



**City of Toronto**

**Economic Development Committee  
Special Session**

**Responding to the Economic Crisis for  
Short and Long Term Success**

**May 13, 2009**

A f P Panels

Blue Ribbon TF

Experience/Ideas from Elsewhere

Own Ideas & Initiatives

Right for Toronto Initiatives

2007

Anatomy of economic development strategy and delivery: A for P 2010

Rosy National Economy

Poor Economy

Massive Stimulus By Gov'ts

Founding of Invest Toronto and Build Toronto

?? Economy = Opportunity



# Today's Agenda

1. Opening Remarks
2. Greg Clark, UK-based Advisor to the OECD and world cities including Toronto
3. Discussion on Toronto-based ideas
4. Richard Florida, Martin Prosperity Institute (timed for 11am)
5. Further discussion as warranted



# Greg Clark



A Conversation About Toronto's Response  
To the Global Economic Crisis



# Outline of Conversation

1. Based on research with OECD and the UK Work Foundation involving 30 cities, including Toronto
2. Nature of Economic Crisis
3. 10 Principles of City-Based Economic Leadership
4. Observations On Toronto As it Entered the Recession
5. Personal Reflections on What Toronto Should Consider



# Nature of Economic Crisis

## 1. Global Banking Crisis

1. Melt-down for some
  - NYC, London, Frankfurt
2. Opportunity for others – Zurich, Toronto?
3. Challenges to the City as a banking client – freezing of infrastructure spending in Spanish  
...



# Nature of Economic Crisis

## 2. Global Economic Recession

- Exacerbated expected cyclical decline
- Focus on short-term stimulus – important to stop negative spiral



# Nature of Economic Crisis

## 3. Acceleration of Urbanization

1. Some countries and regions have strong balance sheets – commodity and trade rich
2. Some started in a negative situation – weak resources and trade balances

As a result – will lead to a future with more decentralized and multi-polar economies





# 10 Principles of City Economic Leadership

1. Don't waste the crisis – lead with purpose
2. Make the case for public infrastructure
3. Build robust long-term strategies
4. Purposeful short-term action
5. Address investment attraction and readiness



# 10 Principles of City Economic Leadership

6. Focus on relationships with the private sector
7. Invest in effective public works and infrastructure
8. Stay close to the people
9. Stay close and open to the world
10. Build strong bridges with national and provincial governments



# Observations on Toronto as it entered the recession

- Sense of commitment to economic development
- Need for action
- Realize that jobs follow people but if too slowly – serious challenges
- Talent drain continues
- City and Region need to both be strong
- Ready to seize the opportunities



# Five personal reflections on what Toronto should consider

1. Invest in economic development
2. Stay the main course on Agenda for Prosperity and Fiscal Blueprint
3. Do some short-term actions



# Five personal reflections on what Toronto should consider



4. Focus on catalysts and current opportunities
  - New deal with Region and Province
  - Focus on special places such as CBD, Discovery District, others
  - Some sectors:
    - Financial
    - Business and Professional services
    - Medicine, science, environmental technologies
    - Executive and higher education
    - Creative, cultural
    - Tourism
5. Enhance your economic management



# Greg Clark's Views



**Comments? Questions?**



# Learn from what others are doing, cont'd

(Source – IEDC in Washington)

- Workforce investment;  
SF – New “One Stop” Centre for unemployed, NYC – training & placement pilot project
- Tax cuts or freezes;  
SF - tax credits to companies that buy local, Hong Kong – one time 50% salary tax cut
- SME support;  
NYC – Training program for SMEs, SF – improve local access to city capital projects
- Rate relief;  
SF – payroll tax exemption for new jobs,
- Innovation promotion;  
L.A. – Clean Technology Corridor, KC Clean Tech Industry Initiative
- Budget adjustments;  
SF - accelerate city capital projects, Denver wave building fees 2 wks on resid. renovations
- Long term strategy;  
LA – Solar LA Plan, NYC – capture business in emerging asset classes, carbon tax traders
- Branding;  
LA – “Clean Tech” Centre, KC – Leader in “Clean Tech” Field



# Learn from what others are doing, cont'd

- **Hard infrastructure investment;**  
NYC – public transit projects, LA – \$40b ov 30y traffic relief/transpiration upgrades
- **Innovative Financing and PPPs;**  
“Better Denver” Infrastructure Bond
- **Tourism promotion;**  
“Visit Denver”, SF “Staycation”
- **Green sector investment;**  
LA – Clean Technology Incubator,
- **Recession strategy;**  
NYC – ‘Priorities for NYC’, SF – ‘Five point plan’
- **Creation or redirection of Special Purpose Vehicles (i.e. local development agencies);**  
Atlanta – Atlanta International Environment Team
- **Alignment of all orders of government.**  
NYC, Pittsburgh, Miami, LA





# Going Forward

- What is Toronto doing and/or should be doing to optimize job growth & assessment growth?
- How can Toronto dramatically increase our reach, reaction and results?
- What can/should we do?



# Selection Criteria

- Alignment with Agenda for Prosperity and Fiscal Blueprint
- Cost and available resources
- Impact - ROI
- Ability to implement ourselves
- Proven capabilities
- ??
- ??
- ??

