

## **GSDC QUARTERLY REPORT- April TO October 2012**

As per the motion passed by Council on February 20, 2007, the Greater Sudbury Development Corporation (GSDC) will provide quarterly updates on progress with respect to investments in economic development projects, programs and activities. The following is a synopsis of the projects that have received financial support and their expected economic impact for Greater Sudbury. As projects progress and/or are completed, updates will be provided to City Council

### **INVESTMENTS IN PROJECTS**

1. Advanced Medical Research Institute of Canada (AMRIC)
  - In July 2012, the GSDC Board approved a \$244,898 to assist AMRIC with the acquisition of research equipment for its Protein Engineering Group. Council supported this commitment at its August meeting.
2. Centre for Excellence in Mining Innovation (CEMI)
  - In July 2012, the GSDC Board approved three year funding in the amount of \$300,000 to support the implementation of CEMI's Innovation & Prosperity Office (IPO). This decision was supported by Council in August.
  - This funding will assist CEMI in its efforts to connect local innovators with the necessary resources to commercialize their technologies as well as mining companies that are seeking new products and processes
3. Canadian Excellence Research Chair (CERC)
  - In May 2012, the GSDC Board conditionally approved a five year funding contribution in the amount of \$70,000 per year to support the establishment of a Canada Excellence Research Chair in Northern Watershed Processes and Policies.
4. Cancer Therapeutics Research Initiative (CTRI)
  - In May 2012, the GSDC Board approved \$500,000 over five years to assist with the development of cancer fighting compounds that could potentially lead to the discovery of new cancer drugs.

### **SUMMARY OF NON-REPAYABLE INVESTMENTS**

For 2012 (year to date), investments of **\$1,186,670** are expected to leverage approximately **\$8,133,739** in additional funding

### **MOTIONS OF THE GSDC BOARD**

At its June AGM, the GSDC Board appointed two new board members – Wendy Watson and Paul Kusnierczyk.

### **STATUS OF REPAYABLE CONTRIBUTIONS**

In April 2012, the GSDC made one repayable loan of \$75,000 to the Sudbury SummerFest Foundation to secure artist bookings for the festival. This loan was repaid from ticket sales.

## ECONOMIC STRATEGIC PLAN PROGRESS UPDATE

### Engine #1 Mining, Mining Supply & Services

#### Sudbury Welcomes Cliffs

- In May Cliffs Resources announced that it had selected the former Moose Mountain Mine site north of Capreol as the future home to its new \$1.8 billion ferrochrome processing facility
- The facility is part of Cliffs' \$3.3 billion dollar investment in Northern Ontario's Ring of Fire chromite deposit
- Cliffs estimates that 450 people will be employed in the construction of the facility and another 350-450 once the facility is operational
- Those numbers grow further when we factor in economic spinoff for the local mining supply and services industry

#### Vale

- In May, Vale announced that they were embarking on an aggressive campaign to hire 400 employees.
- In August, Vale announced that it had hired two dozen apprentice millwrights and heavy-duty equipment technicians from Cambrian College
- This news was tempered by the recent announcement of a worldwide hiring freeze and a scheduling change for its Clean Atmospheric Emissions Reduction (AER) project – the project completion date has been moved from 2015 to 2016 – as the company deals with 'challenges' associated with softened commodity prices
  - Nickel prices have fallen 30% since August 2011; while Vale's biggest commodity, iron ore has fallen from \$198/pound to less than \$100 in the past few months.

#### MINExpo Sudbury Delegation

- Mayor Matichuk led a delegation that included City staff as well as ten local companies to the MinEXPO trade show in Las Vegas.
- The event, described as the "Olympics of mining shows", happens every four years and draws 60,000 people from all sectors of the mining industry.
- More than 40 local companies attended including 10 that partnered with the City.
- Using the tagline "Opportunity Rocks" the delegation sought to convey the sense of impending development in the Sudbury area in the hopes of attracting not only new business investment to our community, but also talent in an effort to address the city's labour needs.
- The delegation hosted the "It's Better on the Rocks" reception held September 25<sup>th</sup>
  - The event served as a talent attraction opportunity to showcase the career opportunities and lifestyle perks that Sudbury has to offer
  - To sweeten the deal a draw was held for a Canadian diamond, cut and polished at Sudbury's Crossworks facility valued at over \$2,000.
- The City's delegation included the following companies:
  - BESTECH
  - Cliffs
  - Hatch
  - KGHM International
  - Laurentian University

- Centre for Excellence in Mining Innovation (CEMI)
- Science North
- Dynamic Earth
- Statec
- Technica Mining
- Vale
- Xstrata Nickel

#### **Metals Outlook (Bart Melek – TD Securities)**

- Bart Melek, a commodities expert with TD Securities addressed the Sudbury Area Mining Supplies and Services Association (SAMSSA) in September.
- Melek predicts that commodities prices will rebound somewhat in the second half of 2013 riding on high demand from China which consumes 40% of the world's nickel
- While China's economy is growing slower than it was, experts are still predicting 7 to 8% economic growth.
- Meanwhile India is still experiencing significant growth of 6% per year.
- Melek expects to see nickel to increase to \$8.75 a pound; gold to increase to \$1,975 an ounce; while copper is expected to experience a correction to \$3.40-3.50 a pound

#### **Mining Supply and Services Export Assistance Program (MSSEA)**

- The City's Economic Development Section is home to the Mining Supply and Services Export Assistance Program which is delivered by Ontario's North Economic Development Corporation (ONEDC) with funding from the Ontario Government.
- To date 12 Sudbury area companies have either completed or are currently engaged in Strategy Export Marketing Program under the tutelage of an expert international advisor (total 35 companies throughout all of Northern Ontario). An additional three Sudbury area companies have registered for the fourth intake of the program beginning this fall.
- These companies aim to take advantage of the program to enhance their presence in existing export markets as well as find and exploit new global opportunities for their innovative products and services.
- The program also provides financial assistance to companies to conduct export marketing and sales initiatives.
- To date the Export Marketing Assistance (EMA) program has supported 34 Sudbury area mining supply and service companies whereby each can apply for assistance of up to \$10,000.
- Throughout Northern Ontario, 96 EMA applications have been approved for assistance of \$788,000 to 71 companies.
- For completed initiatives thus far, companies have reported export sales of \$14.5 million. These same companies projecting sales of \$138 million over the next three years as a result of the new markets they've accessed as a result of this program.

### **Engine #2    Advanced Education, Research and Innovation**

#### **Laurentian Architecture**

- On August 24<sup>th</sup>, the Ontario government announced that it would invest an additional \$350,000 in the school via the Centre for Research and Innovation in the Bio-Economy (CRIBE).
  - The investment will allow Laurentian Architecture to showcase the first significant use of cross-laminated timber in a public building in Ontario

- This innovative material fits perfectly with the school's focus on green and sustainable building techniques as well as its commitment to northern and Canadian design.
- On September 21<sup>st</sup>, FedNor announced that it would contribute \$5 million toward the project.
- FedNor's investment coupled with previous commitments from the City, CRIBE, Northern Ontario Heritage Fund Corporation and the Ministry of Training Colleges and Universities brings the project to its \$41 million goal.
- September through November, the school will be holding faculty interviews accompanied by a series of public talks by prospective faculty members.
  - Each of the candidates will deliver an hour-long public talk on outlining their previous work, design interests and vision for the future. These talks are open to the public and upcoming dates are posted on the Laurentian Architecture website.

### **Mosquito DMZ**

- Dr. Gerardo Ulibarri continues to refine the prototype for the automatic Artificial Breeding Pool (ABP) for the control of mosquitoes without pesticides.
- The device replicates the conditions of a swamp so that female mosquitoes will enter the traps to lay their eggs.
- The final version of these prototypes has been patented and the first 200 prototypes have recently been produced by MaxTech Consumer Products in Waterloo, Ontario.
- Dr. Ulibarri will be conducting a double-blind controlled study of the traps with the Sudbury and District Health Unit to test its effectiveness against local Culex Mosquitoes - a carrier of West Nile Virus – throughout next year's mosquito season.
- Dr. Ulibarri's research has evolved to the commercial stage with the creation of Mosquito DMZ, a company focused on the production and distribution of the device.
- The United Nations Environmental Programme is very interested in rolling out the traps in parts of the developing world where mosquito borne diseases such as malaria and dengue fever are prevalent, but needs something that costs roughly \$20/unit. In order for that price to be economical, Ulibarri would need to produce 350,000.
- In an effort to raise the capital needed to enter full production, Ulibarri has joined the growing "crowd funding" trend by launching a page on indiegogo (<http://www.indiegogo.com/MosquitoDMZ>). The page allows people to contribute to Mosquito DMZ's efforts and in return receive a trap of their very own.
- This research was supported by the City through GSDC in 2007.

### **Laurentian Opens New Residence**

- On August 30, 2012, Laurentian officially opened the doors on its newest residence.
- The 12-storey complex contains 62 self-contained apartments and will allow the university to house an additional 236 students on campus.
- The \$20 million project was designed by local architects J.L. Richards and built by Sudbury-based TESC Construction.

### Casino Development

- Ontario Lottery and Gaming (OLG) has embarked on an ambitious and aggressive plan to modernize the gaming industry in Ontario.
- Since the initial announcement, staff have been monitoring the OLG announcements, participating in meetings with OLG officials and fielding inquiries from prospective developers and gaming operators.
- As part of this process, the City organized a Public Open House to gather the community's feedback regarding a preferred location and possible amenities for a potential casino development.
  - The event was held on Wednesday October 10<sup>th</sup> and allowed members of the public to contribute their thoughts and ideas about the location and characteristics of a potential casino development.

### Event Support

- Ontario Building Officials Association (OBOA) Conference
  - The event was organized by the City's Building Services department with support from Tourism and Economic Development staff.
  - Tourism staff developed a unique Companion Program for the conference that showcased the best Sudbury has to offer.
  - The event attracted 500 participants generating 2,140 room nights and over \$450,000 in spending at hotels alone
  - It is estimated that the conference resulted in nearly \$1 million in spending across city businesses and restaurants
- CIM Mass Min 2012
  - Attracted over 750 delegates consisting of academics and industry professionals from over 30 countries gathered at Laurentian University from June 10 to 14 to exchange knowledge, network and discover industry innovations
  - 50 companies filled the exhibition floor so they could showcase the latest advancements in mining technologies, equipment and services.
  - The event generated over 3,000 room-nights at Sudbury hotels

### Marketing and Regional Partnerships

- As part of Regional Tourism Organization (RTO) 13A, Sudbury participated in a new fall marketing campaign called [www.pickabaganybag.com](http://www.pickabaganybag.com), in partnership with Porter Airlines, Ontario Tourism, Sault Ste. Marie and Thunder Bay.
  - The campaign targeted the Chicago and Toronto markets with radio ads and print ads in the *Toronto Star* and the *Chicago Tribune*, supported by digital advertising and social media.
  - This partnership will pave the way for expanded collaborative efforts for spring and summer 2013.
- Sales of the Sudbury Summer Family Getaway Packages were in line with sales over the past several years, with staff working to further customize the new online reservation system.
  - Sales were solid in the Newmarket-Vaughan-Barrie corridor along with the GTA and southwestern Ontario, and there was also an increase in packages purchased by Quebec visitors.

- Jazz Sudbury utilized the system for sales of their own tickets, and other partners continue to develop packages and use the system to boost sales and promotional efforts.

### **Sudbury District Motorsports Association (SDMA)**

- GSDC continues to work in partnership with the SDMA to recruit a dedicated project coordinator for a new multifaceted motorsports park
- The GSDC has committed funds to hire a project manager for one year.
  - This individual will be tasked with refining the business plan and conceptual design for a multi-faceted facility as well as developing a sponsorship and fundraising program.

### **Tourism Partnership**

- Tourism staff are working together with Nickel Partners to update the partnership structure for 2013 with a greater focus on task-oriented subcommittees led by partners.

### **Georgian Bay Destination Development Partnership**

- The Partnership was successful in launching official Tourism Directional Signage program with signs now in the ground all the way around Georgian Bay. (insert picture of sign in presentation)
- Significant interest has been garnered over the summer with social media and online articles as well as through the Partnership's support for the Lighthouse Petition to help protect heritage lighthouses around the Bay.

### **Sport Tourism Strategy**

- The GSDC Board approved \$50,000 in funding to develop an Action Plan and establish an Advisory Panel
- Earlier this month, Council approved the creation of a sports tourism panel.
- The Sports Tourism Action Plan aims to ensure that city support for sports events are more equitable and transparent by creating a tournament rate for city-owned facilities and coordinating city departments to handle events like tournaments.
- The Sport Tourism Plan was presented to the GSDC Board in September and received support from Council, with implementation planned for 2013 and 2014 pending the formation of a Sport Tourism Advisory Panel.

### **Tourism Visitation Statistics**

- Science North admissions this summer were up by more than 8,000 over the same time last year (49,624 for July/August 2012 vs. 41,096 for July/August 2011).
- The trend is similar for the overall year so far with 112,971 (Jan-Aug. 2012) vs. 95,556. An increase of 18% over the same period last year.
- Dynamic Earth saw a slight decrease this summer compared to last year (17,340 July/Aug 2012 vs. 18,622 for Jul/Aug 2011)
- Hotel Occupancy numbers for 2012 are up over last year. Between January and July of 2012 Sudbury's hotels have seen their occupancy rates increase from 55% to 61% and their average nightly rate has gone up from \$109/night to \$113.

### **Newcomers Program**

- In partnership with the Ontario Tourism Marketing Partnership (OTMPC) and Ontario Parks – Greater Sudbury and North Bay participated in the Newcomers Program to help reach up to 500,000 of the GTA's two largest ethnic groups: Chinese couples/families and South Asian families.
- The purpose of this program is to increase overnight visitation by these groups to areas of Ontario outside of the GTA.
- Events attended included:

Dates	Event	Approx. # of Attendees
June 23-24	Taste of Asia – Markham	100,000
July 1 <sup>st</sup>	Canada Day – Brampton	70,000
July 13 <sup>th</sup> -16 <sup>th</sup>	Night it Up! - Markham	100,000
August 16th - 19 <sup>th</sup>	Mosaic South Asian Heritage – Mississauga	80,000

### **Engine #4 Health Services Expertise**

#### **Health Sciences North – Research Chair in Geriatrics**

- In August, Health Sciences North announced the recruitment of geriatrician Dr. Janet McElhaney and the establishment of a new chair in Geriatric Research
- Dr. McElhaney comes to Sudbury from the University of British Columbia
- The chair is being funded by the HSN Volunteer Association who has committed \$450,000 over three years.

#### **Physician Recruitment**

- 2012 has been another successful year with eight new future family physicians committing to practice in Greater Sudbury upon completion of their training.
- The addition of these eight brings our total to 46 recruited since 2008. 19 of the family physicians are now practicing in Greater Sudbury, 10 are beginning this year, eight next year, four in 2014 and five in 2015.
- We have hosted/coordinated 15 events with a total attendance of approximately 600 which primarily includes medical learners and practicing physicians.
- Staff continue to work to recruit primary health care providers to our community and will be applying best practices from the physician recruitment strategy to a broader Talent Attraction plan.

#### **Toronto Celebrates Sudbury**

- Building on the success of last year's event, Toronto Celebrates Sudbury will take place November 14<sup>th</sup>.
- Last year's event, organized by former Sudburian and Toronto lawyer, Perry Dellelce, brought together 250 Sudbury expats and raised funds for Laurentian University's Next 50 capital campaign.
- This year's event is aimed at raising money for Health Sciences North.
- Tickets can now be purchased at [www.torontocelibratessudbury.com](http://www.torontocelibratessudbury.com).

### Film/TV Productions

- Sudbury continues to live up to its “Hollywood North” moniker playing host to eight film and television productions in the last six months including *Be My Valentine* starring William Baldwin and *Cas & Dylan* starring Richard Dreyfuss and directed by Jason Priestly.

### Cinefest

- Sudbury recently wrapped on the 24<sup>th</sup> annual Cinefest film festival
- Cinefest has grown considerably over the years. This year’s event showcased several films with a Sudbury connection including *The Riverbank*, *Lesser Blessed*, *Con Game*, and *The Truth*.
- *The Truth* sold out weeks in advance of its premiere and was screened in five different theatres

### Northern Ontario Film Studio

- Recently opened its doors in the former Barrydowne Arena providing studio space and equipment rental
- The studio was home to its first production - *Dark Rising* - this summer. They are continuing to recruit more and more productions to the North.

### Culture Days

- The third annual Culture Days took place September 28-30.
- The province-wide event featured a range of hands-on, interactive activities that invited the public to participate and discover the world of artists, creators, historians, curators and designers at work in their community.
- Culture Days kicked off with an official Culture Days Inauguration at Tom Davies Square, followed by a parade, and performances at Le Fromagerie Elgin organized by le Regroupement des organismes culturels de Sudbury (ROCS).
- Nearly 20 local arts groups participated in the weekend’s activities.

### Place des Arts

- Place des Arts received \$50,000 from GSDC for a feasibility study with a request that they present the results and updates to the CED committee in the spring of 2013.

### Regional Business Centre Update

- The Regional Business Centre’s activity highlights from April 1<sup>st</sup> to September 30<sup>th</sup> include:
  - 1,200 business inquiries
  - 100 one-on-one consultations
  - Over 27,000 online contacts (page views, social media followers and inquiries)
  - 155 Master Business Licenses registered (new and existing)
  - 60 businesses started and 71 jobs created
  - Conducted/participated in 91 events with over 2,000 in attendance
  - Presented seminar topics such as Starting a Small Business, Writing a Business Plan, Marketing on a Shoestring Budget, Using Social Media, Bookkeeping and Financial Literacy Workshops



- Youth Initiatives included:
  - 19 different youth events attended by over 600 students
  - Fed Nor Business Plan Challenge in June – 72 participants and 62 trade show booths
  - Summer Company – 11 participants
  - One of our past Summer Company participants has been nominated for the Women's Young Entrepreneur Award for 2012

### **Small Business Week (October 15-19)**

- The main event of Small Business Week is Bridges to Better Business
- This year, the Regional Business Centre is taking a somewhat different approach to Small Business Week by hosting a range of events throughout the week
  - Monday Launch of Small Business Week – Press Conference  
Business of Arts Luncheon
  - Tuesday Tourism Breakfast  
Chamber After Business – Networking Trade Show
  - Wednesday Retail Luncheon
  - Thursday Mining and Construction Luncheon
  - Friday Wrap-up Entrepreneur Luncheon
- Speakers included Paddy O'Sullivan on the Arts; Monica Jouppi (6<sup>th</sup> Avenue Golf Course) on Tourism; Mona Aelick (Top Notch Toys) on Retail; and, Jeff Fuller (Fuller Industrial) on the Mining & Construction.

### **Market Square Relocation**

- A conditional agreement has been reached between the City and CP Rail for the purchase of the CP/Via Rail Station on Elgin Street.
- The agreement is contingent on the completion of several steps including an environmental assessment of soil conditions.
- A full report with a detailed budget will be presented to Council later this year.

## **Igniter #2 Infrastructure**

### **Bell Aliant Fibre Op**

- Bell Aliant is investing \$30 million to bring *FibreOP* service to 55,000 homes and businesses in the Greater Sudbury area.
- *FibreOP* is the most advanced broadband network available with 100% fibre optic technology connected directly to the customer's home.
- Greater Sudbury is Bell Aliant's third largest market, and its largest outside of Atlantic Canada.

### **Data Storage Centre**

- This project continues to advance
  - Business Case has been completed.
  - Recommendation to develop a new not for profit corporation to continue progress of project

### **Synergy Centre**

- The Sudbury Community Foundation is working to complete a financial and operational feasibility study for a proposed "multi use community space" in the city's central core.

- The Foundation hopes to determine the economic impact on the arts, culture, tourism, convention, trade and commercial sectors, with the establishment of a multi-use community space.

### **Highway 69 Four-Laning**

- In July, the Ontario government announced that it had awarded a contract to Teranorth Construction to expand 11 km of Highway 69 to four lanes between Highways 607 and 64, creating up to 600 jobs. Work on this section is expected to be complete by 2015.
- In August, a new 13 km section of the highway – between Estaire and Highway 637 – was opened after widening and realigning the highway to eliminate the deadly “S-Curve”.
- The overall four-laning initiative is expected to be completed in 2017.

## **Igniter #3 Community Learning**

### **Learning City**

- In May 2012, Mayor and Council declared Greater Sudbury to be a Learning City
- In July, the GSDC Board approved \$50,000 a year over five years to advance the Learning City Initiative. Council will consider a matching request as an option in the 2013 Budget.
- A steering committee has developed a work plan including a number of projects (e.g. Spark in the Park – Play based learning day in Fall 2013)
- Learning City helped launch the new Ontario Literacy Framework in September in partnership with the City and other groups.
- There is currently a book exchange underway here at Tom Davies Square and other locations throughout the city

## **Igniter #4 Workforce**

### **Unemployment Down**

- Sudbury’s unemployment rate declined from 7.4% in June to 7.2% at the end of September.
- It remains below Ontario’s unemployment rate of 8.0% 7.3% nationwide.

### **Teletch to Close Sudbury Operations**

- Teletch has confirmed its plans to close its Sudbury operations as of October 16<sup>th</sup>.
- The announcement means a reduction of all jobs at its Rainbow Centre operations.
- Economic Development staff are working with the mall owners and the provincial government to seek a new operator for the vacated space.

## **Guiding Principles**

In recognizing that new opportunities will continue to emerge, the following identify core values for economic growth and prosperity...

- Embrace emerging Opportunities
- Encourage Environmental Stewardship
- Foster the creative, curious and adventuresome
- Cultivate a business friendly environment
- Celebrate a great northern lifestyle