

City of
Summerside

Prince Edward Island
Canada

An aerial photograph of a tennis court at night, illuminated by stadium lights. In the foreground, a large array of solar panels is visible, partially obscuring the court. The background shows a dark landscape with some distant lights.

**City of Summerside
Economic Development**

**ANNUAL REPORT
2017**

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Message from the Chair

The City of Summerside is a place with a strong sense of community and an open-for-business mindset, where entrepreneurial and innovative ambitions are at the forefront of activity. Guided by strategic vision, the Economic Development Office (EDO) mandate is to generate wealth through job creation, increase annual commercial and industrial assessment, and grow the labour pool to achieve economic well-being. These goals sit at the very foundation of the EDO and initiatives to achieve them have established Summerside as the small city with big opportunities just as our advertising says. It is a story showcasing everything possible within an environment that is safe, cost effective and accessible.

2017 marked a significant turning point

2017 represented a significant turning point in cultivating relationships, furthering Summerside's innovation agenda and supporting business expansion and attraction. Concerted effort was made to build more robust tools and services under the Office's web portal www.bigpossibilities.ca and an expanded social media following through the dedicated twitter account @SummersideBiz.

Some highlights include:

- Engaging with over 50 local enterprises seeking expansion advice regards labour recruitment and investment briefs on the fiscal advantages of the city
- Opening over 75 new investment files with clients looking to establish a presence in PEI including Start UP Visa candidates facilitated through our partners at Innovation PEI
- Creating over 2,000 unique impressions through social media feeds on doing business in Summerside, raising the profile of opportunities that exist in our market
- Participating in 10 industry events focused on investment and trade development
- Developing new tools and collateral for the city's EDO web site www.bigpossibilities.ca to further promote the unique advantages of doing business in Summerside
- Attracting three new clients to our Living Lab program
- Working with internal partners, fostering a growing relationship with Samsung Renewable Energy to advance investment and innovation ambitions

Looking to 2018

As we move into 2018, we will continue to uncover immediate opportunities while maintaining the long-term view of creating a sustainable economy. We will be looking to engage more passion from our business leaders to help us lead and advocate for Summerside. When it comes to promoting the value of economic investment in Summerside, there can never be too many people engaged in doing so and in 2018, a major tenet of our activities will focus on ensuring we are all on the same page for messaging that stays consistent, relevant and business focused.

As Chair of EDO, I have set the goal of ensuring Summerside is recognized as a provincial, national and international leader in creating an environment that stimulates economic growth. Collaborating with our regional and national partners, we will continue to lead, facilitate and promote investment and growth opportunities in our city. Together, we can and will achieve our goals.

Councillor Brent Gallant
Chair, Economic Development



Introduction



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Summerside Economic Development Office

EDO is the lead economic development agency for Summerside. It is the focal point for businesses contemplating the formation, redevelopment, expansion, relocation or consolidation of their industrial or commercial business within the City. It is the primary source of industrial/commercial information, offering one-stop-shopping convenience and a channel to all levels of government.

EDO champions local business retention and expansion, investment promotion and attraction, internal and external capacity building, and serves as the repository of market data for future growth opportunities. It works collaboratively with government, academic and industry partners to stimulate the economy and ensure Summerside value propositions remain front and centre.

To maximize business connections and growth potential worldwide, the Office is committed to a totally professional approach in promoting Summerside's Open for Business story around the globe.

Furthermore, the Economic Development Office guarantees:

- Confidentiality
- Highest quality information and reports
- Rapid response time
- Customer satisfaction

Performance in 2017

Summerside is reaping the rewards of some strategic thinking, key partnerships, an aggressive marketing program, and city-led infrastructure programs and investments. In 2017, the economy made major strides towards its growth objectives.

EDO continued to establish itself as a key networker and connector of business relationships and opportunities. The Office advanced opportunities, embracing shared prosperity and building a strong community with key partners and common goals, proving once again that Summerside is a strong and resilient community that can continue to diversify and expand.



Projections for 2018

Summerside is at a unique moment in time. It is at a stage where the future can be summed up with an air of optimism while being sure to maintain the progress that brought it about. It will be that optimism that drives the future to the community we have in our sights.

With its vast network of partners, Summerside's Economic Development team will continue to lead the pursuit of an economy that generates more and more jobs and opportunities for growth.

Specific goals

- Increase quality and quantity of employment opportunities
- Create a diverse and sustainable economic base
- Improve the City's non-residential tax assessment base
- Participate in policy/regulatory reviews to ensure future investment
- Support appropriate and planned growth strategies
- Provide data, analysis and tools to businesses and community partners

Targeted growth

1. **Wealth** — bringing higher paying jobs to Summerside
2. **Assessment** — increasing the annual industrial/commercial assessment
3. **Population** — expanding the labour pool

Guiding principles

1. The quality of our data collection and interpretation is the foundation for all other activities
2. We will employ a strategic approach to operations based on what can and cannot be achieved
3. We will be creative risk takers who embrace entrepreneurship and innovation
4. We will focus on delivering results to our core customers and engaging in effective, open communication with them
5. We will forge strong alliances with community partners and business champions to increase capacity and credibility
6. We will collaborate internally and externally to reach our collective goals and
7. We will embrace change, ensuring the office can adapt and respond to a fluctuating economic environment
8. We will develop talented staff within the organization and department in meaningful ways
9. We will focus on a long term vision that is real, achievable and inclusive
10. We will promote a culture of transparency, cooperation and ongoing dialogue within the organization and with our external partners

The Highlights of 2017

Business Retention and Expansion

Summerside's Business Retention and Expansion (BR&E) program has been a foundational service of the Office and is the vital link to assisting local enterprises to grow and expand. Our BR&E program works to improve the competitive nature of local business, shapes programs that EDO delivers and strives to ensure that opportunities and challenges are addressed. In 2017 EDO facilitated over 65 in-depth consultations on a wide variety of issues and opportunities ranging from labour force assistance and financing to export assistance and site selection.

Investment Attraction

2017 was a robust year for new investment inquiries. EDO facilitated over 95 client engagements for investment information on expansion to Summerside. The majority of these interactions focused on small business and represented a cross section from Information Technology and Light Manufacturing to Green Initiatives.

In partnership with Innovation PEI, Summerside was the proud host of five delegations seeking investment in PEI through the Start Up Visa Program. These delegations ranged in size from 3 to over 15 delegates and predominantly represented the IT Sector. Attendees looking to expand and immigrate to Canada came from a variety of countries including China, India and the UK.

Events

Economic Development was pleased to have participated in over 15 Investment events hosted throughout PEI. Events ranged from Immigration Tradeshows to Economic Policy Forums on growing the PEI economy. EDO was fortunate to participate in several signature events furthering our investment message at the New England Governors & Atlantic Premiers Conference, the Senate Standing Committee on Energy, as well as hosting the Federal Minister of the Environment on Renewable initiatives.

Engaging with external partners and sharing the investment messages of our local business with key stakeholders was a cornerstone of the Office's activities in 2017. EDO participated in over 60 industry-specific consultations with both private and public sector partners to ensure Summerside's investment message was front and centre as well as the virtues of local business opportunities.



Speaking Engagements

Speaking engagements in 2017 allowed the EDO to spotlight specific initiatives, programs and the unique investment attributes of Summerside. In all, EDO participated both locally, regionally, nationally and internationally in over 9 signature forums on growing the economy, sharing Summerside's unique and compelling story.

External Connections

Trade and investment missions were again a major pillar in growing the Summerside Economy. Working with our local partners and international champions, Summerside Economic Development started dialogue and relationship building with over 200 Enterprises in 2017. Our external outreach program focused on uncovering opportunities in the aerospace, IT, renewable and light manufacturing sectors, with a significant push on labour force recruitment.

Creating Awareness

Marketing and branding success continued by sharing Summerside's story in 2017. A concerted effort to raise the awareness of labour and investment opportunities in Summerside formed the foundation of growing our communication audiences. From traditional advertising to digital marketing, in-house publications earned Summerside significant media exposure in 2017. Our website saw an average of over 250 new unique visitors, our social media channels increased followers by over 288% and our email subscribers reached over 1,500 from over 8 countries. Video views on special features showcasing vignettes on local leaders increased 10 fold with the addition of our new series in 2017.





Renewable Innovation Strategy Completed

Summerside is widely recognized as a leader and early adopter of green and innovation technologies. Our unique municipally owned infrastructure, combined with a business environment that encourages innovation, distinguishes us from other communities in Atlantic Canada. In 2017, EDO led the completion of a roadmap strategy on renewable innovation. The resultant work has identified a path for the City's longer term vision, goals and objectives in relation to being a sustainable green development leader and to helping the City assess the current opportunity within a nearer term. The strategy provided a road map of what needs to be done to achieve the vision and to convert future and existing opportunities into reality. The Office will be releasing a public document in 2018 outlining the path forward.

Samsung Partnership

How to integrate, store and dispatch renewable energy for large users while shaving peak demand to save costs – and – how to make such a system exportable in a plug-and-play platform to other jurisdictions. In partnership with Samsung Renewable Energy Inc., Summerside built a smart energy storage system, integrating the City's solar power with other renewable and conventional energy sources. The system consists of over 1,500 solar panels generating 600,000 kWh per annum and a lithium-ion battery that stores 890 kWh of electricity with a 250 kW power transfer capability.

This is a demonstration project that also serves as a model for other North American communities who wish to collaborate for long-term energy cost savings and environmental benefits.

IO Solutions

Initial estimates for operations in 2016 targeted roughly 75 full time agents. Currently there are 110 full time agents, 15 more in training and a growing support staff of over 17. In 2018, the EDO is working with IOS Management to recruit more than 100 multilingual staff for a complement of well over 200.

Living Lab

Launched formally in early 2017, Summerside's Living Lab looks to embrace a platform for industry to collaborate with government in exploring real-world issues and demonstrating how innovation can provide solutions. Based on leveraging the City's infrastructure strength and culture of municipal collaboration, Summerside made great strides in 2017 with the attraction of three pilot projects to further the Living Lab's validation agenda, addressing challenges in next generation technology.



City of Summerside Open Innovation Ecosystem



Stash Energy

Summerside and Stash Energy have partnered on a unique system to pilot heat pump storage technology to address the cost of peak demand energy. The Stash Energy Storage system works with conventional heat pumps to thermally store off-peak energy, which is used to avoid expensive power during peak times. The thermal energy is stored in environmentally friendly materials, using affordable technology. Similar to our Heat for Less Program, this pilot looks to test common heat pump systems within a municipality for innovative ways to reduce impact on the City's utility. The pilot is hoped to demonstrate how evolving this technology will cut the cost of home heating and cooling by an additional 30% over heat pumps alone, as well as leverage Summerside's investment in smart grid technology through better management of two-way energy consumption and renewable sources.



Makerspace

Makerspaces have rapidly gained popularity over the past 5 years, sprouting up in urban centres all around the globe. The modernity of a City is becoming associated with the presence or absence of a Makerspace. Indeed, they have become a vogue topic.

The motivation is straightforward: to provide a space for members to share equipment, knowledge and practical skill in the name of building something. In many cases, members do not have the resources for a personal workshop. Even if they did, they would still lack access to other like-minded members that Makerspaces provide.

Collaboration is the heart and soul of the Makerspace. The primary driver behind several people in the space is not social, but innovation... using tools to create something new, practical or beautiful. While an idea can die in the head of an individual, it is more likely to live on and become real when shared. Members are also likely to expand their skill sets when immersed with learned peers.

In 2017, EDO invested over \$33,000 towards development of our City's own Makerspace at the Summerside Incubation Facility on Greenwood Drive.

Leveraging Partnerships

2017 saw the Economic Development Office leverage over \$1.6 million in project funding for various initiatives to support our mandate of growth, innovation and wealth creation.

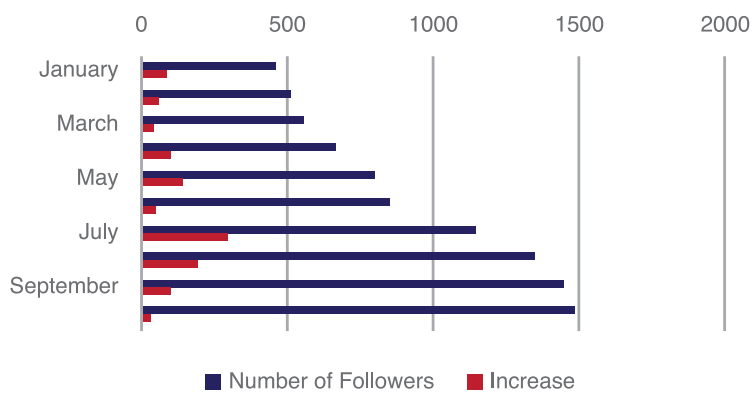
Media Expansion

Committed to expanding our digital networks and support systems for further awareness of Summerside and its economic opportunities, EDO initiatives attracted heightened interest in 2017. Our website retention tools saw over 2,500 visits (approximately 225 people per month) from over 8 countries, the EDO newsletter grew to over 1,000 subscribers and the EDO Twitter account saw an increase of over 350% in followers.



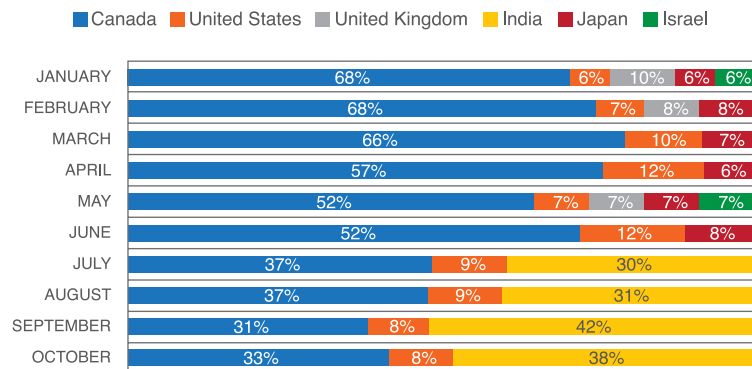


Number of Followers & Monthly Increase



■ Number of Followers ■ Increase

FOLLOWER LOCATION



The Stats tell the Story

Bigpossibilities.ca

Over 2,500 visits during 2017
 675 Organic Searches
 608 From a Direct Link
 380 Referral Visits
 70 From Social Media
 Visits were received from
 8 countries, mainly Canada
 and the USA

@SummersideBiz

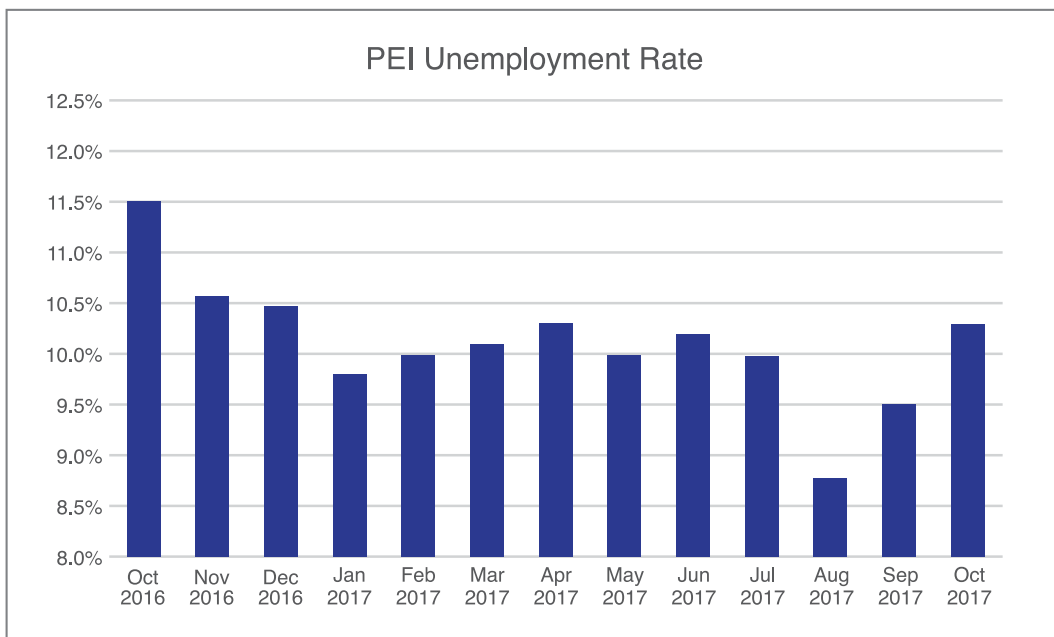
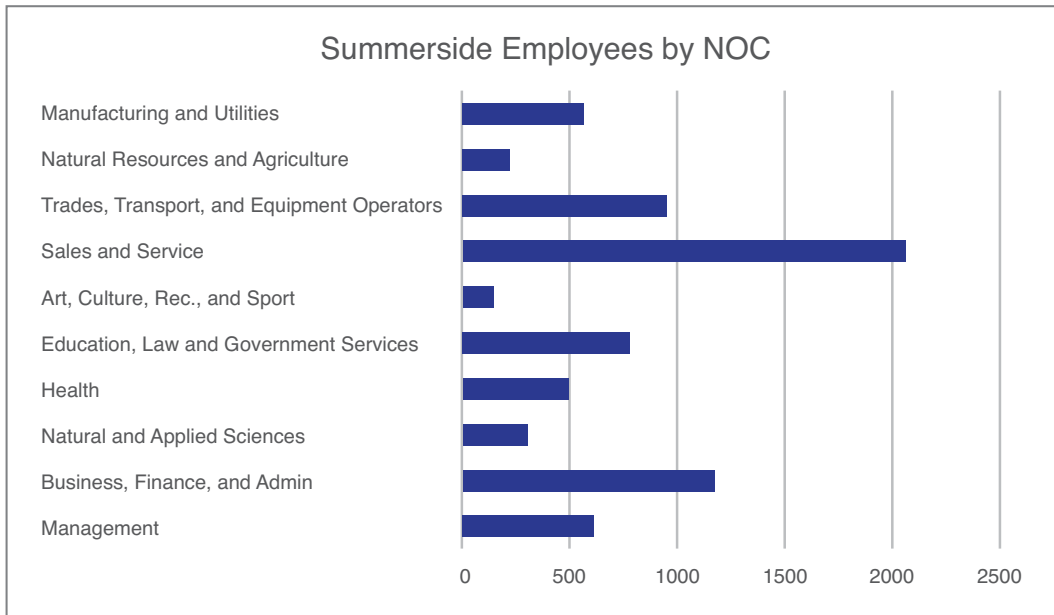
1,126 New Twitter Followers 2017
 1,577 Total Twitter Followers 2017
 1,470 Tweets 2017
 70 Mentions 2017

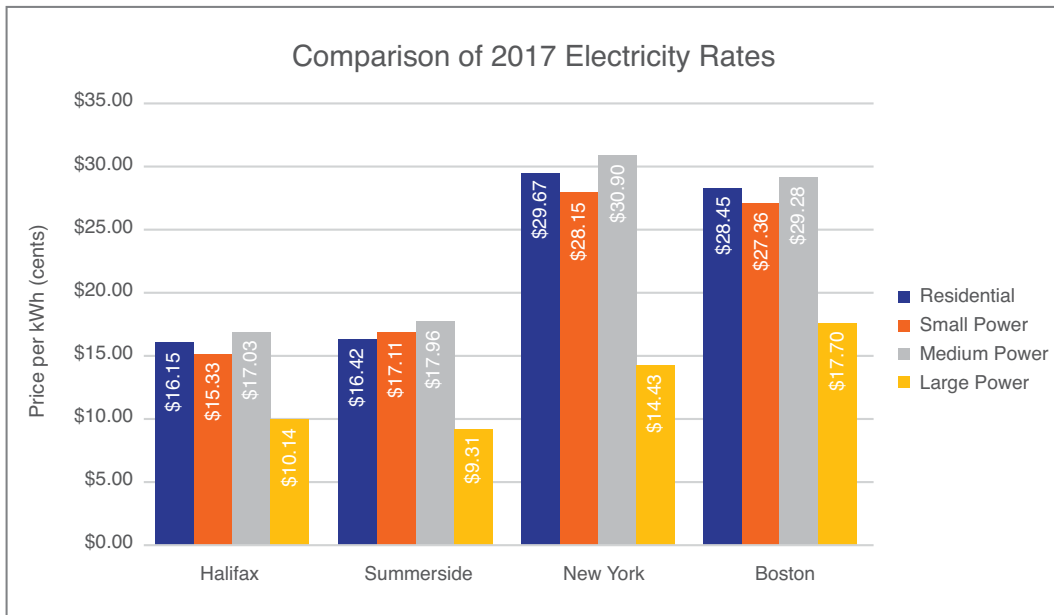
Newsletters

16 Issues
 1,005 Subscribers
 Opens by Country:
 67% Canada
 30% USA
 1% UK
 1% China
 1% Germany



Summerside by the Numbers





Footnote to Chart: All values are in cents/kWh. These values are derived from a typical monthly bill for each scenario (Residential, Small Power, Medium Power, Large Power). Base rates, service charges, time-of-day charges, and other charges are all smoothed into one number. The scenarios are defined as follows:

Residential: Consumption of 1,000 kWh

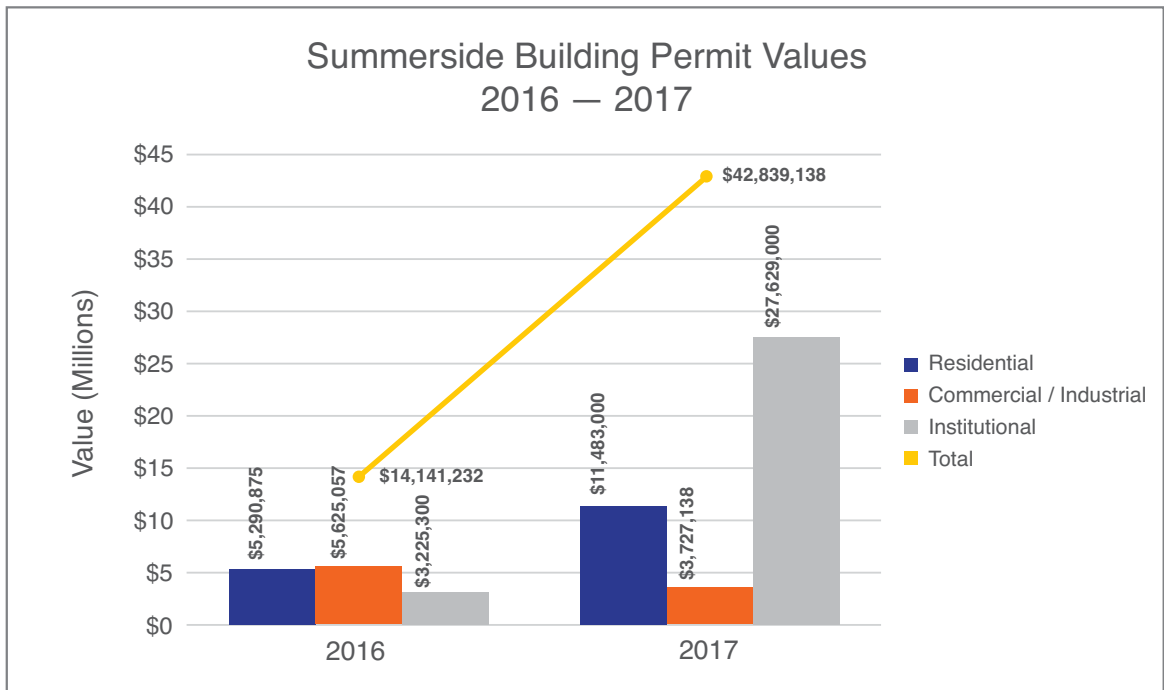
Small Power: Power demand of 40 kW, Consumption of 10,000 kWh, Load factor of 35%

Medium Power: Power demand of 500 kW, Consumption of 100,000 kWh, Load factor of 28%

Large Power: Power demand of 5,000 kW (supply voltage of 25 kV, customer-owned transformer), Consumption of 3,060,000 kWh, Load factor of 85%

Investment Activity in 2017

Summerside continued on its positive investment path in 2017 with both the private and public sector contributing to our residential, commercial and institutional infrastructure. Our combined permit values for 2017 saw an increase of 200 per cent over the 2016 season, not including December, driven in large part by some large scale institutional investment. Our current trend of residential and commercial / industrial construction activity still remains strong with some signature projects in 2017 that included major upgrades at ADL, new housing stock on St. Clair and Mackenzie Drive and several new commercial developments in the downtown core. Developments in the institutional sector represented the largest share in value at \$27,629,000 (65%) followed by residential at \$11,483,000 (9%) and commercial/industrial at \$3,727,000 (9%).



2017 saw the addition of over \$9.5 million in new residential construction: 24 new single and semi-detached homes and 20 new townhouse complexes.

Company	Sector	Location	Type	Construction Value
Amalgamated Dairies Limited	Industrial	79 Water Street	Addition	\$2,000,000
Driveline Truck and Trailer	Industrial	108 Greenwood Dr	Addition	\$170,000
Summerside Port Corporation	Industrial	105 Queens Wharf	Alteration	\$50,000
Consolidated Credit Union	Commercial	Water Street	Alteration	\$250,000
Granville Street Plaza	Commercial	Granville Street	Alteration	\$142,500
Rodeo Motors	Commercial	Water Street	Alteration	\$200,000
Dixie Lee Restaurant	Commercial	Heather Moyse Dr	New	\$240,000
Three Oaks High School	Institutional	Kenmoore Ave	Alteration	\$22,300,000
Community Connections	Institutional	Court Street	Alteration	\$831,000
College of Piping	Institutional	Water Street	Alteration	\$3,548,000
Pan American Properties	Institutional	Granville Street	New	\$750,000
Provincial Health Services	Institutional	Roy Boates Ave	Addition	\$200,000





**OVER 70% OF THE
POPULATION HAS
A POST-SECONDARY
EDUCATION**

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Summerside Outreach

Summerside's profile is a compendium of current and historical data that collects, disseminates and interprets a broad range of factors including socio-demographic, economic and business, local and global. The profile is arranged in a way that clients can use it in its entirety or in a customized fashion that integrates directly into their business planning activities. EDO can provide data in many forms including printed and electronic, tailored to specific business needs.

Development Tools to Ease Relocation

Available Sites Tool

This Available Sites Tool helps businesses locate suitable properties in Summerside at the touch of a button. Properties can be searched by price, size, zoning or listing type. Each property is presented with its own Google map and image gallery. Properties of interest can be downloaded, emailed or added to a custom report. This service is free for property owners, realtors and clients. On average, our Available Sites Tool is accessed by 225 interested parties from 8 different countries each month.

Business Directory

The Summerside Business Directory is more than just a listing service. It is an intelligent multifunctional business, marketing and planning tool used by governments, local and international businesses, tourists, private sector investors, site selectors, job seekers and other interested parties. For business users, whether local or international, the Directory is a means to identify networking and marketing opportunities, strategic partners, new markets, industry statistics, potential clients and a whole lot more. Information is used at the municipal level for such undertakings as strategic planning, business expansion, attraction and retention; statistic collection, marketing and promotion. Listings are complimentary for all, whether operating full or part time, seasonal or year-round.

Job Matching Tool

Identifying ideal candidates is the objective of the EDO Job Matching Tool. Built specifically for Summerside's diverse labour needs, the platform allows job seekers to find meaningful employment and local businesses to find the exact talent they need. This tool is radically changing the way Summerside jobs are filled. The key differentiator is that the Summerside tool provides job



seekers and employers with a one-stop, supply-and-demand mechanism for connecting the right candidate to the right job... quickly, accurately and efficiently. Job seekers simply complete a profile and are then provided with job postings matching their skills, qualifications and preferences. Every time a new job is posted, qualified candidates are notified automatically. Since its launch last year, our Job Matching Tool has filled over 200 jobs and the user base continues to grow.

Sector Brochures

The Economic Development Office published five sector profiles in 2017. Summerside Green, creating business opportunities through innovation; Aerospace Summerside at Slemon Park; Summerside IT, providing access to global opportunities; Summerside, the workforce you want; and Big Possibilities, let's build our future together.

While community marketing frequently falls into the trap of generic ideas like “business-friendly” and “live, work, play”, we have firmly focused on our city’s intrinsic strengths so as to provide real tools for use with companies, developers and site selectors. Electronic versions of these brochures can be downloaded at <http://www.bigpossibilities.ca/brochures>. Hard copies are available through the EDO.



Tourism, key Economic Driver

In 2017, the City of Summerside continued its tradition as a leader in sports, events and tourism. It released SETS, Sports Entertainment Tourism Summerside, a free mobile app in March. The app offers many services including event listings and tickets. Sport Tourism is a major contributor to the Summerside economy representing over \$15 million in direct spending to the local economy.

2017 was an exceptional year for hosted events and traditional tourism visits. Many major events took place at Credit Union Place. CUP wasted no time hitting the ground running with its 2017 New Year's Eve celebration. It has become the signature venue for tourism and sport in Summerside as evidenced by the traffic it attracts. On average the facility welcomes over 25,000 people per month, many of whom use of the world class Fitness Centre, Walking Track, Bowling Lanes and Aquatic Centre.

2017 saw a long list of exciting events:

- Atlantic Judo Open: Participants from France, Egypt and the USA
- Mardi Gras Hockey Tournament: 100 teams with an estimated impact of \$1.6M
- Travis Tritt: The international Country Music Superstar played live
- Burton Cummings: The Canadian musician icon of the Guess Who played live
- Choose Summerside: Tradeshow featuring dozens of Summerside businesses
- Atlantic Mayor's Congress: 3-day Summerside showcase hosting all mayors from Atlantic Canada
- Advancing Island Connections West: A meet & greet for newcomers, business owners and municipal reps to discuss working together
- Lobster Carnival: Multi-day event including parade and midway at Credit Union Place
- Special Olympics Luncheon: Fundraiser with Gino Reda, Dion Phaneuf and many other famous faces
- Lobsterfest (Beach Volleyball): Tournament attracting 107 of the finest men's and women's teams in Atlantic Canada
- Ray Carter Cup National Championships (Baseball): 260 people representing 10 teams and an estimated impact of \$1.25M
- Beef & Blues Fall Flavours: Live music event including Chef Michael Smith. Completely sold out with 60% of sales from PEI
- Grass Roots & Cowboy Boots: Major fundraiser for the Prince County Hospital. Since its inception in 2009, this event has raised approximately \$4.2M
- Daniel O'Donnell: Irish folk singer performed live
- Kraft O'Leary Hockeyville Canada: Nationally-televised pre-season NHL game between the New Jersey Devils and Ottawa Senators. Brought 8,000 visitors to Credit Union Place over 15 hours
- Road to the Roar (Curling): Nationally-televised week-long event selling 16,000 tickets and with an estimated impact of \$2.4M

In addition to landmark events, Credit Union Place hosts annual general meetings, galas, competitions, tournaments, ceremonies, trade shows, and summer youth programs.

Summerside continues to be a major destination for tourists coming to PEI. The Summerside Waterfront attracts visitors from all over the world. Spinnaker's Landing, the 7km Boardwalk, and the Off The Wallz Aquatic Obstacle Course play a big part in the appeal. Huge crowds also assemble for the awesome Canada Day fireworks festivities and the romantic and historic visits of Tall Ships in Summerside Harbour.

Summerside means Business

As more and more companies review their growth plans seeking improved efficiencies, reduced costs, increased profits and access to more markets, a compelling case for expanding in Summerside becomes even more obvious.

Summerside offers:

- A prime business location where companies make more money
- Ease of doing business through a turn-key infrastructure
- Instant access to Canadian and U.S. markets
- Partnered commitment to long term success

KPMG in its annual review of global business costs, ranks PEI 4th in overall results in Canada. Some highlights from this comprehensive report identify key strengths:

- PEI ranks 4th among the 17 featured Canadian jurisdictions
- PEI ranks 6th among all 111 featured jurisdictions
- Operational costs among the lowest in Canada's 17 featured cities
- PEI ranks 4th in Atlantic Canada/New England for overall business costs

What this means to the bottom line

Based on the results of a KPMG study of the following industry types — including Manufacturing, Aerospace, Financial Services, System Development and Testing — a company with \$40,000,000 in annual sales could realize annual savings in operating costs of \$750,000 when compared to the overall Canadian average.

If your operation is in the R&D field, that savings could potentially be as high as 3.6% of sales. Occupancy costs can also be lowered when operating from PEI. The KPMG study saving over the national average on facility leases is almost 42%, while property taxes save 15%. In a financial services operation, that can translate to a 2% of sales reduction in facility costs.

Aerospace firms on PEI enjoy a significant advantage through the current rebate of provincial corporate income taxes. The result of this program is evidenced by the fact that net profit reported, adjusted for the provincial tax rebate, runs almost 110% higher for PEI firms than the national average.

Summerside understands the challenges companies face when looking to grow and expand. The City's constant scan of regulatory and business costs ensures that we position our strengths, address our gaps and market our advantages to business. Our municipality is both business and employee focused and we believe we have the right cost environment, access to markets and business partners to help ease the challenges of growth. Summerside competes for new business on a national and international basis.

**▶ LET'S BUILD THE
FUTURE TOGETHER!**

Come and grow with us!



We're here for our partners

Committed to competitive advantage, a pro-business climate and superior lifestyle, the Summerside Economic Development Office offers the following services:

- Assistance with site selection, relocation and expansion
- Concierge Investment Program to fast-track loan approvals
- Assistance with accessing incentives
- Economic, real estate, labour force, and business databases to support custom research and policy development
- Custom market analysis
- Advocacy on behalf of business clients in city-related issues

EDO works proactively, collaboratively and responsively with businesses, partner agencies, educational institutions, the community and all levels of government. We focus on leveraging Summerside's key strengths and entrepreneurial philosophy to sustain economic growth and create wealth.

The Summerside Economic Development Office offers a hands-on approach to further the success and growth of established and new businesses by assisting small and medium-size enterprises to grow their markets globally. The EDO promotes Summerside as the ideal location for business investment.

For more information on Summerside as a centre for enterprise contact:

Mike Thususka

Director of Economic
Development,
City of Summerside
+1.902.432.0103
mike@summerside.ca

Neil Moore

Research Analyst,
City of Summerside
+1.902.786.8562
neil@summerside.ca

