

VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE – APRIL 16, 2015**VAUGHAN METROPOLITAN CENTRE MARKETING AND COMMUNICATION UPDATE****Recommendation**

The Director of Economic Development in consultation with the Executive Director, Office of the City Manager recommends:

1. THAT this report and presentation be received.

Contribution to Sustainability

Green Directions Vaughan embraces a Sustainability First principle and states that sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. Under this definition, activities related to economic development contribute to the sustainability of the City.

Economic Impact

The costs associated with all marketing and communication tactics that have been completed to date have been part of the Economic Development Department's annual operating budget. Likewise, the marketing and public relations activities planned for 2015 will be completed within current operating budgets. If future marketing activity requires additional funding, staff will bring a report back to a future Sub-Committee meeting.

Communications Plan

Staff will continue to consult with area landowners as part of the process of developing and implementing the Vaughan Metropolitan Centre (VMC) Marketing and Communication proposed and future tactics including any opportunity for shared implementation costs.

Purpose

The purpose of this report is to provide the VMC Sub-Committee with an update on the marketing and communications activities related to the VMC and present the 2015-2016 tactics.

Background – Analysis and Options

The Vaughan Metropolitan Centre is the largest and most significant development project in the City's history which is comprised of 442 acres of land and by 2031 will have at a minimum:

- 11,500 jobs
- 25,000 residents
- 1.5 million square feet of office space.

Marketing and Communication efforts have been limited in scope

As a new downtown and largely greenfield development site, the effectiveness of the marketing is shaped by what can be observed on the ground. Therefore, the marketing and communication efforts to date have been limited in scope to not over promise the downtown as policy and infrastructure begin to finalize and transition to development such as public transit infrastructure and early stage development projects such as the KPMG Tower and EXPO City.

However, the City has undertaken various marketing and communications tactics (on a limited basis) dating back to 2009 that focus on the vision rather than full development readiness. These tactics include: billboard signage, print media ads, publications, editorial write-ups, collateral materials, City Hall TV; as well as, a 3D video animation posted on social media sites including

YouTube. In addition to the video being shown to hundreds of people at City events and on international business missions, the video has achieved more than 22,000 views on YouTube.

In 2014, the Economic Development Department developed and presented marketing and creative concepts based on the tagline "It'll Move You" with a targeted a media placement plan. This plan will be implemented in 2016-17 as it is more closely aligned with the opening of the Subway.

Furthermore, in 2014, Economic Development in collaboration with other departments across the City completed the following marketing collateral and communications:

- An updated version of VMC – "It'll Move You" Video Animation was distributed to VMC development community and stakeholders including: YRRT, SmartCentres, KPMG, Liberty Development Corporation; The Cortel Group, Hilton Garden Inn, and SpringHill Suites.
- Micro site hosted on the City's website with centralized VMC project information and direct links to active construction development projects.
- Branded marketing collateral including a USB key hosting the VMC video animation, printed brochure and a presentation folder designed to complete the promotional package.
- Editorials in local and regional journals.
- Advertisements in business publications.
- Customized institutional investment proposals presented to prospective investors.
- Customized office investment proposals created for each unique investment opportunity.
- Hospitality and tourism development proposals delivered to prospective investors.
- Featured stories and updates on VMC projects published in Economic Development business publications with 10,000 circulations to inform the local businesses, development community, brokerage community, government agencies and major institutions.
- City media releases issued to announce VMC milestones and new developments, such as the KPMG Tower groundbreaking, EXPO City Tower One Topping Off, and Liberty Development new site plans.

Guiding the Economic Development marketing and communication tactics in the VMC for 2015-2017 are two primary efforts:

- Local Public Awareness Strategy focused on citizens and businesses.
- Building a Competitive Differentiator.

Local Public Awareness Strategy focused on citizens and businesses: an engaged community with vested stakeholders will bring further accountability for the VMC vision

Economic Development has been working closely with the VMC Development Project Team and Live Work Learn Play (LWLP), the City's VMC Development Facilitator and have had many discussions about marketing and communications. Through these meetings, a focus was made on the 2012 Ipsos Reid Citizen Survey which revealed that 91 per cent of residents knew that a subway was being extended into Vaughan. However when asked if they were aware of the construction of a new downtown, only about 13 per cent know a "great deal" about this. Staff believes that the genesis of this is that while the City has a Secondary Plan vision for the VMC, the plan was built with public input garnered solely through statutory planning meetings. This has resulted in a situation where strong champions do not exist for the plan both internal and external to City Hall.

The residents of Vaughan are the largest component of future visitors and end-users of the VMC. Their support for the project is essential to its timely and effective implementation, as well as its future success as their downtown.

Build Support and Recognition for this Key Corporate Priority of the City of Vaughan

Building a downtown requires strong partnerships between the public and private sectors. Without broad public support it will become increasingly difficult for the municipality to justify capital expenditures, incentives, and resources geared towards the VMC to support the necessary infrastructure investments that will allow the VMC to grow and evolve. Simply put, since residents are unaware of the new downtown development project they are not actively lending their support to it, preventing the City from harnessing them as champions and stakeholders in this important city-building process.

The following outlines a necessary and minimum base approach to filling the public engagement void that currently exists. The proposed engagement process is expected to take approximately eight (8) months to complete.

At a high-level, the goals of this engagement campaign are to:

- Build broad community awareness for the VMC as the City of Vaughan's new downtown;
- Educate the general public as to the rationale and benefits of the VMC for Vaughan;
- Generate broad support for the VMC, (both internal and external to the City) that will support budget requests for capital and operating expenditures in the VMC, as well as any innovative financial tools and policies that may be required to implement the plan;
- Grow an engaged community that will hold the City and private sector developers accountable for the successful implementation of the plan; and
- Raise the economic development profile of the VMC within the City of Vaughan and beyond.

"Design + Innovation Corridor" as a Competitive Differentiator

The VMC competes directly with North York Centre, Richmond Hill / Markham Centre and Mississauga's Airport Corporate Centre; and Toronto's Financial Core, for office development. These office nodes are well-established business centres, whereas the VMC is still in its nascent stages. In an ultra-competitive office real estate market, the City must derive a set of differentiators. The VMC's ability to tell a compelling story is essential to helping prospective employers buy into the vision and make location decisions that favour the VMC.

Identified in the City's Economic Development Strategy and previous office market research and sector analysis work, the City's economic base is comprised of many businesses that are designing and manufacturing products that are considered industry leaders, for example: medical devices; fashion; building management systems; building, home and lifestyle products; technical measurement devices; smart grid energy management; etc. This ultimately led to the creation of economic development initiatives around convergent sectors that would impact many individual sectors.

The concept of the Design + Innovation Corridor is a series of linkages, at the business to business level, as well as connections via the subway to major universities, the Discovery District, Financial District and Waterfront Toronto. The VMC is at one end of a continuous innovation corridor that is fostering new thoughts and ideas from design and manufacturing, healthcare, research and development, business incubation, financial services to film, media, arts and culture. The technology and public infrastructure investments that have been made in the VMC enable the clustering of people, ideas and industries.

Differentiator must take into account, locations that combine career opportunity with quality of life, quality of experience and quality of place.

The nucleus of these creative and knowledge-based industries is here, but in order to attract more of them, a concentrated effort must be taken to attract talent. In a knowledge economy, the key competitive asset in all industries is the quality of human resources. To sustain genuine growth and development within Vaughan, the City must prioritize the attraction and retention of key talent to the community, recognizing the linkage between talent and quality of place. The future labour force seeks locations that combine career opportunity with quality of life, quality of experience and quality of place.

To engage with various audiences the Economic Development Department's marketing activity will tell the story of being a Design + Innovation Corridor creating a unique selling proposition that cannot be duplicated. The tactics being proposed include:

- Vaughan Corporate Champions - engage local business and civic leaders to champion story of the VMC and subway to their contacts, suppliers etc.
- Influencer Roadshow - City and landowners to organize breakfasts and lunches in downtown Toronto to raise awareness with major brokerage firms, Provincial offices etc.
- Interviews with major GTA and national media etc. to coincide with major milestones.
- City VMC website with links to active developments.
- City media placements celebrating milestones, (e.g. opening of EXPO City, KPMG Tower).
- City media placements announcing new developments.
- Develop resident database and coordinated current datasets to send out e-newsletters with updates through social media.
- Develop a new micro site designed to integrate the public relations campaign efforts for a consistent and long-term brand awareness implementation strategy, an approach that will be unique, powerful and inclusive.

Marketing Plan 2016 to 2017 – Marketing and Advertising Campaign

With the completion of major infrastructure improvements for the subway extension line, Transit Square, streetscape and open space projects squarely on the horizon, a mass marketing and advertising campaign roll-out in 2017 would be timely.

The marketing work plan for 2016 would put in place all the research, tactics development, and funding sources necessary for campaign roll-out in 2017. Investment in city-wide marketing and advertising campaign will create excitement and differentiate Vaughan from other municipal mass media campaigns. This campaign will engage the public with action statements instead of passive marketing messages, resulting in the attraction of new investment opportunities.

The primary focus and strategic goals of the marketing and advertising campaign would be to generate leads for major commercial office users from international and national headquarters; business owners interested in locating within the VMC, in addition to the attraction of highly-skilled professionals who are needed to support this growing cluster of businesses.

Relationship to Vaughan Vision 20|20/Strategic Plan

This report is consistent with the priorities previously set by Council pursuant to Vaughan Vision 20|20 Goal: Manage Growth and Economic Well-Being.

Furthermore this report is consistent with the City's Economic Development Strategy: Building a Gateway to Tomorrow's Economy, and specifically Goal 4: Growing Vaughan's dynamic quality of place and creative economy.

Regional Implications

In April 2015, the Commissioner of Corporate Services and Chief Planner for York Region are tabling a report at Planning and Economic Development Committee summarizing the findings of the York Region Office Attraction Review completed during 2014. York Region staff will be seeking direction to undertake internal communications as along with a joint marketing and communications strategy with affected local municipalities. An initial meeting has been held with Regional staff, and the proposed timelines are as follows: Centres and Corridors Attraction Plan completion in Q4 2015 and implementation of the plan to take place over 2016.

It is essential that all marketing and public relations activities be tied together with the outcomes of the various studies and projects taking place in the VMC as well as the York Region Centres and Corridors marketing. It is also important the marketing and public relations activities deliver consistent key messaging and seamlessly align with the milestones of the studies and projects. Therefore in order to ensure seamless alignment occurs, staff will be using a project management approach to align resource deployment with milestone delivery deadlines.

Copies of this report will be forwarded the Region of York. City staff will work closely with the Region on their marketing plan for promoting office development in the Centres and Corridors, ensuring that Vaughan's key messages are consistently applied.

Conclusion

Based on development applications for office and residential projects that are in process or are expected in the near-term, staff anticipates that by 2017/2018 approximately 2,493 condo units will be built and 600,000 square feet of office space will be finished or near completion in the VMC. Therefore, in order to increase public awareness and understanding of the VMC, and to create widespread support and excitement among Vaughan residents, political leadership, and potential investors, staff will implement a robust, public outreach strategy in 2015. While feedback and ideas from the public will be welcomed at all stages and serve as an important barometer, the primary orientation of the outreach initiative will be to communicate and explain the Secondary Plan vision that already exists coupled with the further definition that has been put to the VMC through ongoing work and collaboration with the City's Development Facilitator, Live Work Learn Play.

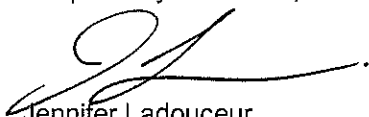
Attachments

None

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Respectfully submitted,



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