.
- The vision for the Civic Precinct Project as an accelerator education-experience hub incorporating a post-secondary education learning campus, small business centre and RIC, rentable office and studio spaces and public gathering and event space.
- Richmond Hill is also home to foreign-headquartered firms and has a high concentration of foreign-born residents of Chinese, Russian, Iranian, and South Asian descent, supporting its reputation as a place that welcomes international residents and businesses and offers opportunities for foreign direct investment (FDI).

Building on the city's current investment attraction value proposition, three Strategic Priorities emerged to frame the Investment Attraction Strategy, as illustrated below. These priorities align with the City's 2017 Economic Development Strategy and support the aspirations of the 2020-2022 Corporate Strategic Plan and the forthcoming Official Plan Update to guide land use and development to 2041.

The Investment Attraction Strategy presents an opportunity for Richmond Hill to focus on business retention and expansion, community economic development, and foreign direct investment activities. Efforts are grounded in the city's broader economic development program to ensure optimal outcomes, benefit the local business stakeholders and contribute to overall community health and economic vitality.

Strategic Priority #1: Establish the Investment Attraction Brand

Strategic Priority #2: Build a strong BR+E program and After Care Support

Strategic Priority #3: Focus Support for and Transitioning Industrial Parks

Establishing the investment attraction brand will ensure a strong mandate, objectives and targets that Richmond Hill intends to achieve and measures to describe progress on the results. It ensures that lead generation efforts support and promote the growth of target sectors and high-value industries. An investment attraction brand is a proactive approach to advocating for the community. It increases awareness and positive engagement within the local business community and the wider investor network. The strategic priority of building a strong Business Retention and Expansion (BR+E) program



and after-care support will further support outreach activities (Corporate Calling Program, Business Leadership Council). Including formal sector-based key performance indicators, engaging with local businesses and addressing impacts to enable their growth will enhance the City's BR+E program. The strategic priority of focusing support for existing employment lands and transitioning industrial parks to include additional industrial uses through modernized zoning is essential for Richmond Hill to remain competitive, attract new investment, create jobs, and accelerate economic growth. With a long-term investment and economic development vision, the city needs to focus on the timely development of new investments in select locations such as the Richmond Hill Centre.

Richmond Hill's focus on delivering a brand that distinguishes it from other GTA communities requires a targeted and coordinated response from the city – one that is rooted in an ongoing analysis of its value proposition for investment attraction, both from a top-down municipal level and a bottom-up industry-specific and supply chain-by-supply chain perspective. The Strategy's short-term actions focus on improving the investment attraction brand and raising awareness of the city's value proposition. At the same time, long-term efforts will establish a targeted FDI multiple-year program and position Richmond Hill as an investment destination for global businesses.



1. Background and Purpose

This report culminates the background research, industry trends analysis, and stakeholder input to provide the City of Richmond Hill with an actionable multi-year Investment Attraction Strategy. The Strategy focuses on growing and supporting the local business base, strengthening strategic partnerships, promoting economic development opportunities, and positioning the community as a regional growth centre for the GTA over the long term. The key objectives of the Richmond Hill Investment Attraction Strategy include:

- Assess, prioritize, and define targeted investment opportunities with a focus on major employment-generating investment
- Support the development of Richmond Hill Centre as a premier mixed-use regional urban centre leveraging the planned subway extension investment
- Consider the opportunities for reinvestment in existing Business Parks and along the city's major transit/transportation corridors
- Consider the structural changes in the economy resulting from the COVID-19 pandemic
- Develop a multi-year targeted investment attraction program recognizing that the subway in RHC is a long-term undertaking (estimated 8-10 years)
- Identify key economic development partnerships that support the implementation of the Strategy

The Richmond Hill Investment Attraction Strategy should be read as a Roadmap for the city. The Strategic Priorities frame is set out in the City of Richmond Hill's Council Strategic Priorities 2020 – 2022 and supports current Economic Development Strategy objectives.

The strategic planning process for the Richmond Hill Investment Attraction Strategy reflects on a range of local and regional reports and initiatives considered to be relevant to the city's economic development activities and programming. The city's recent economic performance was also assessed to understand investment trends, employment land needs, forecasted employment growth, business and industry growth, and the changing nature of the local economy relative to that of the surrounding region and province. These analyses and findings are contained in a comprehensive Interim Report².

Given the importance of community-based economic intelligence and the need for broad support for the Strategy, input from business and external economic development stakeholders was sought. One-on-one interviews provided input on the city's expectations and aspirations for economic growth. Sector roundtables were also conducted, focussing on the strengths and opportunities of Richmond Hill's economy, the roles that Richmond Hill's economic development partners should play in advancing these opportunities and actions and the tactics required to promote and advance business support opportunities and improve the city's overall brand or market position. The consultation efforts informed a sector-based SWOT (Strengths, Weaknesses, Opportunities and Threats) assessment of the city's current target sectors: Professional, Scientific, and Technical Services (PSTS), Finance and Insurance, Information and Cultural Industries and Life Sciences. This, in turn, informed the formulation of the value proposition, strategic priorities, and refinement of target sector opportunities that the city can pursue to ensure strong economic growth in the community.

² Serves as Appendix A to the Investment Attraction Strategy. Provided as a separate report.

STRATEGY DEVELOPMENT PROCESS

The City of Richmond Hill Investment Attraction Strategy was developed through a comprehensive situational analysis along with input from stakeholders through a number of interviews and workshops.

Situational Analysis

1

Background review, employment clusters, FDI activity, sector opportunity, knowledge economy analysis and employment lands review.

Stakeholder Engagement & Interim Reporting

2

Strategic interviews, sector roundtables and Interim Report.

Strategy Development

3

Sector SWOT, Value Proposition, Investment Attraction Strategy and final presentation.



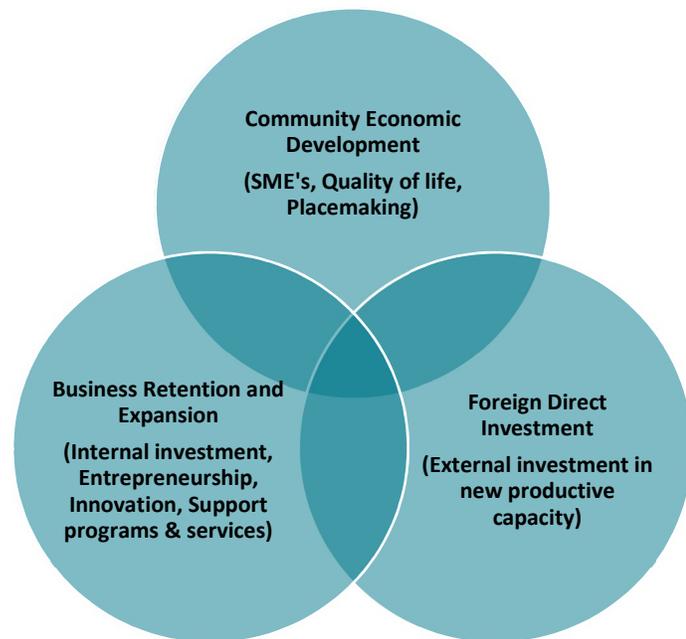
2. Richmond Hill's Investment Attraction Opportunity

Investment attraction has been a priority for the City of Richmond Hill, particularly as it works to bring attention to the community's substantial business and investment opportunities. The city aims to be a regional centre for business enterprise, investment, and innovation, facilitating growth, enhancing the competitiveness of its local business base, and delivering a brand that distinguishes Richmond Hill from other GTA communities as a premier business location and the 'Creative Centre' of York Region³.

Achieving these goals requires a targeted and coordinated response from the city, rooted in ongoing analysis of the value proposition for investment attraction, both from a top-down municipal level and a bottom-up industry-specific and supply chain-by-supply chain perspective. Real-time market intelligence and ongoing engagement and dialogue with relevant businesses and strategic economic development partners are essential for this approach to be effective. It ensures an implementation effort that is consistent and reflective of community realities. Strong partnerships with colleges and universities to ensure a dynamic talent pool with the skills to perform in the current and future labour market is crucial. They also serve as innovation, scale-up and R&D partners and provide access to technology-enhanced learning environments to residents and businesses.

The investment attraction opportunity for Richmond Hill is an interconnected effort that focuses on business retention and expansion, community economic development and foreign direct investment activities. The effort is intended to be grounded in the city's broader economic development program to ensure optimal outcomes and benefit the existing local business stakeholders and contribute to overall community health and economic vitality.

A stronger focus on business retention and expansion (BRE) programming is needed to understand the needs of the local business base and the challenges and opportunities they face. The city's economic development programming must also respond to the needs of the city's target sectors⁴, including supply chain considerations, infrastructure, and talent/labour requirements. Long-term success depends on the city's capacity to build and support strong ongoing relationships and networks within the business community. Forging stronger connections with the local business



³ Objectives of the City's current Economic Development Strategy (2017).

⁴ Richmond Hill's target sectors include Professional, Scientific and Technical Services (PSTS), Finance and Insurance, Information and Cultural Industries and Life Sciences.



community will also support the city's international business development (or FDI) goals. A key priority focus of the BRE program must be to identify opportunities for expansion and new investment attraction from already established foreign-owned firms and the geographic origins of goods and services being imported by Richmond Hill businesses.

Richmond Hill should pursue FDI in partnership with trusted government partners and business associations. Given the ongoing Foreign direct investment (FDI) efforts of Toronto Global, York Region and the Province of Ontario, Richmond Hill needs to define its investment attraction program to support the export aspirations, supply chain needs and expansion plans of the local business community. Opportunities exist for Richmond Hill to pursue a targeted FDI program leveraging the respected ethnic business associations prominent in the GTA. Building on these relationships will inform an understanding of the city's current market position and its ability to tap these export markets and increase foreign direct investment.

To date, Richmond Hill and York Region have benefited from significant immigration and business investment from China, Taiwan, Korea, Japan and India to a lesser extent. Exploring South and Southeast Asia is appropriate for Richmond Hill, given the current trends in FDI, which point to reshoring to build domestic capacity and regional supply chains and nearshoring to substitute countries within Asia, particularly the economies of Singapore, Taiwan, Vietnam, Thailand, and India. Despite ongoing geopolitical challenges with China, that market continues to be a major source of supply-chain products/goods and talent and investment for Richmond Hill and Ontario and the city should continue to monitor and evaluate investment and trade opportunities.

Community economic development (CED) initiatives for the city are equally important. They support small and mid-size enterprises (SMEs) growth and entrepreneurship in the community. They also contribute to the quality of life and placemaking efforts to sustain and enhance a vibrant working environment. Advancing Richmond Hill Centre (RHC) as a regional growth centre and positioning the Civic Precinct to enable an accelerator-education-experience hub are recommended to accelerate business growth and community prosperity.

Investment attraction programming for Richmond Hill requires an integrated approach that effectively links the local business community and community organizations to support local business growth, expand existing target sectors, facilitate knowledge and technology transfer, expand the skills base, and boost domestic firms' competitiveness to improve their access to markets. It will also position Richmond Hill in the broader GTHA to prioritize and attract inbound investment for effective and economically beneficial results.



3. Current Context

Richmond Hill's current economic profile is described below. It includes key insights from the macro-economic trends, economic baseline and industry trends, a review of Richmond Hill's knowledge economy and employment land capacity. It is further described in the *Research and Analysis Findings Interim Report* (Appendix A)⁵.

3.1 Macro-economic Investment Trends

Given the sustained impact of the COVID-19 pandemic on the global economy, the number of Foreign Direct Investment (FDI) projects in North America in 2020 decreased by 20% (down by 1,823 projects) from 2019. Capital investment declined by 28% to \$76.7bn, while job creation fell by 15%. Notwithstanding this, the U.S. remained the top destination in the region, retaining its regional market share of FDI projects at 84% and attracting \$61bn in capital investment. Total capital investment into Canada increased to \$15.7bn to achieve a regional market share increase of 21%, double that of 2019. Ontario was second only to Arizona as the region's main hub for capital investment, witnessing a 109% leap from 2019 to \$7.6bn and attracting the largest amount of jobs in the country.

Macro-investment trends in North America include artificial intelligence (AI), blockchain, data storage, cloud computing, and online media content. The United States is the biggest investor in the GTHA and York Region, led by California, Michigan, Arkansas, and Connecticut. Other key investor regions include Dubai (U.A.E.) and East of England (U.K.). Toronto is the biggest recipient of FDI investment accounting for 80% of 589 projects between 2016 to 2021, followed by Mississauga (10%), Hamilton (2.5%) and Markham (2%). Richmond Hill accounts for 2 of the total recorded projects, both in the business services sector.

Examining the key industries, software, and IT services accounts for the most projects and corresponding subsectors (data processing, computer and peripheral equipment, software publishers and custom computer programming). Food and beverages, communications and business machines and equipment also stand out.

Corresponding clusters that rank highly in the GTHA for FDI investments vary. ICI and electronics are the largest clusters, followed by transport equipment and agribusiness.

The key determinants that companies rank for their investments in the GTHA are proximity to markets or customers (37%), skilled workforce availability (37%) and technological innovation (37.3%).

⁵ Provided as a separate report.



3.2 Local Economy and Workforce

Richmond Hill's population growth has moderated during the last decade following a historical period of steady growth. As per Statistics Canada's 2021 Census⁶, from 2016 to 2021, Richmond Hill's population grew by 3.6%, adding approximately 7,000 new residents. This growth is projected to pick up over the next decade to keep pace with Official Plan forecasts; the city will exceed 240,000 persons by 2031⁷. Richmond Hill's growth rate over the recent 10-year period was less than York Region, the Toronto CMA, and Ontario. While it is forecast that Richmond Hill's population will continue to grow significantly, the city will no longer experience the greenfield population surge of previous decades. This can be attributed to the community's 'maturing' and the reduced number of greenfield development opportunities, necessitating significant residential intensification.

Richmond Hill has a large share of people with university degrees above the bachelor's level at 41%. In contrast, the York Region share stands at 33%, like the Toronto CMA. Richmond Hill also shows high commuting levels, with 22% of the labour force living and working in Richmond Hill, while 31% commute to different communities in the York Region and 47% commute to communities outside the York Region. The largest destination for Richmond Hill's commuters includes Toronto (39%), Markham (13%), and Vaughan (12%). This is to be expected given the city's proximity to Toronto and the accessibility of the transportation networks to bordering municipalities.

Using a Creative Index adapted from the work of Professor Richard Florida, Richmond Hill ranks third among comparable communities in the GTHA. The Creative Index measures a community's Talent, Tolerance, and Technology levels compared to its counterparts and is part of the economic development theory that gives importance to attracting and retaining creative capital. Communities with a high creativity index score are well-positioned to attract and retain creative workers and businesses within their jurisdictions. Richmond Hill's creativity index and overall performance were analyzed against Toronto, Milton, Markham, Oakville, Kitchener-Waterloo, Mississauga, Hamilton, Milton, Guelph, Brampton, Burlington, Vaughan and the GTHA. The figure below highlights the results of the Creative Index analysis.

⁶ Statistics Canada. 2022. (table). Census Profile. 2021 Census. Statistics Canada Catalogue no. 98-316-X2021001. Ottawa. Released February 9, 2022. <https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/index.cfm?Lang=E> (accessed March 28, 2022).

⁷ Richmond Hill Official Plan (2010), Section 3.1.1, Table 1



Richmond Hill ranks third in the Creative Index in the GTHA

Richmond Hill's creativity index is comparable to Oakville but behind Markham. With the concentration of talent, the diversity of the population that brings new perspectives and ideas, and the concentration of high-tech firms, Richmond Hill is in a highly competitive position to attract and retain the talent and investment needed to support sustained creative economic growth.



Talent Index - Out of the 13 comparable communities, Richmond Hill ranked 3rd on the talent index score.



Tolerance Index - Out of the 13 comparable communities, Richmond Hill ranked 2nd on the tolerance index score.



Technology Index - Richmond Hill ranked 2nd on the Technology Index. Richmond Hill's technology index is higher than the GTHA average.

After an employment decline between 2019 and 2021, the City of Richmond Hill accounted for 84,711 jobs in 2021 (including self-employed individuals)⁸. Between 2021 to 2028, employment is projected to grow at an annual rate of 1% to 89,808 jobs in 2028⁹. This translates to an additional 5,097 jobs from 2021 to 2028. Richmond Hill showed high office-based job growth from 2016 to 2020. Job growth is projected over the 2021 to 2025 period for both industrial and office-based employment at 2.5% and 5.2%, respectively. This is an important consideration given the city's current commercial and industrial vacancy levels.

3.3 Office and Industry Vacancy Rates

A comprehensive review of office market data undertaken as part of the Office Incentives Study (2013) concluded that Richmond Hill was well-positioned to continue its steady and diversified office-based employment growth. The study suggested that Richmond Hill would need 125,000 — 150,000 square feet of additional office space annually over the 2012-2022 period to meet demand and maintain and strong market supply. This supply was forecast to be accommodated through the following:

- Traditional office buildings will continue to locate in the employment lands, primarily in the Highway 404 corridor

Community Improvement Plan (CIP)

- Supports and incentivizes new office development in designated Centres and Corridors and older employment areas along centres and corridors along Yonge Street, Newkirk Employment Area, and Beaver Creek Employment Area.

Richmond Hill Centre (RHC)

- Located around Yonge Street and Highway 7, the vision is for the urban centre with a balance of residential and commercial uses.

Civic Precinct Project

- The Civic Precinct Project is a community engagement and corporate planning initiative designed to explore the community's priorities on the city-owned lands at the southwest corner of Yonge Street and Major Mackenzie Drive.

⁸ Emsi analyst, 2021

⁹ ibid



- Office buildings located in the City's centres and corridors, such as Yonge Street, which offer a more urban experience; and,
- Industrial format buildings may transition to office use.

More recent estimates show that as of 2026, Richmond Hill will require 38,050 sq. feet per year on average of office development in buildings that are 20,000 sq. ft. or larger to meet the anticipated 11,921 office jobs. The same estimates show that by 2051, office jobs are projected to grow to 23,797 jobs and will require 187,938 feet per year on average of office development in buildings that are 20,000 sq. ft. or larger. It will be important to understand how these projected demand estimates align with the current supply and development in the pipeline.

York Region's Growth and Development Review (2019) noted that the city has an industrial vacancy rate of 0.6%, compared to 1.2% in the York Region and 1.5% in the GTA. Rent for industrial space was at \$11.16, compared to \$8.98 in York Region and \$8.43 in the GTA. The office vacancy rate was 5.4% in 2019, compared to 2.5% in York Region and 4.3% in the GTA. Rent for office space was \$16.98, compared to \$19.13 in York Region and \$19.11 in the GTA.

The Covid-19 pandemic has greatly impacted office and commercial spaces across the region. While the long-term implications for office demand and space requirements are still largely unknown, recent research shows that offices would be a vital anchor for the knowledge economy¹⁰. In addition to space requirements, the demand for office space is also expected to vary by sector. For example, while professional services firms may opt for altered working practices, technology and e-commerce focus more on virtual working¹¹. As per the 2022 Canada Real Estate Market Outlook¹², demand for technology office occupiers will continue to increase, further elevating the need for urban real estate. Vacancy rates also experienced an uptick, particularly in downtown Toronto as tech companies and professional tenants compete for high-quality, built-out space¹³.

3.4 Employment Land Capacity

The City of Richmond Hill Official Plan recognizes that its "local economy is dependent on the businesses located in its designated employment lands and will continue to depend on the employment lands and the centres and corridors for economic growth." The Official Plan is currently undergoing an update; however, recognizing the importance of employment lands to the community's future economic growth is critical. Ensuring an adequate supply of vacant employment lands will ensure long-term economic viability.

The city is home to 89.6 hectares of vacant employment lands located within three of the city's business parks (down from 130 hectares in 2017). As per the 2021 Vacant Employment Land Inventory industrial vacancy rate within Richmond Hill is at 1.1%, suggesting a high demand for built industrial space.

Beyond Richmond Hill's business parks, there is an opportunity for higher development intensity,

¹⁰ WSP (2022). How Will Covid-19 Change Demand For Office Space? Source: <https://www.wsp.com/en-GL/insights/how-will-covid-19-change-demand-for-office-space>

¹¹ Ibid.

¹² CBRE (2022). 2022 Canada Real Estate Market Outlook.

¹³ CBRE (2022). Canada Office Figures Q4 2021.



particularly in the commercial and office sectors. The proposed Civic Precinct Project could accommodate growth in commercial and office sectors while bolstering public amenities. Of greater significance, the extension of the Yonge Street subway to Richmond Hill Centre can catalyze larger-scale office and commercial development opportunities.

3.5 Target Sector Assessment

Richmond Hill's target sectors share similar characteristics and represent a focus on a highly-skilled, educated, and high-earning workforce. Richmond Hill has successfully attracted this workforce with significant clusters of businesses and workforce in the Professional, Scientific, and Technical Services (PSTS), Financial Services and Life Sciences sectors. While not identified as a strong cluster, Information and Cultural Industries is deeply interconnected with PSTS and Financial Services. These sectors align well with Richmond Hill's strengths as a desirable upscale community in the GTHA and its development constraints. A lack of new employment lands does not preclude new investment in these sectors.

The following tables provide a high-level description of each target sector and sub-sectors, key recruitment zones¹⁴, market trends and optimal locations for growth and investment. Sector-based SWOT is provided in Appendix B of this report.

Professional, Scientific and Technical Services (PSTS)

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|  <p>Professional, Scientific, and Technical Services (PSTS)</p> | <p>The PSTS sector is Richmond Hill's strongest target industry, with the highest concentration of workforce and businesses. The PSTS sector consists of establishments primarily engaged in human capital and technical knowledge activities. Richmond Hill is home to a highly-skilled resident workforce performing knowledge-based and high-technology occupations. It forms a critical draw for the sector. Growth in the PSTS sector is generally tied to infrastructure and business investment, energy development, information, and cultural industries.</p> |
| <p>Key sub-sectors (By NAICS)</p> | <ul style="list-style-type: none"> ▪ Computer systems design and related services (except video game design and development) ▪ Administrative management and general management consulting services ▪ Other management consulting services ▪ Engineering services |

¹⁴ Recruitment zones were identified by ROI based on investments into Ontario in each of these subsectors over the last 10 years



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| <p>Recruitment zones</p> | <ul style="list-style-type: none"> ▪ London, UK ▪ NYC, U.S. ▪ Los Angeles, U.S. ▪ Atlanta, U.S. |
| <p>Market Trends</p> | <p>Integrating digital transformation will be a key pillar of the PSTS industry as an emphasis on increased profitability and efficiency becomes important. Technology that can automate business practices such as AI, blockchain and other enterprise platforms is increasingly favoured due to its low cost and efficiency. While this is especially true for engineering services, where automation processes have been vital to businesses over the last few years, these trends have had a spillover effect on computer design services, consulting, and administrative management. This is because COVID-19 has ushered a lot of PSTS business operations online. The need for efficient processes that consider remote working has emphasized AI integration platforms. Other trends include data analytics that leverage data to identify business problems, opportunities, and solutions.</p> |
| <p>Sector Positioning for Richmond Hill</p> | <p>PSTS is a well-established, growth sector for the city. Firms are maturing with well-defined products and services, customers, and profit margins. In addition to being a highly concentrated cluster, the sector also has access to regional knowledge-intensive activities and unicorn firms specializing in software & services, Fintech, Cybersecurity and Artificial intelligence.</p> <p>The city's PSTS firms are well-positioned to scale up their local business base and provide services to larger technology-based companies. There are also opportunities to attract investment into early-stage tech start-ups in the city. Potential FDI investment opportunities are primarily in software, IT, and business services out of the outlined recruitment zones.</p> <p>Given the strength of PSTS, the city is well-positioned to leverage industry strengths and crossover opportunities in advanced manufacturing, creative industries, life sciences and the FIRE sector. The city also can explore opportunities with Education technology (Edtech), given the increase in online learning. Companies are likely to be experiencing a growth spike due to the surge in remote learning in education. Opportunities also exist to strengthen the start-up and innovation ecosystem through targeted industry and education partnerships.</p> |
| <p>Optimal Location</p> | <p>In addition to requiring access to the skilled labour force, PSTS firms often require a prestige setting with greater emphasis on design features, including building design and landscaping, proximity and access to public transit and</p> |



major transportation corridors. Shared access and parking among various properties are encouraged. Access to on-site amenities and proximity to off-site services are also a requirement. Flexible leasing structures and market choice, including multi-tenant, Class A Office Space, and multi-tenant industrial condominiums.

Office space along the 404 corridors, Beaver Creek Business Park and Headford Business Park and the future Richmond Hill Centre are optimal locations for Richmond Hill. Firms including OpenText Corporation, Flexity Solutions Inc, Tesla could serve as anchor firms and further attract technology-based firms. The presence of the Sheraton Parkway Toronto North Hotel at Beaver Creek Business Park is an added advantage for PSTS firms that seek amenities and convention centres.

Finance and Insurance

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|  <p>Finance and Insurance</p> | <p>Finance and insurance are among Richmond Hill's strongest target sectors, with a significant concentration of workforce and business on par with provincial trends. The concentration of finance and Insurance sector businesses is on par with provincial businesses. The largest subsectors are miscellaneous intermediation and insurance agencies, and brokerages. Sub-sectors projected for most job growth to 2025 include depository credit intermediation and agencies, brokerages, other insurance-related activities, and activities related to credit intermediation.</p> |
| <p>Key sub-sectors (By NAICS)</p> | <ul style="list-style-type: none"> ▪ Depository credit intermediation ▪ Agencies, brokerages, and other insurance-related activities ▪ Other financial investment activities ▪ Activities related to credit intermediation |
| <p>Recruitment zones</p> | <ul style="list-style-type: none"> ▪ London, UK ▪ NYC, U.S. ▪ Los Angeles, U.S. |



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| | <ul style="list-style-type: none"> ▪ Chicago, U.S. ▪ Shibuya-ku, Tokyo, Japan |
| <p>Market Trends</p> | <p>Hyper personalization for finance, insurance and credit intermediation is gaining traction as innovations in AI have enabled software that can offer personalized financial solutions, including investment, trading, and insurance plans. AI applications in these subsectors predicted to experience growth are automated investment software that allows users to trade and make intelligent investment decisions through robo-advisers.</p> <p>Another major trend is big data applications for consumer analytics for insurance companies. These applications can identify everything from personalized insurance plans to target markets for products</p> <p>As finance and insurance become more digitally complex, information and network security become important. With the rise of big data and the Internet of Things, both in the consumer and business world, services focused on cybersecurity, information assurance, data processing and quality control have been on the rise.</p> |
| <p>Sector Positioning for Richmond Hill</p> | <p>Richmond Hill can embrace the digital transformation underway across the region and reposition itself as a key player in the financial sector focusing on big data and analytics, blockchain technologies, cybersecurity, product customization, and hyper-connectivity. The city already has a mature, growing PSTS cluster, providing a critical advantage to facilitate or support financial intermediation, insurance, and investment activities.</p> <p>Start-ups, creative tech companies and Fintech industries (e.g., cryptocurrency and blockchain) can grow in the city, as a focus on research and innovation required for emerging technologies is supported. The city is part of the Tor-York East mega-zone. It has access to North America's second-largest financial services hub (Toronto) and world-class institutions, providing collaborative opportunities with academia on commercialization.</p> |
| <p>Optimal Location</p> | <p>Like PSTS firms, finance and insurance-based firms tend to agglomerate in business parks, office building nodes and Prestige employment areas.</p> <p>Prestige focuses on building design, access to transportation services and infrastructure, parking, amenities, and services. Richmond Hill is well-positioned to accommodate Finance and insurance firms and the employment node at Highway 404 and 407 and the Beaver Creek Business Park and Headford Business Park. The city's position as part of the Tor-York East mega-zone along with Markham can support the growth of office/high-tech firms. The finance sector also requires back-office support, seeking Affordable Class A office buildings.</p> |



Information and Cultural Industries

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|  <p>Information and Cultural Industries</p> | <p>While Richmond Hill is home to several prestigious Information and Cultural Industries firms, the sector does not represent a strong business and employment cluster in Richmond Hill. However, the same factors that support the community's ability to attract PSTS, Finance and Insurance and Life Sciences also serve as key inputs to expand the sector. Ontario was the centre of 46% of the national tech sector payroll and 45% of tech sector workers, with 32,539 tech businesses (CompTIA, Cyberprovinces 2019). Globally, there is a growing trend towards the emergence of the creative industries, focusing on digital technologies as the next large contributor to economic growth and wealth in a community. These industries are a sub-sector of the broader knowledge-based economy and often focus on culture and social development as tactics to foster job growth in a community.</p> |
| <p>Key sub-sectors (By NAICS)</p> | <ul style="list-style-type: none">▪ Software publishers (except video game publishers)▪ Data processing, hosting, and related services▪ Motion picture and video production |
| <p>Recruitment zones</p> | <ul style="list-style-type: none">▪ San Francisco, U.S. |



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| | <ul style="list-style-type: none"> ▪ NYC, US. ▪ London, UK ▪ Los Angeles, U.S. ▪ Singapore |
| <p>Market Trends</p> | <p>Virtual and augmented reality are trends in the interactive digital media space. The spread of consumer-oriented virtual reality headsets has been a boon to businesses in the creative industries. Virtual reality's immersive experiences can be applied in the context of learning environments as well as within gaming, entertainment, and experiential art contexts</p> <p>Artificial intelligence is one of the biggest innovation drivers in the information and cultural industries sector. Some growing applications include automated music, podcast, video, and game editing software. There has also been a growing appetite for AI-powered tutors for language learning, mathematics, and general learning progress tracking.</p> |
| <p>Sector Positioning for Richmond Hill</p> | <p>While not identified as a strong cluster, Information and Cultural Industries is deeply interconnected with other technology-based sectors. Growth in this sector with a focus on technology infrastructure will further support the growth of PSTS and Financial Services.</p> <p>Richmond Hill is well-positioned to capitalize on several niche sectors, including Interactive Digital Media (IDM), which refers to the industry of user-engaged digital platforms and includes gaming, eLearning, Virtual and Augmented Reality, and associated developers, publishers, and advertising firms. As identified in the 2021 ICTC Outlook, Virtual and Augmented Reality will be one of the five key technologies driving innovation in Canada. Moreover, as per the Measuring Success report, Ontario's IDM companies are expected to see substantial growth over the coming years due to the advancements in businesses in this space. In 2017, the sector generated \$1.66 billion of revenue 2017 with an implied profit margin of 31%.</p> <p>Filming is a strong opportunity sector for the city; besides the growing talent and investment in the sector, Richmond Hill is within ACTRA Toronto's radius boundaries and NABET 700-M UNIFOR union boundaries. The city's current strengths in the film sector can support and build on the digital media sector and enable crossover opportunities in post-production, animation, visual effects, and game development.</p> |
| <p>Optimal Location</p> | <p>Like the location requirements of PSTS firms, most information and cultural industries require office development with flexible leasing options. Office spaces along the 404 corridors, Beaver Creek Business Park and Headford Business Park and the Richmond Hill Centre are optimal locations for</p> |



Richmond Hill. Firms including OpenText Corporation, Flexity Solutions Inc, Tesla Canada could serve as anchor firms and further attract technology-based firms. The presence of the Sheraton Parkway Toronto North Hotel at Beaver Creek Business Park is an added advantage for PSTS firms that seek amenities and convention centres.

The Civic Precinct lands are also optimal, particularly given the city's focus on supporting the creative cultural economy.

Life Sciences

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|  <p>Life Sciences</p> | <p>Richmond Hill is home to a cluster of businesses and workforce concentration on par with the province. Most of the workforce is in hospitals and offices of physicians and health practitioners directly related to health care providers. The Life Sciences sector is significantly different from the other target sectors due to its essential nature and Ontario's role as the public provider of healthcare. More specifically, the Life Sciences sector and health services are necessary to provide the quality-of-life amenities in demand from the highly paid and educated workforce in Richmond Hill. The city can support specific sub-sectors within Life Sciences, including pharmaceutical and medicine manufacturing, medical equipment and supplies manufacturing and scientific research and development services. These areas have larger private investment potential and significant opportunities to access provincial and federal support.</p> |
| <p>Key sub-sectors (By NAICS)</p> | <ul style="list-style-type: none"> ▪ Research, Testing, and Medical Laboratories ▪ Medical Devices and Equipment ▪ Drugs and Pharmaceuticals |
| <p>Recruitment zones</p> | <ul style="list-style-type: none"> ▪ New York, U.S. |



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| | <ul style="list-style-type: none"> ▪ Los Angeles, U.S. ▪ Atlanta, U.S. ▪ Basel, Switzerland ▪ Paris, France |
| <p>Market Trends</p> | <p>Artificial intelligence applications for pharmaceutical and drug discovery are a growing trend. Application potential is wide and can be seen with drug discovery, where large amounts of data can be analyzed to identify pharmaceutical opportunities. Furthermore, AI can optimize manufacturing processes through sensors and IoT technology. Finally, applications with patient identification where patient data can be more efficiently sorted through when finding eligible candidates for clinical trials.</p> <p>The digitization of healthcare has resulted in the proliferation of telemedicine platforms. Investments in telemedicine platforms, virtual care technologies and existing care facilities are also increasing. COVID-19 has positively impacted this segment as demand for digital healthcare rises as social distancing measures continue.</p> <p>In terms of pharmaceutical and medical device trends, there has been incentivized innovation for unmet and rare illnesses that affect vulnerable populations over the last two years. Specialty drugs and devices are therefore expected to continue growing as innovations in technology allow for more efficient identification of health solutions</p> |
| <p>Sector Positioning for Richmond Hill</p> | <p>Like the Information and Cultural Industries, Richmond Hill's strength in PSTS offers growth opportunities in niche health-based technologies. The city can support commercialization in specific sub-sectors within the health sector, including pharmaceuticals and medical equipment and supplies manufacturing. York Region's Building Supply Chain Resilience Report identifies that Richmond Hill is particularly strong in pharma/medical devices manufacturing.</p> <p>Digital health companies across the health ecosystem in Canada are categorized based on the following segments: provider, patient, life science R&D and payer & public health. Firms and opportunities include Virtual care, Homecare, Predictive data analytics to anticipate infectious disease risks, integrated patient-centric health care apps, digital mental health solutions, data integration and privacy compliance.</p> |
| <p>Optimal Location</p> | <p>Richmond Hill Centre can serve as an economic growth opportunity for the life science sector, particularly as it attracts employment growth, educational institutions and research and development facilities. The city is already home to knowledge-based activities in key sectors, including PSTS. There are opportunities to set up Prestige's "campus-like" setting to attract life science-based firms and research facilities. These are usually standalone buildings or</p> |



facility spaces within the multi-tenant incubator and or accelerator type building. They have flexible leasing options, strong regional transit access and infrastructure and offers access to on-site amenities and proximity to off-site services.

4. Richmond Hill's Value Proposition

Richmond Hill's value proposition for investment attraction has been determined based on the sector SWOT, consultations, and key industry trends. It goes beyond the traditional messaging and focuses on those assets and attributes that can enable the city to realize success in investment attraction and marketing.

The value proposition for investment attraction is described as follows:



Richmond Hill is a centrally located **regional growth centre** in the Greater Toronto Area, offering **enhanced connectivity to downtown Toronto**, a **diverse and knowledge-based workforce**, **dynamic infrastructure**, **high-value sectors**, and the **planned development of Richmond Hill Centre**.

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| <p>Tor-York East (TYE) megazone Canada's largest technology corridor Part of the third-largest office agglomeration in the GTA</p> | <p>Access to Toronto's amenities, workforce and businesses; and regional colleges and universities</p> | <p>3rd highest on Talent Index ahead of Oakville and Milton Ranks closely behind Toronto as the home of the knowledge workforce Residents work in management, finance, science, health, education, and creative fields A hub for high-technology occupations including R&D, equipment design, processes, computer applications, marketing, and quality management</p> | <p>Major transportation infrastructure including two 400-series highways; a modern regional transit system, convenient connections to two airports Continued office development in the Highway 404 corridor Unique recreational and cultural assets and activities</p> | <p>A thriving economic base driven by professional services, finance, life sciences and logistics firms Professional services cluster with over 6,000 firms, providing more than 11,200 jobs Employment growth set to exceed 11% over the next ten years Niche-sector growth opportunities in computer systems design cluster, interactive digital media (IDM), health-based technologies, pharmaceuticals and medical equipment and supplies manufacturing</p> | <p>Civic Precinct Project to accommodate commercial and office growth Richmond Hill Centre envisioned as a high-density, dynamic, and vibrant destination The Extension of the Yonge Street subway to Richmond Hill Centre catalyzing larger-scale office and commercial opportunities</p> |
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4.1 A Draw for Talent

Richmond Hill's value proposition includes its strong position as home to a highly diverse, prosperous, and educated resident population. The city ranks third overall on the Talent Index¹⁵ compared to 13 communities across the GTHA, including Markham, Toronto, Oakville, Milton, Mississauga, Burlington,

¹⁵ The Talent Index is one of the three components of the Creative Index. It compares the share of knowledge occupations, share of high-tech occupations, the proportion of the labour force with a post-secondary certificate, diploma, or degree and the proportion of the labour force with a field of study in arts, business, science & engineering, and health.



and the Kitchener-Waterloo region.

Richmond Hill ranks closely behind Toronto as the home for the knowledge workforce¹⁶. Knowledge workers are noted for high levels of creativity and productivity and work in management, finance, science, health, education, and creative fields. Furthermore, the city ranks third (3rd) behind Markham and Toronto when analyzing the share of the workforce performing high-technology occupations. These individuals are engaged in R&D, equipment design, processes, computer applications, marketing, and quality management. They choose to live in Richmond Hill because of its amenities, cultural experiences, and the community's high quality of life benefits.

It is well known that a talent gap and skills shortage exists across the GTHA; high-growth companies and SMEs report difficulties in hiring new employees for the technology-based jobs needed now and into the future. Many of these firms are inherently agile and are rapidly scaling businesses, looking to develop new products, services, and business structures and navigate new markets. The talent they require also needs to be flexible and readily perform tasks at all stages of growth and levels of seniority. Research also identifies that as the demand for these technology-based occupations increases, the valuable talent pool will continue to be in high demand.

Given these realities, Richmond Hill's highly educated resident workforce positions it competitively as a draw for talent, as the local and regional supplier for talent. Deliberate and targeted messaging is required. The city profiles its high-technology occupational workforce to attract scientific knowledge and increase Science, Technology, Engineering, and Mathematics (STEM) based investments and growth in creative industries. This draw for talent is a key message that Richmond Hill should leverage in the short term and present to the local business community and target markets. It should be promoted to potential investors and supply-chain partners for existing and new firms and industries (foreign-based and local). The city also needs to be proactive and identify partnerships with education institutions and key industries in the community to ensure a sustainable local talent supply and labour pool. The city could also capitalize on the remote working trend of the COVID-19 pandemic. The shift to remote work has pushed many out of downtowns and into single-family housing neighbourhoods with outdoor space. These individuals are selecting sub-urban hubs that offer more space but do not preclude access to the amenities of a world-class city's entertainment, food, and education institutions. Richmond Hill's unique recreational assets, including the Oak Ridges Moraine and green spaces, heritage sites, cultural diversity and ethnic events and festivals, and a vibrant downtown are key considerations that contribute to the city's value proposition for investment attraction. These trends are beneficial to Richmond Hill as a community of choice for this workforce.

4.2 High-Value Industries

Richmond Hill has a thriving economic base driven by professional services, finance, life sciences and logistics firms. The city is home to over 6,100 Professional, Scientific and Technical Services (PSTS) firms, providing approximately 11,267 jobs, with employment growth expected to exceed 11% over the next ten years. The city's other key target sectors include Finance and Insurance, Information and Culture and health, and PSTS supports significant technology-based employment in the community. In addition to driving innovation and productivity in core digital technologies, firms in these sectors support

¹⁶ 62% of its total workforce are knowledge workers compared to Toronto at 65% and GTHA average at 59%. Results of Talent Index.



manufacturing, wholesale, education, and other support services.

Richmond Hill defined its key target sectors in 2011 and developed measures to focus their growth and development. These sectors are profiled on the city website with a description of the sector, key firms in each sector and business support. However, there needs to be a more targeted and purposeful rethinking of how the target sectors are defined and positioned. Definitions need to reflect ongoing global trends and disruptions and promote technology-based professional services and innovations in procurement, supply chain, and manufacturing. Identifying specific businesses within target sectors, specific business parks and referring to well-known brands can help ground the definition in the minds of prospective investors. The most important aspect of this is intentionally choosing what the community wants to attract and simplifying that message.

Richmond Hill's value proposition for investment attraction should focus on promoting and positioning high-value industries within its target sectors. High-value industries are innovation-oriented industries that attract a workforce with high knowledge and skills and generate a unique intellectual property with significant commercial value. They contribute to an entrepreneurial ecosystem network of education programs, business incubators, co-working spaces, advocacy events, and meetups, which actively support and encourage innovation, new ideas, entrepreneurs, and start-ups.

Positioning high-value industries involve partnerships with academic institutions to focus on design thinking and computing programs and targeted workforce development to attract and retain highly skilled professionals, scientists, engineers, and experts with administrative, legal, and regulatory knowledge. It also requires a targeted strategy with the local business base and potential investors to market and promote the innovative firms in the community. Sector-based networking sessions, analytical tools, sectoral "road maps," and detailed supply chain information should be made broadly available through sophisticated websites and take that information directly to target firms.

4.3 Investment Readiness

The city should undertake targeted measures to improve its investment readiness and focus on a targeted value proposition within the local business community, regional economies, and international markets. Investment readiness positions the community to attract business interest more effectively and leverages competitive strengths to bring new investment into the local economy.

Investment readiness measures for Richmond Hill include promoting modern and flexible zoning in its employment areas. A vision for the Richmond Hill Centre as a major regional employment centre and the Civic Precinct lands at the southwest corner of Yonge Street and Major Mackenzie Drive as a community-based office and culture industry-focused location. Building on the existing online Vacant Employment Land Inventory, the city can provide a stronger profile of its high-value industries, site selection data, incentives, CIPs, and marketing materials. Data suggests that site selectors and investors rely on online databases and websites to collect over 90% of the information they need and only approach the community once they are close to/have decided to select the community¹⁷. Thus, relevant, up-to-date information is crucial to attract investment and show that the community is ready.

Modern and flexible zoning can address land use and built-form, transportation, community facilities

¹⁷ Investment Readiness Toolkit 2012. Economic Developers of Alberta (EDA).



and sustainability to support current employment, industrial and servicing uses that provide diverse opportunities for the intensification of employment uses. It can create unique employment-focused districts and mixed-use precincts to support high-value industries and attract a creative, entrepreneurial, and knowledge-based economy. Furthermore, as the regional and local economy evolves, Richmond Hill must consider how its Employment Areas transition from traditional industrial activity to accommodate and enable more knowledge-based sectors to be attracted to this type of location.

There is an opportunity for higher-order development, single-tenant use, integrated with multi-purpose facilities, particularly in the commercial and office sectors. The proposed Civic Precinct Project could accommodate growth in commercial and office sectors while bolstering public amenities. Of greater significance, the extension of the Yonge Street subway to Richmond Hill Centre can catalyze larger-scale office and commercial opportunities. Richmond Hill's Community Improvement Plan (CIP), including the Tax Increment Equivalent Grant (TIEG) program, supports and incentivizes new office development in designated centres and corridors and older business parks and is a key program that should continue to be promoted as part of investment readiness efforts. Opportunities also exist to modernize CIP offerings to support high-value industries, incentivize incubators and co-working spaces, and develop civic and cultural spaces partnerships, particularly on the Civic Precinct lands.

Richmond Hill as part of the Tor-York East mega-zone (TYE) and Markham SKID (Suburban Knowledge-Intensive Districts) is strongly positioned to attract soft tech¹⁸, finance, pharma, and science-based archetypes competitively to its business parks along the 404 corridors. While regions around the TYE and Markham SKID have been less successful in attracting employment than Downtown Toronto, transit improvements and reduced auto-dependency can position these areas to attract more office and commercial-based archetypes. With a regional focus, Richmond Hill can look to attract soft-tech jobs and related services, most of which are located in Downtown Toronto and, to a lesser extent, the Waterloo SKID, the Airport SKID, and North York city Centre. This also positions the city competitively with Markham in attracting soft-tech jobs. The city can also look to Mississauga's focus on the life sciences to support commercialization and generate new research and development, business models. The Cortellucci Vaughan Hospital and Mackenzie Richmond Hill Hospital provide opportunities for regional business growth in integrated smart-technology systems and medical devices, research and education facilities, community health uses and related medical office space. The Mackenzie Innovation Institute (Mi²) in Richmond Hill is positioned as a catalyst for innovation in healthcare and can serve to further enhance technologies, businesses and practices in the sector.

4.4 Emergence as a Regional Growth Centre

The Richmond Hill Centre (RHC) is a planned intensification area located around the intersection of Yonge Street and Highway 7. As an extension of Richmond Hill's commercial core area, the RHC is envisioned to be a high-density, dynamic, and vibrant destination supported by (and supporting) a wide mix of employment, housing, retail, community, and cultural uses that will attract people and jobs from across the Region over the next 10-20 years. Support for the RHC to be an Urban Growth Centre is

¹⁸ Soft tech Archetype jobs include computer systems design; data processing; web hosting; software design, publishing, and distribution; and business-to-business electronic markets, electronic game design and development, as well as website and app design and development.



identified in all provincial, regional, and local efforts¹⁹.

Within the RHC, the Inner Transit Core, centrally located, immediately adjacent to the future High-Tech Station²⁰, is planned to be a significant employment area with supporting residential uses. It is also envisioned as a cultural entertainment node centred around higher-order transit that attracts people from the city and region.

Strategic approaches that position the RHC as a high-density mixed-use, transit-supportive, vibrant, and amenity-rich city centre that supports knowledge-based employment growth and high-value industries and where residents live and work close to where they live are central to Richmond Hill's emergence as a regional growth core.

Positioning the RHC for office employment should be targeted and reflective of the ongoing industry trends and changing needs of the service sector and knowledge economy. There also needs to be a recognition that access and adjacency to higher-order transit are important and effective for attracting office uses. The city should proactively promote that the RHC will be built around the intersection of five modes of public transit over the long term, including the Yonge Subway extension, the Richmond Hill GO line, the Highway 407 Transitway, and Viva bus rapid transit, and local GO and YRT buses.

In addition to the RHC, the city should also advance its planning for a Civic Precinct Project that explores options on the city-owned lands at the southwest corner of Yonge Street and Major Mackenzie Drive. This city-owned property is centrally located on Yonge Street Corridor as part of an emerging cultural corridor anchored by the central library. It has the potential to be positioned as an accelerator education-experience hub incorporating a post-secondary education learning campus, small business centre and RIC, rentable office and studio spaces and public gathering and event space.

Richmond Hill is part of the Tor-York East mega-zone (TYE), one of three regionally, provincially, and nationally significant employment zones. This mega-zone is centred on the 404/407 highway interchange and includes parts of Markham, the Beaver Creek business park in Richmond Hill, and extends south into Toronto. The TYE represents a significant regional concentration of finance and business services. There are also major concentrations of wholesaling employment, manufacturing, and an important information and communications technology cluster, spanning computer manufacturing, services, and wholesaling.

¹⁹ Growth Plan for the Greater Golden Horseshoe, York Region Official Plan, and the Richmond Hill Official Plan.

²⁰ High Tech Station is the name given to a Complementary Urban Core Station located approximately 400 metres north of a proposed Bridge Station. The station will provide a higher level of access than the Bridge Station alone and provide platform access for new residents within a highly desirable five-minute walk.



5. Investment Attraction Strategy Action Plan

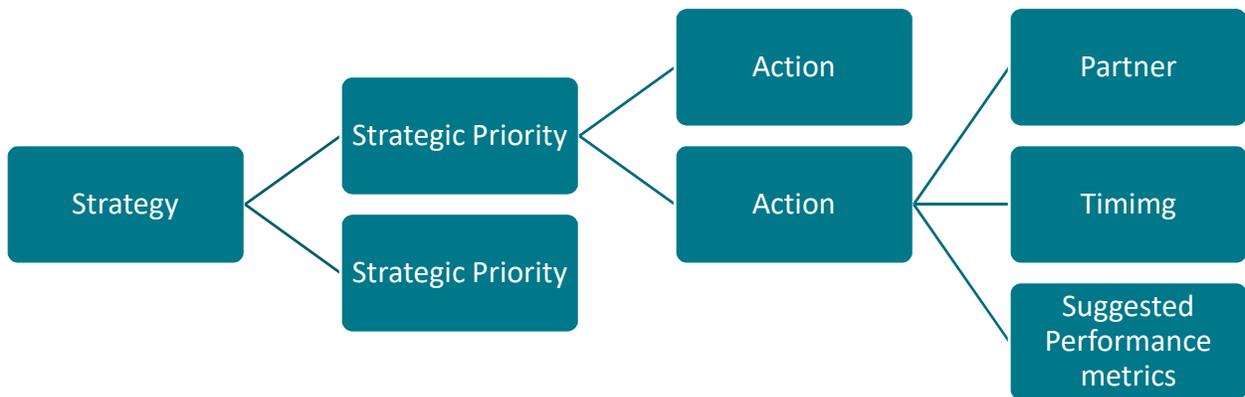
The Richmond Hill Investment Attraction Strategy actively seeks to attract investment in key sectors and capabilities central to the future growth and competitiveness of the local economy and achieve the long-term vision of economic development.

Three strategic priorities frame the City of Richmond Hill Investment Attraction Strategy. The strategic priorities are highly interrelated and include a well-defined action plan to guide investment attraction for the city. The actions are the direction that the city, its partners, and stakeholders will need to undertake to address the essential issues or opportunities that should be addressed over the length of the Strategy.

The strategic priorities were developed through background research and consultation efforts and builds on the city's current investment attraction value proposition. These include a diverse knowledge-based workforce, strong target sectors and high-value industries, and initiatives to support business development and industry growth. These priorities align with the city's 2017 Economic Development Strategy and support the aspirations of the 2020-2022 Corporate Strategic Plan and the forthcoming Official Plan Update to guide land use and development to 2041.

The framework for the Richmond Hill Investment Attraction

Strategy is illustrated below.



The strategic priorities are both foundational and aspirational in that it directs actions that must be undertaken over the short-term (2022-2024), mid-term (2024-2026), long-term (2027-2030) or ongoing to enhance the competitive position of the city and ensure its position as a regional growth centre. While the short-term actions focus on improving the investment attraction brand and raising awareness of the city's value proposition, the long-term efforts will establish a targeted FDI multiple-year program and position Richmond Hill as an investment destination for global businesses. It also highlights the actions that support the city's vision and urban structure through to 2041 and the emergence of Richmond Hill as a regional growth centre, offering competitive reasons to invest.



The Richmond Hill Investment Attraction Strategy Action Plan, while offering clear direction for the city, its partners, and stakeholders now, its implementation will occur with the recognition that the city will undergo a significant transition over the next ten years, particularly as the vision and urban structure of the Richmond Hill Centre (RHC) is realized. It is thus recommended that the Action Plan be revisited regularly to assess its applicability in a changing environment.

The strategic priorities and action plan of the Investment Attraction Strategy are detailed below:

Strategic Priority #1: Establish the Investment Attraction Brand

Strategic Priority #2: Build a strong BR+E program and After Care Support

Strategic Priority #3: Focus Support for and Transitioning Industrial Parks



Strategic Priority #1: Establish the Investment Attraction Brand

Why is it important?

The City of Richmond Hill needs to establish a targeted investment attraction brand centred on the community's unique competitive advantages to position the municipality as a destination for business growth and investment. An investment attraction brand is a proactive approach to advocate for the community and increases awareness and positive engagement within the local business community and the wider investor network.

What will it achieve?

Establishing the Investment Attraction Brand will ensure a strong mandate, objectives and targets that Richmond Hill intends to achieve and measures to describe progress on the results. It ensures that lead generation efforts support and promote the growth of target sectors and high-value industries.

An investment attraction brand includes a strong marketing program that promotes the investment attraction position and advantages locally, nationally, and globally. Specific marketing and promotional initiatives should include a dedicated investment attraction website, a stronger social media presence for targeted campaigns, and promotional videos highlighting the community's unique selling point. The city needs to take the lead as the main organization responsible for promoting and marketing the local community to focus on business retention and expansion in the short-term and opportunistic FDI over the longer term.

Establishing the Investment Attraction Brand will effectively link BR+E priorities and community organizations to support local business growth and enable market access. It expands existing target sectors, facilitates knowledge and technology transfer, enhances the skills base, and contributes to value-adding jobs. It will also position Richmond Hill in the broader GTA to prioritize and attract inbound investment for effective and economically beneficial results.

A detailed action plan follows.



| # | Actions | Partners | Timing |
|-----|---|--|--------------|
| 1.1 | Continue to leverage the city's grant writing staff to secure grants (CanExport) that support the development of a database of foreign-owned firms, supply chain gaps and investment attraction initiatives in Richmond Hill. | Toronto Global, York Region, Foreign Consulates | Short-Term |
| 1.2 | <p>Clarify sector target investment opportunities</p> <ul style="list-style-type: none"> ▪ Develop specific investment-related marketing plans for each target sector, focusing on high-value industries and complementary supply chain businesses. ▪ Develop Sector Profiles and Investment Prospectus highlighting the key industries, challenges, opportunities, and industry partners. ▪ Partner with land developers, site selectors and the real estate community to better understand their targets and provide investment data and pitch decks to support their attraction efforts. These decks can also be used to support resident attraction by businesses. | Land Developers, Landowners, Real Estate Community | Short - Term |
| 1.3 | <p>Produce a yearly Investment Attraction Business Plan with planned sector targets and results for investment attraction, performance indicators and timelines.</p> <ul style="list-style-type: none"> ▪ Review the Plan yearly to ensure that targets are being met and if efforts need to be refocused or realigned to achieve priorities. ▪ Publicize the Plan within the community and regionally utilize Key Performance Indicators (KPIs) and success stories to celebrate new investments and momentum. | | Ongoing |
| 1.4 | <p>Promote Richmond Hill's investment attraction value proposition to provide accurate and compelling information to the local business base, partners, and potential investors.</p> <ul style="list-style-type: none"> ▪ The value proposition should focus on the target sectors and their supply chain. It should promote key determinants for investment, including proximity to markets or customers, high quality of life seeking a skilled workforce and technological innovation. | BOT, Site Selectors, targeted business associations and industry sector groups | Ongoing |



| # | Actions | Partners | Timing |
|-----|--|---|------------|
| 1.5 | <p>Launch a multi-year Marketing Strategy that engages businesses and industry stakeholders in the active pursuit of FDI.</p> <ul style="list-style-type: none"> ▪ Focus social media campaigns and promotional videos highlight the community's unique selling point, key messages, and sector-based success stories. ▪ Join regional and provincial delegations to participate in selective conferences, trade shows and industry events and host a Site Selector Guild Advisory Forum (Familiarization tour). ▪ Continue participating in global ranking programs for business friendliness, smart city indicators, talent attraction, and start-up culture. Examples of credible ranking providers include Business Insider and FDI Intelligence. | Colleges, universities, BOT, business associations and the real estate industry | Ongoing |
| 1.6 | Establish a lead generation pipeline through partnerships with broader investment attraction networks and the enhanced BR+E program. Utilize these partnerships to vet and update investment attraction tools and materials continually. | Toronto Global, Invest Ontario, Site Selectors, Real Estate Firms | Short-Term |
| 1.7 | <p>Enhance the existing economic development web pages or establish a new microsite for target sectors and integrate these targets into the existing site selection tools.</p> <ul style="list-style-type: none"> ▪ Revamp target sector profiles to reflect current trends, investment opportunities, and maps highlighting clusters and supply chains (www.nswpb.ca/sector-map). ▪ Tie in the value proposition, high-value industries, business directory, incentives, support networks and services, education programs, data dashboard and real estate database | | Short-Term |



Strategic Priority #2: Build a strong BR+E program and After Care Support

Why is it important?

The City of Richmond Hill needs to continue to enhance its Business Retention and Expansion (BR+E) program to include formal sector-based key performance indicators, engage with local businesses and address concerns, challenges, and gaps that will improve their competitiveness and enable their growth in the community. A standardized set of after-care protocols often accompanies a BR+E program to support the business's ongoing success.

What will it achieve?

Business Retention and Expansion (BR+E) is a cornerstone of economic growth and can be an important factor in a successful investment attraction. Continuing to enhance BR+E programming will further support outreach activities (Corporate Calling Program, Business Leadership Council) and gather feedback from the business community. This includes focusing on what barriers to growth need to be removed, opportunities in the broader economy, stronger sector-based marketing and specific prospect firms or funding opportunities. Successfully enhancing the BR+E program for Richmond Hill would include successful implementation of Customer Relationship Management (CRM) and realigning KPIs to an investment-focused approach. The most successful programs have dedicated staff who utilize various CRM tools to enable effective communication between businesses and municipalities to provide support as needed.

Focusing BR+E efforts on target sectors and high-value and high-growth industries is key to sustainable economic development and attracting future growth industries. Connecting with large and high-growth businesses is critical. They often have extensive supply chains and can be essential sources of new investment and leads. Enabling ongoing communication will improve investment attraction activities and generate new opportunities in the city. The BR+E should also develop after-care protocols to identify firms that choose to invest in the community, helping them overcome any issues and identifying pain points for improvement in processes.

A detailed action plan follows.



| # | Actions | Partners | Timing |
|-----|--|---|------------|
| 2.1 | <p>Use the recently implemented Customer relationship management (CRM) tool Salesforce to track business engagement activities and leads in a dashboard that supports the communications.</p> <ul style="list-style-type: none"> ▪ Continue to ensure elected officials and departmental heads are aware of the role of the BR+E programming and its importance to business development and growth. ▪ The CRM tool should track information related to the export readiness of firms, ownership (local, Canadian, or foreign), the programming (incubators, innovation support) accessed, expansions, investments, and jobs. | Council and ELT | Short-Term |
| 2.2 | <p>Like the Approvals+ program, Economic Development staff will provide a coordinated response to investment inquiries through a single point of contact.</p> <ul style="list-style-type: none"> ▪ Continue to support the investment after-care program and tracking protocols for ongoing follow-up focused on identifying challenges and solutions to make investing in the community easier. | | Short-Term |
| 2.3 | <p>Continue to inventory and promote programs, services, R&D funding, incubators, and educational institutions businesses may need to expand in Richmond Hill.</p> | | Ongoing |
| 2.4 | <p>Develop a regular business visitation program that engages the Mayor with high profile local or FDI clients:</p> <ul style="list-style-type: none"> ▪ High profile business visitation program to gather information, promote local companies and support FDI. ▪ Utilize the expertise of business owners of locally based international firms to enable stronger connections with potential investors and identify opportunities for increased investment. ▪ Enable the Mayor to champion Richmond Hill's growth prospects in speeches, conferences, missions, and other promotional activities. | Council and ELT | Mid-Term |
| 2.5 | <p>Undertake a target sector-focused labour market research or workforce development strategy to gain a clearer picture of the local labour force and focus on developing skills for the future of work.</p> | Colleges, universities, Workforce Planning Board of York Region, Innovation | Mid-Term |



| # | Actions | Partners | Timing |
|---|---------|----------------------|--------|
| | | York; Region of York | |

Strategic Priority #3: Focus Support for and Transitioning Industrial Parks

Why is it important?

Focusing support for existing employment lands and transitioning industrial parks to include other industrial uses through modernized zoning is essential for Richmond Hill to remain competitive, attract new investment, create jobs, and accelerate economic growth. With a long-term investment and economic development vision, the city needs to focus on the timely development of new investments in select locations such as the Richmond Hill Centre.

What will it achieve?

The current and prevailing trends in vacant employment lands and buildings in Richmond Hill pose strategic challenges for the city in its pursuit of targeted business attraction investment. Only 89.6 hectares of vacant employment lands remain within three of the city's business parks. At the same time, the Newkirk Business Park has approached build-out. This limited supply of vacant industrial buildings and available industrial building sites is an obstacle to accommodating growth for existing industrial space users and a barrier to attracting new firms to locate in Richmond Hill. Beyond greenfield sites, most employment areas are older developments and may not support new industrial/commercial uses.

Richmond Hill faces a low demand/modest supply of office space when considering office demand. In anticipation of a soft market (weak demand/high vacancy) for office space outside Downtown Toronto, Richmond Hill will need to focus on the timely development of new office spaces in competitively select locations such as the Richmond Hill Centre and the city-owned lands at the southwest corner of Yonge Street and Major Mackenzie Drive.

The city also needs to recognize and respond to the ongoing change that calls for Employment Areas to be dynamic and provide a greater range of amenities and employment supportive uses that complement the knowledge-based and traditional industrial sectors. Modern and flexible zoning can address these considerations, including land use and built-form, transportation, community facilities, and opportunities to intensify employment uses. It can create unique employment-focused districts and mixed-use precincts to support high-value industries and attract a creative, entrepreneurial, and knowledge-based economy. In recognition of the limited employment lands in the city, these considerations are not intended to support their conversion.

A detailed action plan follows.



| # | Actions | Partners | Timing |
|-----|--|---|------------|
| 3.1 | <p>Spur the development of employment lands and business parks based on age, coverage, zoning, and marketability.</p> <ul style="list-style-type: none"> Develop a detailed breakdown of existing infrastructure and compare it to what is required in target sectors. Consult with businesses in target sectors regarding their requirements and align plans for new lands accordingly. Leveraging the city's grant writing team, complete a scan of grants and support programming to support infrastructure development and consider investing directly in employment lands to improve investment readiness or implementing development incentives like Tax Increment Financing. | | Short-Term |
| 3.2 | <p>Engage with property owners and developers to modernize older business parks to better position them for technology-based businesses and the new economy jobs.</p> <ul style="list-style-type: none"> Ensure the redevelopment focuses on new uses and amenities, is positioned as the hubs for socialization and networking, and involves sustainability and energy efficiency principles. | | Ongoing |
| 3.3 | <p>Undertake an employment lands review to identify and assess opportunities to maximize available employment lands.</p> | | Short-Term |
| 3.4 | <p>Review the feasibility of a Community Improvement Plan to incentivize higher density non-residential development around the inner transit cores</p> | | Short-Term |
| 3.5 | <p>Ensure that O.P. policies allow flexibility and incorporate modern and flexible zoning to support employment, industrial, and service uses that provide diverse opportunities for intensifying employment uses.</p> | | Ongoing |
| 3.6 | <p>Continue to promote the Richmond Hill Office Incentive program focusing on Richmond Hill's employment lands, the Richmond Hill Centre and other designated centres and corridors, including the Civic Precinct Lands.</p> | York Link campaign | Ongoing |
| 3.7 | <p>Establish a Milton Education Village (MEV)-style leased facility anchored by OCADU, ventureLAB co-location and accelerator space at civic Precinct on Yonge Street to support innovation and investment in target sectors.</p> | OCAD U; York Region; ventureLAB Innovation York; SBEC | Long-Term |



6. Implementation Considerations

The successful implementation of the Richmond Hill Investment Attraction Strategy requires a coordinated response from the Economic Development Team, including clarity around staff roles, key performance indicators, partnerships, and budget to develop and support the multi-year investment attraction program.

6.1 Role of Richmond Hill

Recommended staffing

Implementing the recommended Investment Attraction Strategy will require the focus of one FTE to BR+E and investment attraction activities. These staff will liaison with government and business associations, promotion, and outreach to targeted businesses and FDI markets, provide customer service, provide annual marketing, and event/mission planning.

Partnerships

The City of Richmond Hill's Economic Development Team's role in partnership development for investment attraction should be:

- Establishing and maintaining partners – establishing and sustaining relationships with educational institutions, the business community, innovation partners, industry partners, community organizations and other levels of government
- Facilitator and convenor – building connections and strengthening collaboration between industry partners and education and community partners; and
- Promoter and champion – acting as an advocate for investment attraction within the city and beyond

Fiscal Responsibility

The city's role and responsibility in financially supporting investment attraction should continue to be:

- Funder – continuing to fund investment attraction programs and activities; and
- Advocate – advocate for additional provincial and federal grant opportunities.

Outreach Tactics

In addition to focusing on its key sub-sectors and sector positioning, the city can begin expanding its network and FDI attraction efforts through tradeshows, conferences and building connections with the following organizations. Given the impact of COVID-19, tradeshows over the last two years have declined; as such, priority should be given to virtual meetings. However, as attendance increases, targeted market missions should be considered in 2022. The tradeshows and organizations listed below are examples that the city could consider as it develops the marketing strategy based on this Investment Attraction Strategy.



Tradeshows

- Creative Industries, Austin, 11-20 March 2022
- Collision Conference, June 20-23, 2022
- Medical Fair Asia, Online, 3-9 September 2022
- Money 20/20, Las Vegas, 23-26 October 2022
- AI & Big Data Expo/Blockchain Expo Global, Olympia, London, 1-2 December 2022
- Industrial Automation, Shanghai, TDB 2022

Organizations

- Ontario Creates
- Vector Institute
- Life Sciences Ontario
- Financial Innovation & Technology Association of Canada

Budgetary Requirements and Staffing

The city currently has a \$120,000 budget for marketing and events and an additional \$50,000 in capital to support RHC promotion. The budget could be realigned to support investment attraction activities and advocate for additional provincial and federal grants. The figure below shows the proposed Budgetary Requirements for implementing the Richmond Hill Investment Attraction Strategy. The identified resources and programming are intended as estimates. They should be re-examined and reviewed annually as the strategy develops and implements.

| Resource/Program | Cost |
|--|-----------------------|
| Annual | |
| 1 FTE Equivalent Focused on Investment Attraction Activities | \$100,000 - \$120,000 |
| Sponsorships and memberships | \$20,000 - \$30,000 |
| Hosting events, delegations, attending local conferences, industry events, etc. | \$25,000 - \$35,000 |
| Strategic project investments (with partners e.g., colleges, universities, Region, Toronto Global) | \$20,000 - \$25,000 |
| Data purchases (Gazelle.ai Business Intelligence Platform and D&B Hoovers) | \$10,000 - \$20,000 |



| Resource/Program | Cost |
|--|---------------------|
| etc.) | |
| 1-Time or Occasional | |
| New marketing materials, website design, videos (multi-lingual) | \$50,000 - \$75,000 |
| Travel/outbound missions led by Mayor (typically in Years 2 and 3 of Council term) | \$40,000 - \$60,000 |



Appendices

Appendix A – Research and Analysis Findings Interim Report

Due to the report's length, this is provided as a separate document.

Appendix B – Sector-based SWOT

Notes on Data

Industry data is obtained from Statistics Canada Canadian Business Counts (CBC) to inform the analysis. CBC is compiled from the Business Register, Statistics Canada's central listing of Canadian businesses. CBC data should inform business trends by industry in a particular year. As changes to the Business Register's methodology or business industrial classification strategies can increase or decrease the number of active businesses, it is important to study the data as a percentage of total businesses rather than focus on absolute numbers. In addition to the above, there are some considerations when analyzing and interpreting Canadian business Counts (CBC).

- The "Indeterminate" category of businesses includes contracted workers, family members or business owners who list the businesses as belonging to a particular industrial sector, which may show high business numbers for a particular industry.
- Statistics Canada also specifies that the business counts are based on the statistical concept of "location"—that is, each operating location is separately counted, including cases where one business comprises multiple locations. For example, a retail business with ten stores represents ten businesses in the Canadian business count.
- As farms are not required to have a business license to operate, not all local farms in a municipality may be captured through the data.

LQ Definitions

A location quotient (LQ) is an analytical statistic that measures the municipality's industrial specialization relative to a larger geographic unit (usually the province). As part of this sector profile, the Location Quotient (LQ) Analysis was completed to determine the concentration of industries (businesses) in Sarnia relative to the province of Ontario. It reveals what makes a region "unique." The LQ's Classifications are as follows:

- LQ Greater than or equal to 1.25 – indicates that the community has a proportionately **'high'** concentration of industries than the larger comparison area.
- LQ Between 0.75 and 1.24 – indicates industry concentration in the community is **'on par'** with the larger comparison area.
- LQ Lower than 0.75 - indicates that the community has a **'low'** concentration of industries than the larger comparison area



Professional Scientific and Technical Services (PSTS) SWOT

| Strengths | Opportunities |
|--|--|
| <ul style="list-style-type: none"> ▪ Business Concentrations <ul style="list-style-type: none"> ▪ PSTS has an LQ of 1.41 (6,100 businesses 2020) and is one of the most concentrated sectors in the community. ▪ Workforce Concentrations <ul style="list-style-type: none"> ▪ 11,267 jobs (place of work) and is projected to add another 555 by 2025. ▪ A workforce of 15,545 in the PSTS sector (place of residence). ▪ Key Business Clusters <ul style="list-style-type: none"> ▪ Computer systems design and related services (except video game design and development), 2,182 businesses. ▪ Administrative management and general management consulting services, 623 businesses. ▪ Other management consulting services, 433 businesses ▪ Engineering services, 354 businesses ▪ Key Workforce Clusters <ul style="list-style-type: none"> ▪ Computer systems design and related services (except video game design and development) 5,101 jobs (+401 by 2025). ▪ Management, scientific and technical consulting services 1,553 (+41 by 2025) ▪ Accounting, tax preparation, bookkeeping & payroll services 1,378 (-12 by 2025) ▪ Architectural, engineering, and related services, 1,192 jobs (+62 by 2025). ▪ Top PSTS occupations: <ul style="list-style-type: none"> ▪ Information systems analysts and consultants 1,638 (+247 by 2025) ▪ Computer programmers and interactive media developers 918 (+47 by 2025) ▪ Financial auditors and accountants 821 (+18 by 2025) | <ul style="list-style-type: none"> ▪ Supply Chain Opportunities <ul style="list-style-type: none"> ▪ Most PSTS sector purchases come from Computer systems design and related services (\$41,777,015), lessors of real estate (\$25,418,899), and management, scientific and technical consulting services (\$18,188,785). ▪ Increase Richmond Hill's reputation as an excellent location for PSTS business by continuing to celebrate and promote awareness of local businesses' successes. ▪ Recommended Cluster Focus <ul style="list-style-type: none"> ▪ Computer systems design and related services (except video game design and development) ▪ Engineering services |



| Professional Scientific and Technical Services (PSTS) SWOT | |
|---|--|
| <ul style="list-style-type: none"> Professional occupations in business management consulting 636 (+32 by 2025) Software engineers and designers 389 (+51 by 2025) | |
| Weaknesses | Threats |
| <ul style="list-style-type: none"> Richmond Hill is not well known for its PSTS sector. The PSTS sector is a fragmented, highly diverse sector that is difficult to engage due to its diversity of smaller businesses. | <ul style="list-style-type: none"> Limited building opportunities and a lack of high-quality vacancies exist to accommodate the growth of existing firms. |
| Finance and Insurance SWOT | |
| Strengths | Opportunities |
| <ul style="list-style-type: none"> Business Concentrations <ul style="list-style-type: none"> Finance and insurance has an LQ of 1.10 (2,160 businesses 2020) and is one of the most concentrated sectors in the community. Workforce Concentrations <ul style="list-style-type: none"> 4,601 jobs (place of work) and is projected to add another 498 by 2025. A workforce of 10,966 in the Finance and Insurance sector (place of residence). Key Workforce Clusters <ul style="list-style-type: none"> Depository credit intermediation 1,143 (+141 by 2025) Agencies, brokerages, and other insurance-related activities 1,098 (+140 by 2025) Other financial investment activities 924 (+35 by 2025) Activities related to credit intermediation 594 (+100 by 2025) Key Business Clusters <ul style="list-style-type: none"> Miscellaneous intermediation 728 businesses Insurance agencies and brokerages 459 businesses | <ul style="list-style-type: none"> Supply Chain Opportunities <ul style="list-style-type: none"> Most sector purchases come from industries such as depository credit intermediation (\$26,882,946), other financial investment activities (\$17,362,010), and agencies, brokerages, and other insurance-related activities (\$13,697,987). Between 2016-2021 FDI investments within professional services, financial services, and insurance stand out in Ontario, representing over 60 projects. Building on this momentum is an opportunity. Financial Technology is a growing aspect of this industry, and Richmond Hill's clusters of Information and Cultural Industries and PSTS businesses could support the technology adoption of local firms. Recommended Cluster Focus |



Professional Scientific and Technical Services (PSTS) SWOT

| | |
|---|--|
| <ul style="list-style-type: none"> ▪ All other financial investment activities 159 businesses ▪ Investment advice 158 businesses ▪ Top Finance and Insurance occupations: <ul style="list-style-type: none"> ▪ Other financial officers 997 (+135 by 2025) ▪ Insurance agents and brokers 607 (+65 by 2025) ▪ Financial sales representatives 265 (+61 by 2025) ▪ Financial and investment analysts 227 (+30 by 2025) | <ul style="list-style-type: none"> ▪ Depository credit intermediation and Activities related to credit intermediation ▪ Agencies, brokerages, and other insurance-related activities |
| Weaknesses | Threats |
| <ul style="list-style-type: none"> ▪ Richmond Hill does not have a reputation as a Finance and Insurance centre, best perceived as a regional satellite of Toronto's cluster. | <ul style="list-style-type: none"> ▪ The sector is undergoing significant organizational change with the introduction of fintech and technology transformation, which will be disruptive and decrease the number and quality of jobs. |

Information and Cultural Industries SWOT

| | |
|---|---|
| Strengths | Opportunities |
| <ul style="list-style-type: none"> ▪ Workforce Concentrations <ul style="list-style-type: none"> ▪ The Labour force (place of residence) was 3,093. Two thousand one hundred five jobs (place of work) are projected to grow by 105 jobs in 2025. ▪ Key Workforce Clusters <ul style="list-style-type: none"> ▪ Software publishers 792 (+145 by 2025) ▪ Wired and wireless telecommunications carriers (except satellite) 371 (-27 by 2025) ▪ Data processing, hosting, and related services 211 (+19 by 2025) ▪ Key Business Clusters <ul style="list-style-type: none"> ▪ Software publishers (except video game publishers), 57 businesses | <ul style="list-style-type: none"> ▪ Supply Chain Opportunities <ul style="list-style-type: none"> ▪ Most sector purchases come from wired and wireless telecommunications carriers (except satellite) (\$26,211,642), motion picture and video industries (\$15,787,445), and newspaper, periodical, book and directory publishers (\$11,371,636). ▪ As the young talent pool currently employed in downtown Toronto matures and seeks family-style accommodation and lifestyle, they will be attracted to relocate to Richmond Hill. They may wish to work closer to home. ▪ Recommended Cluster Focus |



| Professional Scientific and Technical Services (PSTS) SWOT | |
|---|--|
| <ul style="list-style-type: none"> ▪ Data processing, hosting, and related services 52 businesses ▪ Motion picture and video production 49 businesses ▪ Top Information and Cultural Industries Occupations: <ul style="list-style-type: none"> ▪ Computer programmers and interactive media developers 246 (+43 by 2025) ▪ Software engineers and designers 133 (+35 by 2025) ▪ Information systems analysts and consultants 132 (+28 by 2025) | <ul style="list-style-type: none"> ▪ Software publishers ▪ Computer programmers and interactive media developers ▪ Software engineers and designers |
| Weaknesses | Threats |
| <ul style="list-style-type: none"> ▪ Business Concentrations, Information and Cultural Industries have a relatively low LQ of 0.67 (348 businesses 2020) in the community. | <ul style="list-style-type: none"> ▪ Almost all GTHA communities focus on attracting creative industries; Richmond Hill needs to proactively court and retain these businesses and workers. |
| Life Sciences Sector SWOT | |
| Strengths | Opportunities |
| <ul style="list-style-type: none"> ▪ Business Concentrations <ul style="list-style-type: none"> ▪ In 2020, Richmond Hill was home to 2,056 Life Sciences businesses with an LQ of 1.00, indicating a concentration on par with the province. ▪ Workforce Concentrations <ul style="list-style-type: none"> ▪ Total life sciences labour force (place of residence) was 13,526. ▪ Life Sciences labour force (place of work) 12,756 (+945 by 2025) ▪ Key Workforce Clusters <ul style="list-style-type: none"> ▪ General medical and surgical hospitals 2,504 (+254 by 2025) ▪ Offices of physicians 1,373 (+105 by 2025) | <ul style="list-style-type: none"> ▪ Recommended Cluster Focus <ul style="list-style-type: none"> ▪ Research and development in the physical, engineering and life sciences 40 businesses and 150 jobs in the Scientific research and development services (projected to add three additional jobs by 2025) ▪ Medical equipment and supplies manufacturing 25 businesses, 640 jobs (+72 by 2025) ▪ Pharmaceutical and medicine manufacturing nine businesses 771 jobs (+99 by 2025) |



| Professional Scientific and Technical Services (PSTS) SWOT | |
|--|---|
| <ul style="list-style-type: none"> ▪ Offices of other health practitioners 1,205 (+103 by 2025) ▪ Key Business Clusters <ul style="list-style-type: none"> ▪ Research, Testing, and Medical Laboratories 120 businesses ▪ Medical Devices and Equipment 94 businesses ▪ Drugs and Pharmaceuticals 54 businesses ▪ Top Occupations <ul style="list-style-type: none"> ▪ Registered nurses and registered psychiatric nurses 1,215 (+209 by 2025) ▪ Nurse aides, orderlies, and patient service associates 813 (+103 by 2025) ▪ General practitioners and family physicians 437 (+54 by 2025) | <ul style="list-style-type: none"> ▪ Navigational, measuring, medical and control instruments manufacturing 159 jobs (+3 by 2025) ▪ Supply Chain Opportunities <ul style="list-style-type: none"> ▪ Pharmaceutical and medicine manufacturing (\$34,283,210), basic chemical manufacturing (\$23,693,818), and lessors of real estate (\$19,587,147). |
| Weaknesses | Threats |
| <ul style="list-style-type: none"> ▪ Lack of understanding in the market of the definition of Life Sciences. Therefore, business attraction focus should be on specific sub-sectors. ▪ Richmond Hill does not have a reputation as a centre for Life Sciences | <ul style="list-style-type: none"> ▪ Life Sciences workforce shortages are a factor across Canada, and competition for these workers is strong. |