CITY OF Burlington

Special Committee of the Whole

Agenda

Date:	November 10, 2025
Time:	2:00 pm
Location:	Council Chambers, City Hall, second floor

Pages

1. Call to Order

2. Land Acknowledgement

   Burlington as we know it today is rich in history and modern traditions of many First Nations and the Métis. From the Anishinaabeg to the Haudenosaunee, and the Métis – our lands spanning from Lake Ontario to the Niagara Escarpment are steeped in Indigenous history.

   The territory is mutually covered by the Dish with One Spoon Wampum Belt Covenant, an agreement between the Iroquois Confederacy, the Ojibway and other allied Nations to peaceably share and care for the resources around the Great Lakes.

   We acknowledge that the land on which we gather is part of the Treaty Lands and Territory of the Mississaugas of the Credit.

3. Approval of the Agenda

4. Declarations of Interest

5. Presentations

6. Delegations

Standing committee and City Council meetings are held at city hall, 426 Brant St. Requests to speak at this meeting can be made by completing the online delegation registration form at www.burlington.ca/delegate, by submitting a written request by email to Legislative Services at clerks@burlington.ca or by phoning 905-335-7777, ext. 7481 by noon the Friday before the meeting date.

If you do not wish to speak, but would like to submit your comments in writing, please email your comments to clerks@burlington.ca. Written correspondence will be circulated to committee members.

7. Consent Items

Reports of a routine nature, which are not expected to require discussion and/or debate. Staff may not be in attendance to respond to questions on items contained in the Consent Agenda.

8. Community and Corporate Services

8.1 Findings from third party review of Burlington Economic Development and Tourism (CAO-06-25) 1 - 50

This item was referred from the Committee of the Whole meeting of November 4, 2025

Endorse, in principle, the integration of all economic development and tourism services and operations into the City’s organizational structure, consistent with chief administrative officer report CAO-06-25. That Council endorse the staff recommendation, informed by an independent third-party review, to internalize Burlington Economic Development and Tourism (BEDT) functions into City's structure to optimize existing resources, minimize duplication, enhance operational effectiveness, and align economic development and tourism with the City’s broader strategic priorities; and

Direct staff to work closely with BEDT’s Board of Directors to approve BEDT’s 2026 budget and to ensure continuity of operations and support during the transition recommended above. That Council direct Staff to engage and collaborate with key representatives of BEDT’s Board of Directors and members of its Finance & Risk subcommittee to facilitate the agency’s 2026 budget approval to support the integration of all economic development and tourism services and operations under the Chief Administrative Officer’s (CAO) Office by 2027. Concurrently, the annual funding designated for BEDT’s 2026 Service Agreement (SA) would need to be retained within the City‘s 2026 budget; and

Direct staff to develop a transition plan with a report back by April 2026 to outline deliverables for integrating economic development and tourism functions within the municipal organizational structure. That the Chief Transformation Officer (CTO) will lead the development and implementation of this plan, which should include key milestones, timelines, resource implications, and the proposed model to ensure effective oversight of the economic development function by Council; and

Direct the CAO to establish a strategic advisory group to provide strategic industry advice and guidance to the City that will inform the transition plan. That this group or committee, chaired by the CAO or designate, be established to leverage private-sector expertise without duplicating a formal board role. Key representatives from BEDT and its Board of Directors should also be invited to inform the transition plan, including efforts to minimize any disruption to ongoing economic development and tourism initiatives and to stakeholder relations during the changeover.

9. Confidential Items and Closed Meeting

Confidential reports may require a closed meeting in accordance with the Municipal Act, 2001. Meeting attendees may be required to leave during the discussion.

9.1 Confidential Appendix B to chief administrative officer report CAO-06-25 regarding findings from third party review of Burlington Economic Development and Tourism (CAO-06-25)

Pursuant to Section 239(2)(a) the security of the property of the municipality or local board; and

Pursuant to Section 239(2)(b) personal matters about an identifiable individual, including municipal or local board employees; and

Pursuant to Section 239(2)(f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose

10. Rise and Report

11. Information Items

12. Staff Remarks

13. Committee Remarks

14. Adjournment

Recommendation Report Summary

SUBJECT: Findings from third party review of Burlington Economic Development and Tourism

TO: Committee of the Whole

FROM: Chief Administrative Officer

N/A

Report Number: CAO-06-25

Wards Affected: all

Date to Committee: November 3, 2025

Date to Council: November 18, 2025

Recommendation

Endorse, in principle, the integration of all economic development and tourism services and operations into the City's organizational structure, consistent with chief administrative officer report CAO-06-25. That Council endorse the staff recommendation, informed by an independent third-party review, to internalize Burlington Economic Development and Tourism (BEDT) functions into City's structure to optimize existing resources, minimize duplication, enhance operational effectiveness, and align economic development and tourism with the City's broader strategic priorities; and

Direct staff to work closely with BEDT's Board of Directors to approve BEDT's 2026 budget and to ensure continuity of operations and support during the transition recommended above. That Council direct Staff to engage and collaborate with key representatives of BEDT's Board of Directors and members of its Finance & Risk subcommittee to facilitate the agency's 2026 budget approval to support the integration of all economic development and tourism services and operations under the Chief Administrative Officer's (CAO) Office by 2027. Concurrently, the annual funding designated for BEDT's 2026 Service Agreement (SA) would need to be retained within the City's 2026 budget; and

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Direct the CAO to establish a strategic advisory group to provide strategic industry advice and guidance to the City that will inform the transition plan. That this group or committee, chaired by the CAO or designate, be established to leverage private-sector expertise without duplicating a formal board role. Key representatives from BEDT and its Board of Directors should also be invited to inform the transition plan, including efforts to minimize any disruption to ongoing economic development and tourism initiatives and to stakeholder relations during the changeover.

Executive Summary

This report recommends that Burlington's economic development and tourism activities – currently led by Burlington Economic Development and Tourism (BEDT), which is an external not-for-profit corporation, be fully brought in-house as a City department by 2027. The proposed change would end the current external governance model. As the existing Service Agreement (SA) between the City and BEDT expired in December 2024, it is recommended that the annual funding designated for this SA be approved and retained within the City's 2026 budget to support the integration of BEDT's functions within the City's organizational structure. The goal is to eliminate duplication, improve strategic alignment with City priorities, and strengthen accountability and efficiency in economic development and tourism service delivery.

It is important to note that under *Municipal Act, 2001 s.400.1* and *Ontario Regulation 435/17*, 50 per cent of net MAT must be transferred annually to a non-profit "eligible tourism entity" under agreement; the remaining 50 per cent stays with the City for tourism uses. If tourism moves in-house, staff will bring options to designate or create the required entity as part of a transition plan.

To retain valuable private-sector insight, a new strategic advisory group will help to inform the transition plan. Through the transition plan, the options to ensure effective oversight of the economic development function by Council will be explored and brought forward for consideration. The intent is to have a future state that represents a modernized and balanced approach: City-led oversight and integration, augmented by industry perspective, all while respecting legislative requirements and community needs.

Purpose of report:

Burlington's last comprehensive review of its economic development and tourism structure was completed between 2019-2020. Since that time, the broader context has evolved significantly including changes to provincial legislation, shifting regional responsibilities, and the advancement of Burlington's own strategic priorities.

In particular, Halton Region's recent decision to discontinue delivery of economic development services (aside from the Small Business Centre) has shifted greater responsibility to local municipalities. The region's economic development ecosystem has also changed, with a larger number of business support service providers (i.e., Chamber of Commerce, Regional Innovation Centre, Business Improvement Areas) working towards similar goals and objectives across a growing number of clients. Burlington's population growth and the reduced availability of employment lands is placing a greater need for municipal planning expertise to redevelop existing lands or facilitate mixed uses. At the same time, the SA with the BEDT Corporation expired at the end of 2024, and operating without an SA creates ambiguity around compliance, liability, and policy adherence, posing financial and legal risks for the City.

To address these emerging changes and associated challenges, the City engaged Rubicon Strategy in early 2025 to conduct an independent review of BEDT's governance, alignment with City objectives, and overall effectiveness. The review builds on the 2019/20 review and identified several persistent issues within the existing governance and operating model including duplicative activities and overlapping organizational support functions, brand and operational confusion, differing accountability practices, and gaps in performance measurement, reporting and public transparency.

Rubicon concluded that the current governance and reporting relationship with the City is not functioning as intended and that, without change, the relationship risks further strain and inefficiency. The findings point to the need for a renewed and integrated approach to economic development and tourism that:

- Identifies and eliminates duplicative activities through greater alignment with City employment and non-residential growth-focused priorities;
- Improves accountability and transparency through enhanced public reporting and municipal decision-making; and
- Strengthens coordination and partnerships between internal teams and external partners while clarifying roles and responsibilities.

Key findings:

Rubicon's report (Appendix A) identifies the following as key findings:

- BEDT was originally established to provide agility, independence, and credibility with the business community. But over time it has become a source of misalignment, accountability gaps, and operational confusion.
- Stakeholder feedback highlights persistent misalignment between BEDT's outward-facing commitments and the City's internal capacity, duplication of roles across both client-facing and support service City departments, and inadequate accountability for

the use of public funds. Businesses and residents alike expressed limited awareness of tangible outcomes and questioned whether the current arm's-length structure is delivering value.

- Comparisons with other municipalities demonstrate that both internal and external models can succeed, but only when accountability, performance measurement, and alignment with Council priorities are clear.
- The SWOT analysis underscores that while BEDT benefits from brand recognition and perceived independence, its weaknesses – including role confusion, outdated tourism programming, and limited engagement – are systemic and undermine credibility.
- The recommendation is to dissolve BEDT and bring the economic development and tourism functions into the City's corporate structure. To preserve the advantages of private sector expertise and business-facing credibility, those perspectives would need to be integrated into any future model.

Staff Analysis and Response:

- In addition to providing the strategic alignment and accountability required to advance Council's priorities, integrating economic development and tourism functions directly into the City's administrative structure will enable access to the entire apparatus of the City and its resources to better align strategy, policy, and service delivery across departments such as Planning, Transportation, Recreation, Communications and Engagement.
- An integrated model will ensure that initiatives to attract jobs and investment, enhance housing affordability, strengthen the local workforce, and promote Burlington as a destination are coordinated and mutually reinforcing. A consolidated structure will also enable clearer performance measurement – e.g., Industrial, Commercial and Investment (ICI) assessments – and greater efficiencies around the deployment of resources and the reduction of duplication and fragmentation of effort.
- With more people returning to the workplace at the City and externally across many other local business sectors in 2026, an in-house structure will increase collaboration with the added advantage of ensuring that all internal teams are unified towards the goals of increasing economic activity and the timely facilitation of non-residential growth (e.g., allowing the building of a city-wide culture, where all departments share a common vision). This shared vision will help to create a 'business friendly' reputation while allowing staff to assure business clients about the continued importance of economic development on the City's agenda. Given the range of intricate and diverse issues that currently encompass the field of economic development and tourism, an in-house structure also offers businesses with expertise on how to navigate what can otherwise be a complex set of municipal procedures.
- Staff acknowledge the considerable value that private business and industry leaders contribute to the current model. The transition plan will make recommendations on how to integrate private sector industry perspectives in decision making related to City-led

economic development and tourism services. Pursuing a different model should not be interpreted as a reflection on the dedication and professionalism of BEDT's staff or volunteer board members. Rather, it is a structural and strategic decision designed to modernize service delivery, strengthen coordination, and ensure public funds are used transparently and effectively. The intent is to preserve and enhance Burlington's investment in economic development by positioning the City as a location to pursue business opportunities more cohesively and responsively.

- The BEDT review leading to this recommendation report is part of a broader review of other Agencies, Boards and Committees (ABCs) and Joint Ventures (JVs) initiated by the City in 2023. Efforts to enhance the City's relationships with other ABCs and JVs will continue in 2026 through a phased approach.

Implications:

- **Financial:** There will be financial implications depending on Council's direction — whether through the integration of economic development and tourism within the City or renewal of a service agreement. Detailed costing, including transition and funding considerations, will be reported back as part of the transition plan.
- **Human Resources:** Integrating functions in-house would have staffing and structural implications requiring coordination with Human Resources to ensure a smooth transition and compliance with employment obligations.
- **Legal:** Legal review will be required to address potential implications related to contracts, assets, and liabilities under either an integration or renewed service agreement model.
- **Communications and Engagement:** A communications and engagement plan will be developed to inform staff, Council, and business stakeholders of changes and to support ongoing alignment with Burlington's economic priorities.
- **Climate:** No direct climate implications have been identified at this time.
- Other preliminary confidential considerations are provided in Appendix B.

Background

For many years, like other Ontario municipalities, Burlington has delivered its economic development activities through an arm's-length entity. These entities allowed municipalities to avoid legislative constraints that resulted from the province's *Municipal Act, 2001* prior to amendments in both 2003 and 2007. Municipalities were historically limited in directly engaging in certain economic development activities (such as providing financial incentives to businesses). To navigate these restrictions, Burlington relied on an external Agency/Board/Commission (ABC) model for economic development:

- **Operational Flexibility:** An arm's-length entity could respond more rapidly to business needs, unencumbered by some of the procedural requirements of City Hall.
- **Governance Autonomy**: A separate corporation with its own board of industry leaders allowed collaboration with private-sector partners and expertise, independent of municipal constraints.
- **Legal Constraints**: The independent structure permitted the arm's-length entity to undertake activities that municipalities were restricted from doing, allowed for direct support to businesses, enabling activities (like certain promotions or partnerships) that the City itself could not historically undertake.

These factors shaped the creation of Burlington's external economic development agency model. However, in recent years the landscape has changed significantly. Provincial regulations have evolved – for instance, *Ontario Regulation 599/06* now explicitly permits municipalities to establish municipal service corporations for economic development purposes, and more generally, municipalities have broader powers to act entrepreneurially. As a result, the strict need for an external body has diminished. Current legislation and best practices allow economic development to be integrated within municipal structures, bringing several advantages:

- **Alignment with Municipal Goals**: Economic initiatives can be more consistently steered to support Council-approved priorities when managed in-house.
- **Enhanced Oversight and Accountability**: City Council can directly oversee activities and results, improving transparency and public accountability.
- **Operational Efficiency**: Integration avoids duplicate overhead; City departments can share support services and coordinate across functions, yielding cost savings and better service coordination.

Regionally, there is also a trend toward local delivery of these services. Halton Region's recent decision to cease most economic development services (except the Small Business Centre) means Burlington and other Halton municipalities must take a more active role in attracting investment, supporting businesses, and managing tourism at the local level. In addition to the broader changes previously mentioned (i.e., the region's evolving economic development ecosystem, limited employment lands in Burlington), this underscores the importance of ensuring Burlington's economic development model is robust, well-aligned, and equipped to meet these responsibilities.

The City last undertook a comprehensive review of its economic development and tourism governance between 2019-2020 (CM-19-20 – Burlington Economic Development Corporation and CM-19-20 Appendix A – BEDC Review Part A Final Report), establishing a baseline for roles and performance expectations. In 2023, Council initiated a broader effort to enhance the City's relationships with Agencies, Boards and Commissions (ABCs) and Joint Ventures (JVs), endorsed through the 2023 budget. The City engaged Optimus SBR to design an Accountability Framework (informed by legislation, best practices, and stakeholder consultations) to clarify roles, mitigate risks, and strengthen oversight for third-party partnerships that deliver community services (RCC-11-24 – Accountability Framework for Agencies, Boards and Commissions (ABC) and Joint Venture (JV) Organizations and RCC-11-24 - Appendix A – City of Burlington Accountability).

In December 2024, through report CM-10-24 - Update on Strategic Initiatives and Organizational Services, staff provided a structured update on strategic initiatives and organizational services and discussed options for economic development and tourism governance. Options included pursuing the current external model, commissioning an independent review, or integrating functions into the City. This report follows up on CM-10-24 by incorporating the completed third-party review and presenting a path forward for governance that aligns with Council's objectives and value-for-money expectations.

Current State

BEDT serves as the City's official economic development agency and destination marketing organization. It operates as a not-for-profit corporation—separate from the City's administrative structure—with its own Board of Directors, staff, and corporate identity.

The City of Burlington is BEDT's primary funder, providing an annual operating grant of approximately $1.9 million through a Service Agreement (SA), along with in-kind support such as operating costs at BEDT's rental of 414 Locust Street. While City staff and BEDT collaborate on select initiatives, the organization remains independently governed and managed, setting its own priorities and direction.

Staffing and Functions

BEDT currently employs approximately 15 staff and a number of internship positions across several functional areas:

- **Destination Development and Marketing** – tourism promotion, visitor experience, and positioning Burlington as a destination.
- **Business Development, Data and Customer Experience** – business retention and attraction, economic research, and client support for investors and companies.
- **Real Estate and Land Partnerships (Burlington Lands Partnership)** – facilitating strategic land development and partnerships that drive economic growth.
- **Business Innovation and Entrepreneurship (TechPlace)** – supporting start-ups and innovation, including management of **TechPlace**, Burlington's technology incubator and innovation hub.

BEDT operates independently of City Council in its day-to-day operations and strategic decisions. Governance is provided by a volunteer Board of Directors of 13 members, composed primarily of private-sector and community members, along with four City representatives (Council members and/or senior staff).

Because the City holds a minority of voting positions, its influence over BEDT's direction is limited. The City's formal influence occurs mainly through the SA and participation by the Mayor, Councillors, or CAO as board members or liaisons. In practice, however, BEDT's alignment with City economic development and tourism priorities is assumed rather than structurally ensured. Information sharing occurs between BEDT and City staff on an ad hoc basis, and there is no binding mechanism to guarantee that BEDT's strategies and activities directly advance Council-approved goals (e.g., those within the Strategic Plan or KPIs related to job growth and tourism).

Under this arm's-length model, if BEDT's priorities diverge from Council's direction or performance expectations are not met, Council's recourse is limited primarily to adjusting or withdrawing funding in subsequent budget cycles.

Third-Party Review by Rubicon Strategy

To inform the path forward, the City engaged Rubicon Strategy in early 2025 to conduct an independent, third-party review of BEDT's governance model and performance. The review's mandate included assessing how well the current organizational structure is serving Burlington's needs and evaluating alternative models (status quo vs. hybrid vs. full integration). Rubicon's team undertook a thorough consultation and research process:

- Interviews with City staff, BEDT staff, Board members, and key stakeholders (e.g. business and tourism community representatives).

- A focus group and surveys to gather broader input on economic development service delivery.
- A comparative analysis of governance models in other municipalities (arm's-length agencies vs. in-house departments).
- Review of BEDT's reporting, strategic plans, and performance metrics.

Rubicon's report, attached as Appendix A, revealed a *"consistent set of challenges"* with the current arm's-length model:

- **Operational and Brand Confusion:** The division of roles between the City and BEDT is not always clear to external clients or even internal stakeholders. For example, businesses or investors may be unsure whether to approach "Invest Burlington" (BEDT) or City Hall, and the existence of separate branding can cause confusion about who does what. Overlap in communications and marketing efforts has sometimes diluted Burlington's message.
- **Duplication of Roles and Effort:** Several functions of BEDT appear to overlap with work already being done by City departments or other agencies, adding complexity without clear value. This not only risks inefficient use of resources but can also frustrate stakeholders who encounter multiple touchpoints for what should be a unified service.
- **Accountability Gaps:** The arm's length governance model has led to gaps in accountability and oversight. As noted, Council cannot directly ensure BEDT's actions align with municipal priorities, and performance measurement is largely handled internally by BEDT's board. The review highlighted that reporting on outcomes was insufficient and that neither City Council nor the public can easily track BEDT's performance or hold it accountable for results under the current structure. The independent board's fiduciary duty is to the corporation (BEDT) itself, which can diverge from Council's directions. This disconnect poses a governance risk.
- **Inefficient Reporting and Measurement:** Related to the above, metrics and Key Performance Indicators (KPIs) for economic development and tourism are not well-integrated into the City's own performance framework. BEDT produces its own reports and scorecards, but these are not formally tied to Council's strategic plan indicators. The Rubicon review noted issues with how outcomes are measured and reported, making it challenging for the City to evaluate the return on its investment in BEDT.

Overall, the independent review identified that the status quo is failing to meet Burlington's needs. The report concludes: "The relationship between the City and BEDT is broken and leaving the current model in place risks further erosion of trust, wasted resources, and lost economic opportunities."

Rubicon Strategy recommended that Burlington bring economic development and tourism functions back inside City Hall (the in-house model) to remedy these issues. Notably, the review recognized the value in BEDT's private-sector board and advised finding a mechanism to continue harnessing that expertise within a City framework. The proposed solution was to integrate the functions into the City administration while creating a new advisory group or similar group or body so that industry leaders can still provide strategic advice. The sections below respond directly to the Rubicon review's conclusions and provide information outlining how the City can implement the recommended changes.

Analysis

Key Challenges in the Current Arm's-Length Model

The external BEDT model was established to enhance flexibility and draw on business-sector leadership. Internal feedback and recent experience, consistent with the third-party review, indicate that the current structure now introduces additional process layers and overlaps with City and partner roles, which can dilute clarity of mandate and outcomes. Staff who work with BEDT note that interfaces between BEDT and City functions are not always clear, leading at times to parallel efforts and added steps in file management. As a result, the model does not consistently demonstrate a speed or agility advantage over an in-house approach. Several specific structural issues have been identified:

- **Lack of Strategic Alignment:** BEDT's independent Board structure means Council and City management do not have direct line authority over BEDT's operational priorities. Alignment is mediated through high-level instruments—namely the Strategic Plan, funding, and an SA—rather than through municipal direction. Under this arrangement, BEDT is not required to provide routine, detailed reporting demonstrating how its work maps to specific Strategic Plan objectives; funding use is not subject to the City's ongoing, in-year line-item oversight; and the SA is high level, with areas of ambiguity in which the organization requests ad hoc support (e.g., HR, finance/payroll, communications, IT). With two City voting members and one invited City member with non-voting privileges on a 13-member board, municipal priorities are not systematically embedded in BEDT's work plans, and alignment depends on negotiated collaboration rather than formal direction. As a result, divergence on timing, focus, or positions has occurred on key files. An in-house model would place priority-setting and oversight squarely within Council and standing committees, integrating economic development and tourism deliverables into the City's performance framework. Under the current arm's-length arrangement, BEDT is not formally accountable to Council for municipal economic development or tourism outcomes, creating a material risk of misalignment on initiatives such as job-growth targets, employment lands strategy, and tourism development when perspectives differ.
- **Accountability and Reporting Gaps:** In addition to strategic alignment considerations, the arm's-length model can reduce clarity around accountability. Council and the public primarily rely on BEDT's self-reporting of performance, as there is no direct, day-to-day municipal line of sight into operations. BEDT is not subject to the same transparency practices that apply to City departments (e.g., open meetings, routine reporting to

Council, MFIPPA-based records processes), which can make ongoing clarity of spending and program value more difficult. By contrast, an internal model would be accountable through the CAO to Council, with business plans, budgets, and results presented in public and subject to Council approval and oversight. The third-party review also observed stakeholder frustration and noted that accountability pathways under the current structure are perceived as diffuse.

- **Duplication of Services and Effort:** There is currently an overlap between BEDT's work and existing City functions or other agencies' roles. The intention was that an external agency would fill gaps and do things that the City could not in practice, however, many of BEDT's activities mirror or parallel work already happening inside City Hall – adding complexity instead of value. For example, BEDT identified certain "high impact" development files and strategic projects as part of its mandate, but those same files (major development applications, key employment lands, etc.) are already managed by the City's Planning Department and other City staff. In such cases, BEDT staff essentially track or discuss projects that City departments are actively leading, resulting in two teams touching the same files without clear delineation of roles. Similarly, BEDT created a "Tariff Resource Hub" to help businesses understand U.S. steel/aluminum tariffs – but the Burlington Chamber of Commerce and the City had already compiled and disseminated identical information for local businesses. In effect, BEDT's efforts duplicated the work of the Chamber and City, with no unique outcome.

  BEDT's own subcommittee structure reveals multiple areas of potential duplication:
  - **Business Growth and Renewal Committee**: Reviewed development files and initiatives in which City planning staff were already fully engaged, and where BEDT had no distinct role beyond information sharing.
  - **Innovation and Entrepreneurship Committee**: Charged with guiding TechPlace and innovation ecosystem growth, yet much of this overlaps with independent organizations like Innovation Factory (Regional Innovation Centre) or City-driven strategic plans (e.g. Burlington's Vision 2040). The relationship between TechPlace and BEDT's Board is unclear, and no additional or unique role for BEDT was identified that City staff or partners were not already managing. Notably, the plan for TechPlace 2.0 (relocating to the new community centre space) was a project that ultimately required City and Council involvement for execution, as discussed later.
  - **Destination Marketing Committee**: Focused on tourism marketing, which is primarily a communications function and under the current arm's-length arrangement, coordination has not been formalized, and City Communications and Engagement has not been consistently engaged. This has resulted in the creation of gaps and/or missed opportunities to align approach and better serve community needs for tourism-related efforts.

  - **Finance and HR Committees**: BEDT operates Board subcommittees for finance/risk and HR/governance that perform functions already provided by the City (e.g., financial oversight, controls, payroll/benefits administration, recruitment, performance management). As a result, two parallel systems review similar matters: BEDT committees on one side and City Finance/HR frameworks on the other. This creates additional layers for staff and volunteers and can lead to overlapping reviews of the same matters.

- **TechPlace lease alignment:** During the relocation of TechPlace to the City-owned Robert Bateman Community Centre, the BEDT Board reconsidered previously agreed lease terms late in the process and sought different rates. This triggered additional negotiation, consumed staff time, and delayed finalization—illustrating how separate governance can produce last-minute divergence on operational decisions.
- **Employment lands conversion**: City Council approved limited conversions of employment lands to mixed-use consistent with provincial direction. BEDT leadership publicly opposed these conversions, creating mixed signals for stakeholders and provincial partners. This highlights how an arm's-length position can result in divergent advocacy on files where Council has already set direction.
- **Tourism coordination**: Tourism promotion and City programming (events, culture, recreation) are not formally integrated. Large events and municipal facilities are sometimes promoted separately, leading to missed or late opportunities to align destination marketing with City-run programming. The separation contributes to inconsistent messaging and fragmented planning.
- **Regional realignment and parallel analysis**: When Halton Region signaled devolution of economic-support functions and the Province discussed changes to employment lands, BEDT commissioned a consultant for its own analysis while the City was already conducting related work. This resulted in duplicative effort and public spending and introduced the risk of conflicting recommendations on a sensitive policy file.

Digital Equipment and Services

The City currently provides digital equipment, software licensing, network access, data/network storage, backup, bulington.ca domain email addresses, and IT support services BEDT without any active or formal service agreements in place. In some cases, agreements have expired, and in others, none were ever established. This long-standing arrangement, identified as a risk through the Agencies, Boards, and Committees (ABC) Review, remains unresolved and creates governance and accountability gaps.

Burlington Digital Services (BDS) currently provides corporate-managed laptops, desktops, and iPhones, along with access to the City's network and key enterprise platforms such as Microsoft 365, AMANDA, and Workday. While some hardware costs are journaled back to these organizations, software licensing and other service costs are not consistently recovered, resulting in ongoing financial exposure.

Role Clarity and Duplication

The third-party review identified recurring themes of overlap and unclear interfaces. The table that follows provides concrete, public-facing examples—drawn from recent BEDT committee materials and City context—that illustrate those themes in practice.

Item	What's described	Municipal / partner context	Challenge observed
"Concierge‑style support"	Permitting, workforce and expansion concierge services.	Permitting/approvals and concierge/escalation are municipal functions with decision authority inside the City.	Without explicit boundaries (referral vs. decision‑making), proponents may be confused about who can deliver outcomes and timelines.
Partnership stewardship	Partnerships with BIAs, Chamber, and sector groups framed as a BEDT function.	These are also City‑led governance relationships convening Planning, Building, and Bylaw for development facilitation.	Parallel outreach/meeting cycles; stakeholders may receive overlapping requests and mixed signals on coordination.
Strategy dependencies (workforce, land use, main street)	Priorities include workforce, land use, and main street renewal.	Deliverables depend on Planning alignment (zoning, permits, patios, signage) supported by the City's concierge/liaison.	Expectations set with businesses can exceed what an external agency can affect in the absence of Planning integration.
Devolution of regional services (Halton Region Small Business Centre)	"Downloading" of regional services.	Draft MOU indicates Halton Region retains HRSBC governance (funding, staffing, provincial accountability); municipalities provide referrals/intelligence/space.	Framing solely as "downloading" can obscure authority/accountability; arm's‑length positioning limits direct municipal line accountability relative to peers.
Rural and agricultural	BEDT role in rural/agri‑business support.	The City already provides this via an Agricultural Liaison.	Overlap increases risk of multiple contacts to the same operations with overlapping offers of assistance.
Main Street Business Strategy (tourism‑heavy)	Branding, campaigns, pop‑ups, digital passes.	BIAs, Chamber, and HRSBC operate here; regulatory enablers (patios, signage, temporary use)	Without formal Planning linkage, initiatives may remain surface‑level marketing and duplicate

		run through Planning/Building/Bylaw.	partner efforts, diluting impact.

Based on the City's jurisdictional scan of 444 Ontario municipal comparators, in-house delivery is the predominant governance model for economic development and tourism. Of the municipalities reviewed, 377 (84.9 per cent) deliver both functions internally, 46 (10.4 per cent) use a mixed approach (typically economic development in-house with tourism delivered through a Destination Marketing Organization/Municipal Service Corporation/Eligible Tourism Entity for Municipal Accommodation Tax or MAT compliance), and 21 (4.7 per cent) rely on an external/arm's-length model. While local context varies, this distribution indicates a clear provincial/sectoral preference for internal delivery, with hybrid arrangements employed in a smaller subset to address specific program or funding requirements. Considering Burlington's SA expiry, Rubicon's findings, prior Council direction, changes to provincial legislation, and shifting regional responsibilities, the following options are presented for Council's consideration:

Option 1 — Bring economic development and tourism functions in-house.
Economic development and tourism services would be delivered as a single municipal program under the Office of the CAO, with work plans, budgets, and KPIs integrated into the City's corporate performance and budget cycles. Integration creates one line of accountability to Council, removes parallel governance and overhead, consolidates corporate supports (HR/IT/Finance/Legal/Communications), and establishes a single client pathway for investors, businesses, and event organizers. It also restores transparency through routine public reporting and resolves the expired SA. This integration directly responds to Rubicon's observations about diffused accountability, duplication of effort, and unclear interfaces by placing economic development and tourism under a single municipal line of authority, consolidating corporate supports, and creating one front door for clients. The transition could introduce short-term disruption and requires attention to maintaining eligibility for the Municipal Accommodation Tax (MAT). The City would need to begin by mapping and transferring contracts, assets, intellectual property, and data, ensuring records and IT systems are migrated in a controlled sequence so service channels remain uninterrupted. Branding and web content would be brought under one identity, with redirects and content governance to prevent confusion. To maintain MAT eligibility, the City would either designate or establish a minimal eligible tourism entity or finalize an agreement with a recognized Destination Marketing Organization or DMO, while keeping day-to-day delivery internal. Throughout the transition, communications would emphasize a single "one-city" point of contact so businesses and tourism partners know exactly where to go.

Option 2 — Bring economic development and tourism in-house and create an industry advisory group *(Recommended)*
In addition to what is described through Option 1, this option integrates economic development and tourism services and adds a formal advisory group or committee of industry leaders that provides market intelligence and strategic advice (not corporate governance) to Council. In addition to the alignment and transparency gains noted by Rubicon, this model would preserve structured private-sector input without recreating parallel governance, addressing the report's finding that expert time was absorbed by board administration rather than strategy. The transition plan will make recommendations on how best to integrate private sector industry perspectives in decision making related to City-led economic development and tourism services.

Option 3 — Sign a new SA with BEDT and require full self-sufficiency.
The external corporation would be retained, with a renegotiated SA – including detailed service level agreements – requiring BEDT to fund all corporate services (payroll, HR, IT, insurance, audit) from its grant/reserves and to adopt enhanced performance and risk provisions. It strengthens contractual controls and clarifies costs, with firmer reporting and KPI expectations. While strengthened contracting would respond to Rubicon's call for clearer KPIs and reporting, the model retains the parallel structures and client-path fragmentation that the review identified as sources of duplication and misalignment. The City would first establish interim operating arrangements that bridge the current SA gap, then negotiate the new agreement in detail—pricing each corporate service, defining KPIs and reporting cadences, setting audit/assurance requirements, and codifying escalation paths for file coordination. Branding and role delineation would be set out explicitly to minimize overlap with City departments and to reduce public confusion. Internally, a monitoring protocol could specify who reviews reports, how variances are handled, and when remedies are triggered. Externally, communications would explain the respective roles of the City and BEDT and identify a clear single point of contact for businesses and tourism partners, even while two organizations remain involved.

Recommendation Details

Staff recommend Option 2. It places economic development under the Office of the CAO (alignment, accountability, efficiency) and through a transition plan would establish an industry advisory group or committee to retain market insight and stakeholder voice. This approach addresses the SA gap, reflects jurisdictional practice, and responds directly to the themes identified in the Rubicon review—while providing a pragmatic path forward.

Given that economic development and tourism have been delivered by an external organization for more than three decades, staff recognize that any proposal to transition these functions in-house may prompt stakeholder concerns. The following section anticipates likely critiques and outlines staff's responses.

Concern	Concern (summary)	Staff response
Loss of agility	City processes (approvals, hiring, contracting) could slow responses to market opportunities.	The City operates a concierge/liaison function that expedites high-profile files, supports BIAs and small businesses in navigating approvals, and identifies red tape for targeted process fixes. In parallel, the City's continuous-improvement program (e.g., Pipeline-to-Permit updates) is streamlining approvals and service pathways; where bottlenecks are identified, the appropriate remedy is to improve processes within the corporation rather than rely on a separate $2 million external entity. $2 million external entity.
Reduced private-sector engagement	Business leaders may disengage if roles are advisory only.	Private-sector input can be formalized through a strategic advisory group, enabling recommendations directly to Council. This focuses volunteer time on actionable advice rather than corporate governance (finance/HR/audit) of an external board.
Funding vulnerability	An internal model may limit access to private partnerships, grants, or innovation funding.	No specific grants were identified that would have been unattainable if services were internal. The City routinely secures intergovernmental funding and private sponsorships. A unified in-house approach also avoids competing applications between the City and an external BEDT.
Erosion of accountability	Without a performance-focused board, service quality may default to process metrics over outcomes.	Accountability can be strengthened in-house via Council-approved KPIs, corporate performance management, internal audit, and transparent reporting. If process metrics crowd out outcomes, the corrective action is to adjust the City's performance framework—not duplicate a separate governance structure.

Strategic misalignment	Municipal mandates may prioritize planning/service delivery over investment attraction.	Council has directed that economic competitiveness be embedded across files (e.g., high‑impact files criteria; Red Tape Red Carpet actions). An in‑house model aligns ED/Tourism with Planning, Building, Communications & Engagement, Government Relations, Community Services, and Corporate Strategy, supporting one‑city priorities under Council oversight.
Mission drift	ED priorities could be subsumed by broader political/administrative pressures.	Embedding economic development within a Council‑endorsed strategy and empowering a business‑voice forum (advisory group) maintains focus. Internal alignment provides earlier input into policy formation while preserving Council's ability to set and monitor priorities.
Tourism governance / MAT risk	Loss of dedicated governance may reduce stakeholder trust; risk that MAT funds are diverted.	MAT can be governed through clear criteria, public reporting, and Council/committee oversight, ensuring funds remain tied to eligible tourism purposes. Partnership with an existing not‑for‑profit (e.g., Chamber or other established organizations) can also be considered for delivery where appropriate.
Disruption of the merged model	Unwinding the BEDT merger could undermine cross‑sector efficiencies.	Some transition disruption is expected; it is time‑limited and mitigated by a structured plan. Economic development and tourism alignment can be preserved under an advisory group model and through integrated corporate work plans and branding.

Key Dates & Milestones

If Council decides to proceed with either Option 1 or 2, the following milestones would be expected:

- **Q2 2026**: Staff report back with a detailed analysis on the transition plan, including more quantitative data from Legal, Human Resources, and Finance.
- **Q1 2027**: Economic development and tourism services and operations would be fully brought into the City's organizational structure.

Implications

Financial:

There will be financial implications associated with either option — bringing economic development and tourism in-house or renewing a service agreement with BEDT. Should Council direct integration of those services and programs, costs will relate to transition planning, staffing, and the alignment of operational budgets within the City's financial framework. Under section 400.1 of the *Municipal Act, 2001* and *Ontario Regulation 435/17*, once collection/administration costs are covered, municipalities must remit 50 per cent of net MAT revenues each year to an eligible tourism entity—defined as a non-profit whose mandate includes promotion of tourism—under a financial accountability agreement. The remaining 50 per cent may be retained by the City for tourism-related purposes. If Council directs tourism functions in-house, staff will return with options to either designate an external Eligible Tourism Entity (ETE) or establish a compliant non-profit vehicle to receive and deploy the required share of MAT funds. If the external model is maintained, funding levels and deliverables would need to be defined through a new service-level agreement.

The City provides a grant of $1.9 million to BEDT funded through the City's operating budget. The grant is paid quarterly through the calendar year. In addition, the following reserve funds with balances as of June 30, 2025, are available to BEDT:

Reserve Fund Name	Purpose	By Law No.	Reserve Fund Balance as of June 30, 2025
Burlington Economic Development Corporation(BEDC) Operations	To provide a financial buffer to alleviate the impact of unforeseen operating expenses, subject to Board or Council approval.	33-2018	761,882
Innovation Centre	Funding to be used to alleviate the impact of unforeseen operating expenses or for capital purposes such as for renovations, improvement and equipment that will benefit users of the centre and most be approved by the Burlington Economic Development Corporation Board of Directors, or otherwise approved by Council.	32-2018	326,805
BEDC/Downtown Partnership - BEDC Marketing	For the purpose of pursuing specific strategic plan initiatives supporting the City of Burlington economic development activities and must be approved by the Burlington Economic Development Corporation Board of Directors, or otherwise approved by Council.	34-2018	317,820
Tourism Burlington	To cover operating budget shortfalls, and special projects after the operating budget has been expended	69-2006	293,295
Total Reserve Funds and Reserves Balance			**1,699,801**

BEDT is responsible for administrating the Municipal Accommodation Tax Tourism reserve governed by section 400.1 of the *Municipal Act 2001* and *Ontario Regulation 435/17*. The balance in this reserve as of June 30, 2025, is as follows:

Reserve Fund Name	Purpose	By Law No.	Reserve Fund Balance as of June 30, 2025
Municipal Accommodation Tax - Tourism	Funds for use: 1. To be a steward of the destination by marketing and managing all actions of the organization on behalf of our tourism stakeholders. 2. To increase awareness and visitation to Burlington through destination marketing and product development; while enhancing Burlington's national and international profile as a destination of choice for visitors. 3.To facilitate, collaborate, and ensure industry growth. 4. To become more competitive in the meetings and incentive travel, sports tourism, leisure travel, and group tour markets. 5. To provide economic recovery to tourism and hospitality businesses. 6. To attract new corporate sales business for hotels and attractions.	58-2022	1,532,992

As part of the year end process, BEDT financials are consolidated with the City's through the audited consolidated financial statements. Further detailed financial impacts will be assessed and reported back following Council direction.

Human Resources:
There will be human resources implications related to potential integration. These details will be developed in consultation with Human Resources to ensure compliance with applicable legislation, employment standards, and collective agreements.

Legal:
Legal implications may arise depending on the model selected. Should the City move toward integration of programs and services, legal review will be required regarding the transfer of assets, contracts, intellectual property, and potential liabilities. If the external corporation remains in place, a new service-level agreement would be needed to establish clear roles, responsibilities, and accountability. Legal staff will provide further advice as part of transition planning.

Communications and Engagement:
A comprehensive communications and engagement plan will be developed to ensure clarity for staff, Council, businesses, and the community regarding any organizational changes. This will include proactive outreach to business and tourism stakeholders, as well as ongoing engagement with Council to align economic development priorities and performance expectations.

Climate:
No direct climate implications have been identified at this stage. However, future economic development strategies will continue to align with Burlington's climate and sustainability goals where applicable.

Other preliminary confidential considerations are provided in Appendix B in accordance with the *Municipal Act, 2001*:

- Section 239(2) (b) personal matters about an identifiable individual, including municipal or local board employees
- Section 239(2) (a) the security of the property of the municipality or local board, and
- Section 239(2) (f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Conclusion

Bringing Burlington's economic development and tourism functions in-house by 2027 represents a governance realignment intended to improve clarity of roles, accountability, and value-for-money. The recommendation is informed by the independent third-party review and internal analysis, and responds to issues identified over time regarding duplication, interface complexity, and diffuse oversight. Under an integrated model, economic development and tourism would be delivered as one program under a single line of accountability, with work plans and KPIs aligned to Council direction and reported publicly through established City processes.

To retain market insight and stakeholder voice, the transition plan, expected to be brought forward to Council in April 2026, will make recommendations on how to integrate private sector industry perspectives in decision making related to City-led economic development and tourism services.

This recommendation is not a reflection on individual staff or board performance. Staff acknowledge the contributions of BEDT personnel and volunteers, and the City aims to continue this work within an updated model. An integrated approach would align Burlington with common practice among Ontario peers, position economic development to support broader corporate priorities, and provide a clearer foundation for program delivery and measurement. Over time, Council may also choose to consider additional tools—subject to separate analysis and business cases—should they be warranted by future objectives. Overall, the proposed model is intended to provide coherent governance, transparent accountability, and a consistent client pathway for businesses, investors, and tourism partners. The City will continue its efforts to improve relations with other Agencies, Boards and Committees in 2026 through a phased approach.

References

CM-19-20 – Burlington Economic Development Corporation
CM-19-20 Appendix A – BEDC Review Part A Final Report
RCC-11-24 – Accountability Framework for Agencies, Boards and Commissions (ABC) and Joint Venture (JV) Organizations
RCC-11-24 - Appendix A – City of Burlington Accountability
CM-10-24 – Update on strategic initiatives and organizational services

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Strategic Alignment

- ☐ Designing and delivering complete communities
- ☑ Providing the best services and experiences
- ☐ Protecting and improving the natural environment and taking action on climate change
- ☑ Driving organizational performance

Author:

Curt Benson
Chief Administrative Officer

Appendices:

A. Rubicon Strategy – City of Burlington – BED and Tourism Burlington Report Final
B. Confidential Appendix – Preliminary Confidential Considerations

Pursuant to Section 239(2)(a) the security of the property of the municipality or local board; and Section 239(2)(b) personal matters about an identifiable individual, including municipal or local board employees; and Section 239(2)(f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Notifications:

Ron Laidman
Board Chair, Burlington Economic Development and Tourism

Anita Cassidy
Executive Director, Burlington Economic Development and Tourism

Terry Caddo
President and CEO, Burlington Chamber of Commerce

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

RUBICON STRATEGY

Review of Burlington Economic Development and Tourism Burlington

Prepared for the City of Burlington

October 2025

Table of Contents

Executive Summary

This report provides a comprehensive review of Burlington Economic Development and Tourism (BEDT), examining its governance, alignment with municipal priorities, and overall effectiveness. Considering one-on-one interviews with municipal staff and stakeholders, a business focus group, surveys of both businesses and residents, and a comparison of governance models across Ontario municipalities, the findings reveal a consistent set of challenges. BEDT was established as an external organization to provide agility, independence, and credibility with the business community, but over time it has become a source of misalignment, accountability gaps, and operational confusion.

Stakeholder feedback highlights persistent misalignment between BEDT's outward-facing commitments and the City's internal capacity, duplication of roles with City departments, and inadequate accountability for the use of public funds. Businesses and residents alike expressed limited awareness of tangible outcomes and questioned whether the current arm's-length structure is delivering value. Comparisons with other municipalities demonstrate that both internal and external models can succeed, but only when accountability, performance measurement, and alignment with Council priorities are clear. The SWOT analysis underscores that while BEDT benefits from brand recognition and perceived independence, its weaknesses, including role confusion, outdated tourism programming, and limited engagement, are systemic and undermine credibility.

The relationship between the City and BEDT is broken and leaving the current model in place risks further erosion of trust, wasted resources, and lost economic opportunities. The recommendation is to dissolve BEDT and bring the economic development and tourism functions into the City's corporate structure. To preserve the advantages of private sector expertise and business-facing credibility, an advisory council of business leaders should be established and chaired by the City Manager. This approach would deliver clearer accountability, better alignment with municipal priorities, and a unified vision for Burlington's economic future, while still retaining a channel for private sector input. In an increasingly competitive regional environment, Burlington requires not only strong ideas but also a governance model capable of delivering measurable results and maintaining public trust.

What We Heard

1:1 Interviews

To better understand the operational dynamics, strategic alignment, and governance model of Burlington Economic Development and Tourism (BEDT), fifteen one-on-one interviews were conducted with a cross-section of municipal staff, elected officials, and key stakeholders involved in or adjacent to BEDT's operations.

The insights captured during these thirty-minute interviews paint a complex picture of an organization that was created to provide agility and responsiveness. Conversations with interviewees highlighted that over time, operational tensions have arisen. There were very sharp differences between the perspectives of City employees that we spoke to and those who worked with BEDT. There was rarely consensus on the issues we discussed and so the following summaries represent the observations of some but not all of the people we interviewed.

Participants associated with the City tended to be much more open about issues between the two organizations and more likely to see the relationship as problematic. They often described patterns of weak interfaces between BEDT and critical City functions such as HR, communications, recreation, and planning. They pointed to inconsistent hand-offs of important files, situations where BEDT staff would initiate negotiations or advance opportunities only to have them stall once they reached municipal systems, and a lack of clarity about who ultimately "owns" external relationships with businesses, developers, and partners. The blurred nature of the brand between BEDT and the City added to this confusion, with multiple interviewees noting that external parties often assume they are dealing with the City itself when interacting with BEDT. This perception creates reputational risk if projects fail or expectations are not met.

At the heart of the interviews was a debate about independence. Some viewed BEDT's arm's-length status as a structural strength that allows for speed, creativity, and frank business advocacy. Others saw independence as the source of ongoing dysfunction, arguing that the absence of shared mandate and accountability has led to drift and duplication. A consistent observation across perspectives was that reform is required; the current state is not serving the City, BEDT, or Burlington's residents and businesses as effectively as it could.

Insights

1. BEDT is seen by some as pursuing initiatives and partnerships that do not align with the City's internal capacity, priorities, or legal authority. One high-profile example described by participants was a transit-related partnership in which BEDT made commitments directly to a major partner without ensuring that the City could deliver on them. As one interviewee summarized bluntly, the partner thought they were working with the City, but BEDT engaged directly and made commitments that couldn't be honored. This was not presented as an isolated incident, but as representative of a broader pattern where external enthusiasm outpaces internal feasibility.

The tourism portfolio offers another illustration. Parks and Recreation staff described situations where BEDT advanced tourism proposals without first verifying whether community facilities could realistically host them. In practice, this created tension between delivering on external commitments and meeting the needs of local residents who depend on those facilities. Similarly, several interviewees criticized BEDT's innovation and entrepreneurship initiatives as being "generic" rather than targeted to Burlington's unique economic challenges. They argued that programs too often focused on broad business support rather than directly addressing municipal priorities such as employment land use, housing-affordability-linked investment, or infrastructure constraints.

2. Another thread was the lack of a disciplined pipeline process. BEDT is seen by many to been successful in generating business leads and building relationships, there is little consistency in how those files are escalated into municipal systems. City staff described instances where opportunities stalled because they were not shared with the right department in time, or because no clear process existed for determining feasibility. Some suggested the absence of a shared pipeline eroded trust between BEDT and City staff, who were left feeling blindsided by commitments they had no role in shaping.

3. Some participants emphasized that the merger of Economic Development and Tourism has blurred the agency's focus. While some stakeholders praised the intent to integrate related functions, many observed that in practice it has diluted attention from core commercial outcomes. Tourism programming was repeatedly described as outdated and misaligned with contemporary visitor expectations, while economic development activities were seen as scattered across too many priorities. The cumulative effect of these dynamics is a persistent misalignment, with BEDT's outward-facing commitments and the City's internal realities often moving on parallel, rather than coordinated, tracks.

On the other hand, some people saw real synergies in the work that Tourism and Economic Development do. Complementary marketing efforts could enhance those efforts. There is also the potential to harness tourism and hospitality to develop investment relationships.

4. Governance emerged as one of the most pressing concerns. City personnel consistently argued that BEDT operates with insufficient oversight and unclear lines of accountability, particularly given the scale of public funding it receives. Several municipal staff pointed to the ad-hoc nature of HR and payroll support that the City provides to BEDT. Without a formal service level agreement, responsibilities for compliance, occupational health, and policy adherence are ambiguous. As one interviewee stated unequivocally, "There is no service level agreement." This lack of structure leaves both organizations vulnerable if issues arise, since it is not clear where accountability lies. At the City level there was a belief that BEDT was bloated and that it was not returning value for money.

Others saw the independent structure as a real strength. Most people thought it was nimbler and able to move more quickly than the City, "at the speed of business." The local businesspeople serving as directors was highly valued for connections and ideas. The distance from government allowed BEDT to see issues as a potential investor would see them and to advocate to the City on behalf of business or potential investors.

5. The agency's reporting and performance measurement processes were another major concern. Council and staff noted that BEDT's annual reports tend to highlight outputs, such as promotional campaigns or number of events held, rather than outcomes tied to Burlington's broader strategic goals. Several respondents emphasized that the data provided is "consumer-facing" and not useful for senior-level decision-making. Without clear return-on-investment indicators or outcome-based KPIs, Council struggles to evaluate whether the City is receiving value from its investment in BEDT. BEDT acknowledges some failures of reporting in the past but feel they have addressed that in the most recent year of reporting.

6. Confusion about roles and responsibilities was another strong theme. Both the City and BEDT have developed “concierge” or “red-carpet” services intended to support businesses navigating municipal processes. Interviewees described these as duplicative, with businesses unsure which organization to approach. Some felt this duplication undermined the credibility of both, creating frustration among external stakeholders and wasting internal resources.

The question of who “owns” relationships with key businesses and investors was also frequently raised. Participants described examples where BEDT cultivated relationships with external partners, only for those partners to later discover that their commitments depended on City approvals. This not only confused external stakeholders but also created tension between BEDT and municipal staff who were left to manage expectations without having been involved from the outset.

Tourism once again provided a stark example of role confusion. City Recreation staff described receiving requests to host Tourism-driven events that clashed directly with existing commitments to residents. In their view, BEDT often acted as though it were an extension of municipal operations when convenient, but distanced itself when outcomes were unfavourable. This inconsistency created inefficiencies internally and confusion externally.

The agency’s role in land and real estate development was another source of ambiguity. With limited surplus land available and the Burlington Land Partnership evolving, interviewees questioned whether BEDT should be directly involved in land-related negotiations or whether this responsibility should rest squarely with Planning and Realty divisions. The absence of clarity has led to situations where BEDT was perceived to be negotiating in spaces where it lacked the authority to act. Collectively, these examples underscore that fragmentation between BEDT, and the City is not an occasional problem, but a structural condition that creates inefficiency, reputational risk, and frustration for both staff and stakeholders.

Additional Cross-Cutting Insights

Several broader insights cut across the specific themes. A number of participants stressed the need for a clearer brand architecture that differentiates BEDT from the City. Without this, reputational risk is inevitable, as stakeholders will continue to conflate the two organizations. Others emphasized that mission alignment must come first, with Council setting a clear strategic direction and then holding BEDT accountable for delivering against it.

Resourcing was also raised as a concern. Multiple respondents felt that BEDT is under-staffed for the scale of expectations placed upon it, particularly in economic development. The merger with Tourism was described as compounding this problem by diluting focus and spreading limited resources too thinly. Finally, many interviewees observed that much of the working relationship between BEDT and the City relies heavily on personal relationships rather than codified processes. While this can work in the short term, it leaves both organizations vulnerable when staff turnover or leadership changes occur.

Business Focus Group

On March 18, 2025, the City of Burlington convened a focus group of community members to gather qualitative feedback on the roles and effectiveness of BEDT, and to explore perspectives on the organizations' current arm's-length governance model. The session included ten participants, most of whom have lived in Burlington for over a decade and work in or closely with the local business community. Several have held leadership roles in business or community organizations, and a few participants offered broader public-facing perspectives through their work in advocacy, consulting, or community services.

The tone of the session was thoughtful and constructive. While participants varied in their familiarity with BEDT, their reflections offered consistent themes around visibility, economic impact, and the structure of the organizations.

Awareness and Engagement

Participants expressed limited awareness of specific BEDT initiatives. While some were familiar with the organization in name, most struggled to identify particular campaigns, services, or achievements. Several participants noted that although they were broadly aware BEDT existed, their reach and visibility within the community remained underwhelming. One long-time resident observed, "It's an awareness challenge," pointing to a lack of visibility for the Visitor Centre and uncertainty about who BEDT messaging was targeting.

Some participants actively followed BEDT communications, including newsletters and social media, but this level of engagement was the exception. Others had learned about BEDT only through this consultation process, underscoring a disconnect between the agency's work and public recognition. "I first heard of BEDT in the pre-screener for this survey," admitted one participant, while another commented, "Not everyone uses social media," suggesting that digital-only outreach excludes segments of the population.

There was also skepticism about how well the agencies are reaching potential visitors. One participant questioned, "Who is BEDT marketing to? They aren't marketing to non-businesspeople." Another noted how a popular event in Hamilton was discovered via Instagram, implying that Burlington's tourism promotion lacks comparable reach.

Participants universally praised Burlington's natural assets, particularly the waterfront, but few could identify recent tourism successes beyond well-known festivals. "Tourism happens in pockets," one participant remarked, pointing to specific events such as road races. Another wondered how many residents actually attend City events and questioned the broader appeal of Burlington as a destination.

Economic Development Priorities and Metrics

The focus group also addressed broader economic development goals, highlighting the types of businesses that participants hope to attract to Burlington. There was a strong interest in seeing more:

- Tech companies and startups, especially to retain talent trained in Waterloo and across the GTA.
- Green technology and science-based firms, which align with Burlington's natural brand identity.
- Warehousing, logistics, and light manufacturing industries seen as appropriate for Burlington's geography and proximity to major markets.

- Financial services and healthcare, reflecting a desire for more professional employment options within City limits.

Participants emphasized that BEDT's performance should be measured through outcomes such as increased commercial tax revenue, the rate of new business creation, and Burlington-based employment for Burlington residents. Several advocated for detailed metrics, including occupancy rates, event revenue, new home sales (as a proxy for workforce growth), and even business failure rates. "We need to see the data," said one participant, expressing frustration with the lack of performance visibility. An annual survey was also suggested to gauge business satisfaction and economic trends.

Internal vs. External Governance

A key focus of the discussion was the agency's current arm's-length structure. When asked whether participants believed BEDT was internal or external to the City, most assumed it was a City department. This misconception signals both a lack of clarity and a potential opportunity for more transparent communication about governance and accountability.

Nevertheless, once informed of BEDT's external structure, the group showed broad support for maintaining this model. Participants cited several reasons:

- Independence from shifting political priorities at City Council was viewed as a strength. As one participant put it, an external agency offers "a different skill set" and continuity across election cycles.
- There was concern that internalizing BEDT could create conflicts between political objectives and business needs. "An external agency can help keep the City accountable by advocating for business on wait times and such," said one participant.
- Others noted that external governance encourages a more specialized, professional approach, especially in sectors where agility and responsiveness are crucial.

However, the support for an external model was not unqualified. Some participants stressed the importance of a strong and engaged board to provide oversight and direction. "The board should be strong to make sure the agency is working well," emphasized one long-time resident. There were also calls for greater transparency and data-sharing regardless of structure, with participants expressing a need for clearer performance measures and evidence of value.

Interestingly, one participant suggested that internalizing BEDT could present operational advantages, imagining a City-run BEDT platform with modern features: "If BEDT was internal to the City, it could be something like a chatbot to help go through zoning and stuff." This comment reflects an openness to modernization, even among those who prefer the external model.

Broader Community Challenges

Finally, the discussion reflected a deeper concern about Burlington's economic accessibility, particularly for young people. Several participants shared anecdotes about difficulty finding employment in Burlington and the rising cost of housing. "Small businesses are struggling," one participant noted, referencing multiple social media posts about closures. Others observed that housing prices are making it harder for new residents or workers to settle in the City, which poses a long-term challenge for both economic development and community sustainability.

These reflections reveal that participants are not only evaluating BEDT based on current performance but are also looking to these organizations to play a more proactive role in addressing structural challenges, such as job availability, housing, and economic opportunity.

Conclusion

The Burlington business community focus group revealed cautious optimism toward the work of BEDT, coupled with a strong desire for clearer communication, measurable results, and strategic direction. While most participants support maintaining the current external structure, they also expect that structure to deliver distinct advantages, namely, independence, professionalism, and accountability to the business community.

Ultimately, what the business community appears to want is not merely an agency that promotes the City, but one that helps shape a coherent vision for Burlington's economic future: growing local opportunity, attracting meaningful investment, and making Burlington a city where both residents and businesses can thrive, items which must be driven by Council.

Business Survey

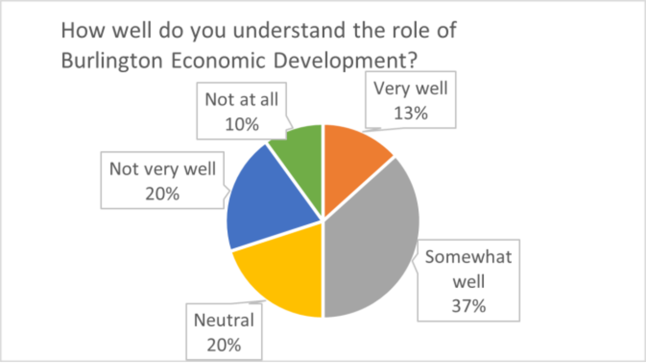
The business survey, conducted between March 7 and March 21, 2025, gathered feedback from members of Burlington's business community regarding the performance, visibility, and governance structure of BEDT. A total of 38 responses were collected via email distribution through the City's two Business Improvement Areas (BIAs) and the Chamber of Commerce. The survey was designed to evaluate awareness of the organizations, satisfaction with services, and preferences for governance models in light of the recent amalgamation of BEDT.

Respondent Profile

The survey respondents were predominantly small business owners, with 84% identifying as owners and over 70% representing businesses with 1–19 employees. A significant portion (60%) of respondents reported having operated their business in Burlington for more than a decade, indicating a mature and established respondent base. Sectors represented included retail (20%), professional services (16.7%), accommodations and food services (10%), and a broad range of "other" industries (23.3%).

Awareness and Engagement

Awareness of BEDT was relatively high, with 80% of respondents indicating at least some familiarity. However, depth of understanding was more limited. Almost one-third of respondents admitted to not understanding BEDT's role very well or at all, and another 20% were neutral. Additionally, more than half (50%) of businesses had not engaged with either BEDT in the past four years, underscoring a potential gap in outreach and ongoing relationships.



Among those who had engaged, networking and business events were the most cited form of interaction, followed by marketing and tourism promotion. Of those who reported engagement, satisfaction was generally high. 73% described themselves as "very satisfied" with the support received.

Perceived Effectiveness and Alignment

Survey responses reflected ambiguity regarding the effectiveness of BEDT in advancing economic and tourism outcomes. For instance:

- 60% of respondents were neutral or unsure if the tourism arm was effective in driving visitors to local businesses.

- Over 80% reported that they had not or were unsure if they had directly benefited from the tourism arm's initiatives.
- Regarding the economic development arm's role in attracting investment and new businesses, 63% were either neutral or unsure.

Similarly, when asked whether BEDT's efforts aligned with the City's strategic goals, two-thirds of respondents were either neutral or unsure suggesting a communication challenge in articulating the organizations' mandates and impacts.

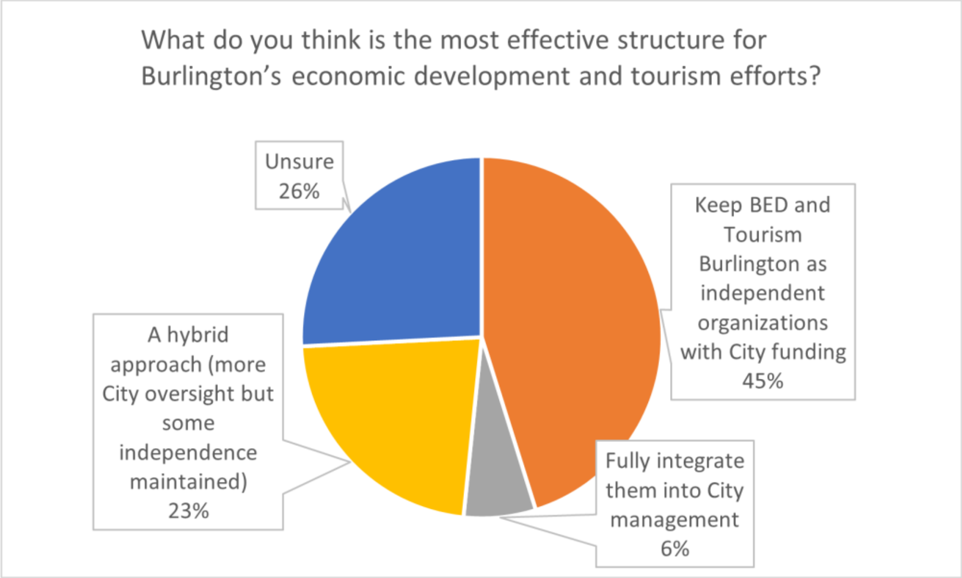
Accountability and Governance

There were also mixed perceptions regarding the accountability of BEDT as independent organizations. A combined 62% of respondents were either unsure (38%) or neutral (24%) about the organization's level of accountability. Only 21% expressed satisfaction.

As for governance preferences, over 70% of respondents agreed that close collaboration between BEDT and other City departments is important. However, opinions diverged regarding how best to achieve this:

- 45% favoured maintaining BEDT as independent entities with City funding.
- 23% supported a hybrid approach that combines independence with increased City oversight.
- Only 6.5% endorsed full integration into the City.

Notably, 39% were unsure whether increased City oversight would enhance collaboration, indicating ongoing uncertainty among business owners about the appropriate governance structure.



Priorities for Improvement

Respondents ranked the following improvements as top priorities for the management of economic development and tourism in Burlington:

1. Improved communication and engagement with businesses and residents.

2. Greater focus on measurable outcomes to assess program success.
3. Increased collaboration with City services such as planning and transportation.
4. Cost savings and better use of tax dollars.

These rankings indicate a desire for greater transparency, stronger alignment with business needs, and more visible impact.

Sentiment from Open-Ended Comments

Open-ended responses provided valuable qualitative context to the survey's quantitative results, offering a window into the perceptions, expectations, and frustrations of Burlington's business community. These comments, while fewer in volume than structured responses, conveyed a broad spectrum of sentiment, ranging from support for the amalgamation of BEDT, to calls for more measurable and impactful outcomes.

Of those who submitted written feedback, approximately 65% expressed positive sentiment, highlighting appreciation for staff efforts, existing engagement opportunities (particularly through events and marketing), and a general optimism about the potential of a unified economic development and tourism entity. Respondents emphasized a desire for "continued and expanded business engagement" and "stronger partnerships" with City departments.

Around 12% of responses were neutral, often framed as observations or constructive suggestions rather than direct criticism. These included requests for clearer delineation of roles and responsibilities, improved awareness of programs, and a better explanation of how economic development initiatives align with broader City objectives. One respondent, for instance, suggested the implementation of a centralized communication strategy, noting that "merging and meetings do not matter, timely execution is a priority."

The remaining 12% of responses reflected frustration or skepticism, particularly from businesses that were unfamiliar with BEDT or unaware of how its programs had impacted them. These respondents questioned the visibility and accessibility of services, with some noting they had "never heard from or been contacted by BEDT." Others raised concerns about duplication of efforts between organizations and a perceived lack of tangible outcomes, especially in areas such as tourism promotion and new business attraction. A few comments called for "more programs to support local businesses" and "creative ways to bring visitors into the downtown core," such as outdoor maps or improved wayfinding initiatives.

Several respondents proposed specific improvements to organizational structure and service delivery, such as:

- Increased performance measurement to assess ROI on City-funded programs.
- Enhanced collaboration with local Business Improvement Areas (BIAs).
- Streamlined communication tools, such as a single online portal or outreach team.
- Greater transparency around decision-making and funding allocations.

Though opinions varied, the overall message was consistent: the business community values BEDT's presence but expects more visible, accountable, and coordinated efforts moving forward.

Conclusion

The business survey results paint a nuanced picture of BEDT's standing within the business community. While basic awareness is strong, active engagement remains low, and perceptions of impact and alignment with City priorities are uncertain. The majority of businesses value a collaborative relationship between economic development functions and municipal government, though there is no consensus on the optimal governance model. Moving forward, the City may wish to focus on improving outreach, clarifying BEDT's role and outcomes, and addressing the desire for more coordinated service delivery and performance accountability.

Public Survey

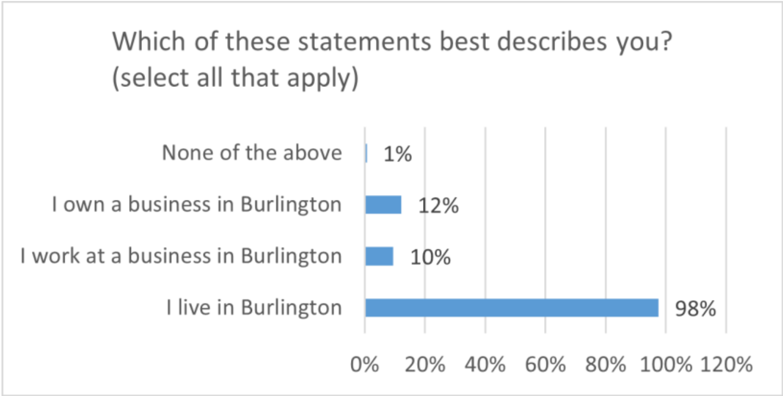
As part of the City of Burlington's review of the governance model for BEDT, a public-facing survey was conducted through the City's Get Involved Burlington platform between February 13 and 28, 2025. The survey aimed to assess public awareness, understanding, and perceptions of BEDT, and to evaluate public opinion on service value, effectiveness, and governance preferences. The survey received 787 responses, representing a broad spectrum of Burlington residents and community members. This robust level of participation highlights the degree of civic engagement around economic development and tourism policy issues.

Respondent Profile

Respondents primarily identified as Burlington residents, with significant overlap from those involved in the local business community. Among the participants:

- 769 respondents (97.7%) indicated they live in Burlington.
- 96 respondents identified as business owners.
- 75 respondents reported working at a business within the City.

This overlap is notable as it suggests the survey attracted residents with a potential vested interest in economic policy, including business owners and workers who may have experience or direct interactions with BEDT. This dual public-business lens adds richness to the feedback and helps bridge perspectives between the general public and the business community.



Awareness and Understanding

Survey findings indicate that awareness of BEDT is limited within the broader public. While over 60 percent of respondents reported having heard of the organizations prior to completing the survey, deeper familiarity was lacking:

- Nearly 45% of respondents said they were "not familiar at all" with the services and programs offered by BEDT.
- Only 5% identified as "very familiar", and another 17% as "moderately familiar."

Understanding of BED's role in Burlington's economy was similarly weak. When asked how well they understood what BED does:

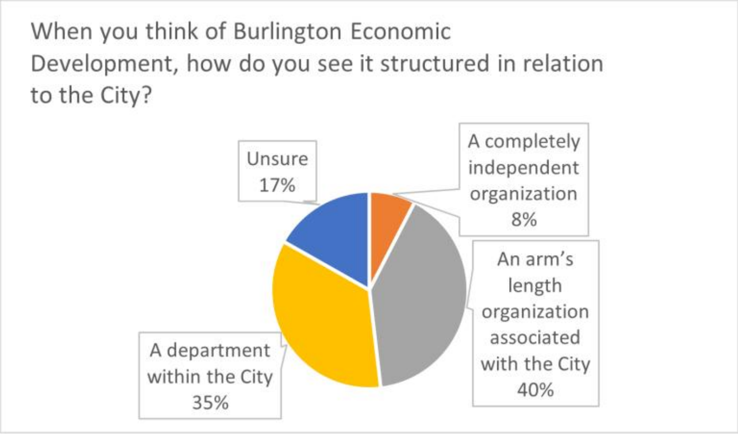
- 35% said they did not understand the role very well.
- 28% responded neutrally, indicating a lack of clarity.
- Fewer than 8% said they understood the role "very well."

This data reflects a communications gap between BEDT and the public. While the organizations may be delivering programming and services, these efforts are not widely visible or understood by the general population.

Perceived Organizational Structure

When asked how they believe BEDT is structured in relation to the City:

- 40% said it is an arm's-length organization associated with the City.
- 35% believed it is a department within the City.
- Only 8% thought it was fully independent, while 17% were unsure.

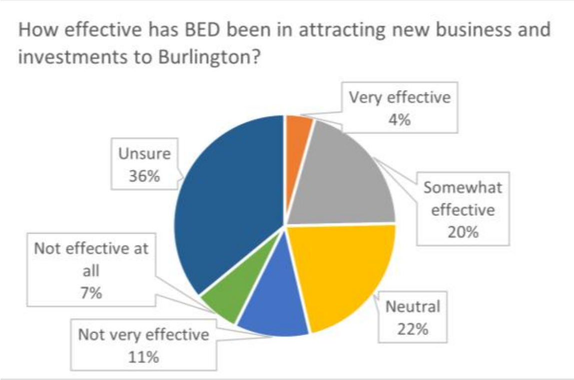


These results suggest a relatively even split between those who see the organizations as City-adjacent versus embedded within City operations, and a notable portion of the public that is uncertain about how BEDT is governed.

Effectiveness and Alignment

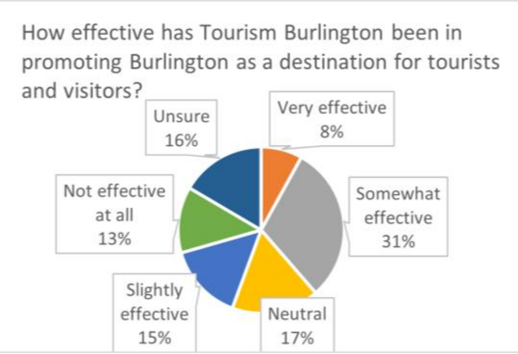
The public's assessment of BEDT's effectiveness revealed substantial uncertainty and mixed opinions. For the economic development arm:

- Just 20% of respondents rated the organization as at least "somewhat effective" in attracting businesses and investment.
- Over one-third (36%) were unsure, and an additional 22% were neutral.
- Only 4.4% saw BEDT as "very effective."



The tourism arm received slightly more favourable perceptions, but the public still showed limited confidence in its performance:

- 31% said BEDT was "somewhat effective" or better in promoting Burlington as a destination.
- 28% said it was ineffective or slightly effective.
- A further 17% were unsure, reinforcing the general lack of clarity around outcomes.



In terms of strategic alignment with the City's goals:

- Only 28.8% believed that BEDT align "very well" or "somewhat well" with Burlington's broader priorities.
- A combined 61% were neutral, unsure, or believed the alignment was weak.

These findings indicate that while there may be trust in the intention of the organizations, the community lacks concrete evidence or messaging to confirm that BEDT are effectively delivering on their mandates.

Value for Tax Dollars and Accountability

The question of fiscal responsibility and return on investment emerged strongly in the public feedback.

- Only 9% of respondents believed BEDT provide excellent value for tax dollars.
- The most common response (39%) was that they offer "some value but could be more efficient."
- 34% of respondents were unsure, and nearly 18% believed the organizations do not provide good value.

On the topic of accountability, levels of satisfaction were similarly low:

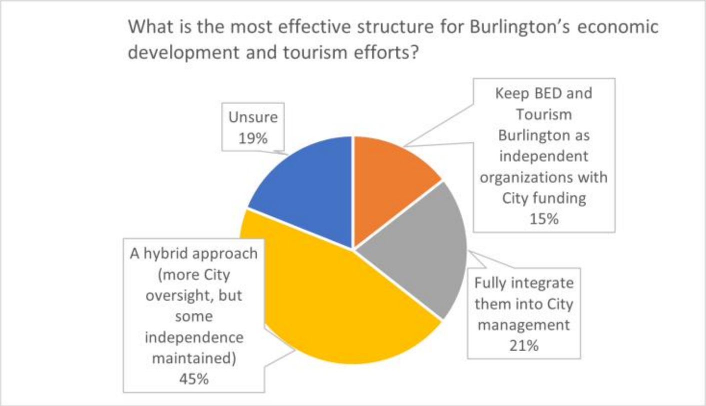
- Fewer than 20% of respondents expressed satisfaction with the current level of accountability from BEDT.
- Nearly 33% were neutral, and over 31% were unsure.
- A small minority, approximately 10%, reported being dissatisfied or very dissatisfied.

Together, these findings point to a clear desire for stronger oversight, more transparency, and more demonstrable results tied to public investment.

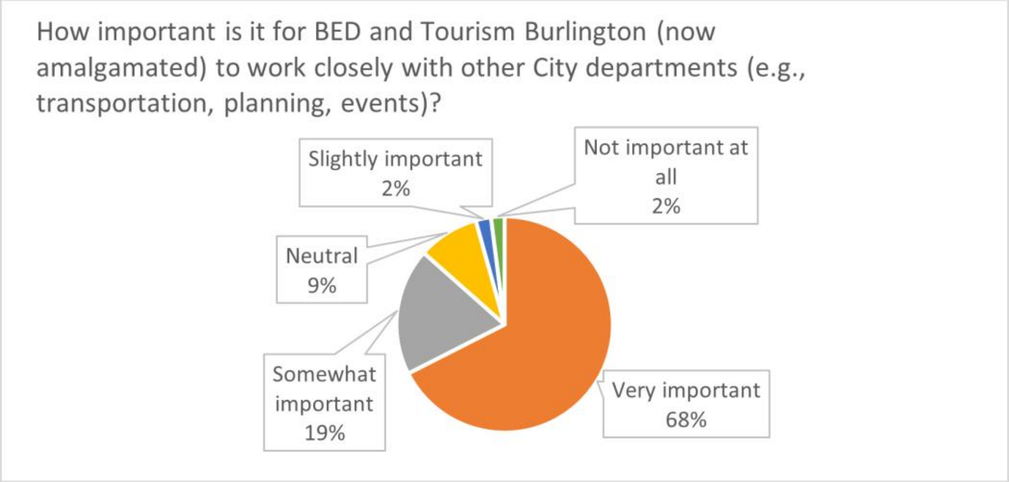
Governance Preferences and Collaboration

When asked what governance model would be most appropriate moving forward, respondents expressed a preference for a hybrid structure, defined as an arrangement with increased City oversight while maintaining some operational independence:

- 45.5% favored the hybrid model, making it the most popular choice.
- 21% supported full integration into the City's management structure.
- 14.5% wished to see BEDT remain independent.
- The remaining 19% were unsure.



A majority of respondents also valued collaboration between BEDT and other City departments. Over two-thirds (67.5%) rated interdepartmental collaboration as “very important,” suggesting that residents view economic development and tourism as interconnected with planning, transportation, events, and other municipal priorities. When asked whether increased City oversight would improve such collaboration, more than 57% agreed it would, while only 16% opposed the idea, and the rest were unsure.



Priorities for Improvement

Participants were asked to rank four possible improvements to the management of BEDT. The results revealed a strong emphasis on financial efficiency and performance accountability:

1. Cost savings and better use of tax dollars.
2. Greater focus on measurable outcomes.
3. Improved communication and engagement with residents.
4. Increased collaboration with City services.

These priorities reinforce the broader message that residents expect a more transparent, efficient, and results-driven approach from organizations that receive public funding.

Open-Ended Responses and Sentiment Trends

The survey included an open-ended comment section, which allowed residents to expand on their perspectives. Comments were analyzed in two phases (February 13–19 and February 20–28), and the overall sentiment breakdown was consistent across both periods:

- Approximately 34% of comments were negative, often citing concerns about taxes, perceived inefficiencies, or lack of visible impact from BEDT.
- About 35% were neutral, with many respondents asking questions or stating that they did not have enough information to form a strong opinion.
- Roughly 26% of comments were positive, often acknowledging the potential of BEDT and expressing support for improving these services through closer collaboration with the City.

Recurring themes across the feedback included requests for:

- More visible results, such as job creation, local events, or downtown revitalization.

- Increased accountability, particularly around use of public funds.
- Better communication and transparency, especially regarding available services and economic development plans.
- Strategic focus on economic challenges, including housing affordability, business retention, and infrastructure improvements.

Some comments also reflected broader frustrations with municipal service delivery beyond the scope of BEDT, touching on transit, traffic, parking, and property taxes. While these concerns were not always specific to economic development or tourism, they reflect a general appetite for greater efficiency and responsiveness across City services.

Conclusion

The public survey results reveal that Burlington residents hold mixed views about BEDT. While there is general support for the idea of promoting economic growth and tourism, awareness of the organizations remains low, and confidence in their effectiveness is limited. A majority of residents favour a hybrid governance model with increased oversight, reflecting a desire for more integration, transparency, and coordination across City functions. At the same time, there is a strong call for improvements in communication, accountability, and the efficient use of public resources. These insights provide a valuable foundation for assessing whether internalizing BEDT into the City's operations would help meet the public's expectations for effective, transparent, and fiscally responsible service delivery.

Review of External vs. Internal Models

Ontario Municipal Economic Development Models – Internal vs External

Overview

Ontario municipalities employ two main models for economic development: internal city departments and external arms-length agencies. Internal departments are housed within municipal government structures, while external agencies are separately incorporated (often non-profit corporations) with independent boards, though typically funded largely by their municipalities. The table below summarizes the model for each listed municipality and recent performance metrics along with a link or reference to their latest report:

Municipalities with Internal Agencies:

Municipality	Model	Jobs Created (most recent year)	Investment Attracted (most recent year)	Businesses Supported (most recent year)	Latest Report / Source
Toronto (City of Toronto)	**Internal** – City division (Economic Development & Culture)	*Data not publicly reported as "jobs created" specific to EDC.*	Attracts major investments via Toronto Global (e.g. 42 investments in 2024-2025)	Supports thousands of businesses via programs (e.g. entrepreneurship, BIAs, etc.)	*City department (no standalone annual report)*
Mississauga (Invest Mississauga)	**Internal** – City Economic Development Office	3,003 jobs created in 2024	72 new investments in 2024	71 new businesses launched, 219 small business consultations	Economic Development Update 2024
Brampton (City EcDev)	**Internal** – City Economic Development (Invest Brampton)	*Not publicly stated;* has attracted major employers (e.g. TMU School of Medicine – 1,588 new jobs, HelloFresh – 600 new jobs)	*Not publicly stated;* major investments from SUN Pharma ($30M), Stellantis MOPAR ($25M)	Small Business Diversity Forum hosted in collaborations with Procurement Assistance Canada (PAC)	Economic Development Update 2024
Hamilton (Invest in Hamilton)	**Internal** – City Economic Development Division	*Not explicitly reported annually*; focuses on sector strategies and workforce (Hamilton's total employment ~423,800 in 2024,	Not published as a single 2024 attraction total; ongoing sector work in advanced manufacturing/life sciences	Supports business expansions via incentive programs (77 actions in 5-year plan)	*Hamilton Economic Development Action Plan (2021–2025)*

		2.4% increase since 2023)			
Durham Region	**Internal** – Regional Economic Development Dept.	~218,205 jobs (3.89% increase since 2023)	*Not publicly stated;* Investment highlights in 2024: Algoma Orchards, AtkinsRealis, OPG	139 businesses created and 48 grants totaling $200,000 issued with Business Advisory Centre of Durham (BACD)'s support	*2024 Economic Development and Tourism Annual Report*
York Region	**Internal** – Regional Economic Strategy Branch	~623,680 jobs (1.3% increase since 2022)	*Not publicly stated;* York Region General Fund and Sinking Fund investment portfolios combined total value of ~$7.57 billion	3,215 new businesses since 2022, but 3,860 closures	*2024 York Region Employment and Industry Report*
Niagara Region	**Internal** – Regional Economic Development Dept.	~13,000 new jobs	*Not publicly stated;* Most notable investment being $1.56B by Asahi Kasei	170 companies assisted (2022)	*2024 Niagara Region Annual Financial Report*
Vaughan	**Internal** – City Economic Development Dept.	*Not explicitly reported annually*; the SEI 2024 Year in Review covers strategic initiatives.	Not publicly stated; major investments from Hanon Systems ~$155M, city logged ~$815.5M in 2024 industrial permit value (2024 Building Permit Ranking Updates)	1,217 businesses consultations via Vaughan Business and Entrepreneurship Centre (VBEC 2022 Year in Review)	*Vaughan Strategic Economic Initiatives 2024 Year in Review*
Pickering	**Internal** – City Economic Development Office	*Covered in Durham Region's counts*	–	–	*City of Pickering Economic Dev. Strategy*
Richmond Hill	**Internal** – City Economic Development Section	104 jobs created through Small Business Enterprise Centre	*Not publicly stated*; major investments from Apotex ($70M), M.I.S. Electronics ($3.2M)	81 businesses created through Small Business Enterprise Centre	*Richmond Hill Strategic Plan 2024 Annual Report*

Guelph ("Invest in Guelph")	**Internal** – City Economic Development (within City Hall)	*Not reported;* city's total employment grew 3.7% in 2022	*Tracking via development permits;* $210 M in industrial construction (2022)	505 business consultations (2022); 2024 page provides programs/outcomes but no consolidated count	*City of Guelph Economic Dev. 2022 Update*
Milton ("Choose Milton")	**Internal** – Town Economic Development Division	*Not isolated;* Halton Region saw 2.2% job growth in 2022	*$1.64 M* in industrial land sales (2022)	56 small businesses received Digital Main Street grants (2022)	*Milton EcDev 2022 Annual Report*

Municipalities with External Agencies:

Municipality	Model	Jobs Created (most recent year)	Investment Attracted (most recent year)	Businesses Supported (most recent year)	Latest Report / Source
Ottawa (Invest Ottawa)	**External** – Arm's-length agency (not-for-profit)	3,065 jobs facilitated in 2024 via Invest Ottawa	$649.8M domestic and foreign investment attracted in 2024	781 businesses supported through entrepreneurship programs, 53 business expansion meetings (2 initiated) in 2024	*Invest Ottawa IO Reports*
London (LEDC)	**External** – London Economic Dev. Corporation (since 1998)	1,100 jobs added in 2024	17 invest missions, $3.2B+ in new investments in 2024	*(Not reported)*	*London EDC 2024 Impact Report*
Waterloo Region (Waterloo EDC)	**External** – Waterloo Region EDC (WREDC, est. 2015)	267 new jobs created from investments in 2024	9 investments (3 local expansion investments, 6 foreign direct investments), $288M total in 2024	*(Not reported)*	*Waterloo EDC 2024 Annual Report*
Kingston (Kingston EcDev)	**External** – Kingston Economic Dev.	*100+* jobs (Li-Cycle EV battery	77 active investment opportunities, 214 new investment leads in 2024	900 business consultations in 2024, $408,000 direct to	*Kingston EcDev 2024 Annual Report*

	Corporation. (arm's-length, est. 1998)	project: ~100 over 3 years)		business grants (24% increase from 2023)	
Windsor-Essex (Invest WindsorEssex)	**External** – Regional Econ. Dev. Corp. (not-for-profit)	1,258 new jobs facilitated, total employment ~237,200 in 2024 (2.1% increase from 2023)	$420M in new investments facilitated in 2024	229 business support sessions, 140 business startups in 2024	*Invest WindsorEssex 2024 Annual Report*
Thunder Bay (CEDC)	**External** – Thunder Bay CEDC (Community EDC, arms-length)	*Not reported;* benefited from 162 new hires via Rural & Northern Immigration Pilot in 2021, -0.6% annual change in employment in 2024	$2.53 M invested in 68 tourism initiatives (Municipal Accommodation Tax fund 2022) – leveraged $102 M external funding	Tourism events yielded $23 M in economic impact, thousands of visitors (2022)	*CEDC Tourism Dev. Fund 2022 Summary (LinkedIn)*
Sarnia–Lambton (SLEP)	**External** – Sarnia-Lambton Economic Partnership (non-profit)	70 jobs created from the Necomer Connection Program in 2023	99 Investment attraction/site selection clients in the project pipeline in 2024; $3.5B potential investment active in the pipeline; 11 potential projects larger than $100M in investment size	396 consultations via Business Enterprise Centre of Sarnia-Lambton in 2024	*SLEP 2024 Activity Report*
Quinte Region (QEDC)	**External** – Quinte Economic Dev. Commission (multi-municipal)	*Not reported;* Tillsonburg Custom Foods expansion to bring 78 new jobs	6 new investments in 2024, notably $35M by Tillsonburg Custom Foods	*(Not reported)*	*QEDC 2024 Annual Report*

Stratford (investStratford)	**External** – Stratford Economic Enterprise Dev. Corp (SEEDCo)	Small businesses added over 179 new jobs in 2024	*Not reported;* Over 10 active expansions	Stratford Perth Centre for Business held over 250 business consultations, including 34 new businesses and assisting 57 small businesses to continue or expand	*SEEDCo 2024 Annual Report*
St. Thomas (STTEDC)	**External** – St. Thomas Economic Dev. Corp. (arm's-length)	*Not reported;* Amazon Canada fulfillment facility to bring 1000 jobs (2023)	$11M attracted in 2022 (industrial park developments)	20+ companies assisted in 2022	*St. Thomas EDC 2022 Report*

All internal departments above operate within municipal governments, reporting to city/regional councils or administration. For example, Toronto's Economic Development & Culture division is part of the City government, and Mississauga's Economic Development Office is a City-run team ("Invest Mississauga" under the City's Business Development section).

External agencies are independent organizations: e.g. Invest Ottawa is the city's arm's-length agency governed by a board, and Waterloo EDC is a joint regional corporation funded by the Region and its cities. Kingston's and Stratford's agencies are incorporated non-profits established in the late 1990s. These external bodies typically have their own branding, websites, and annual reports, as cited above.

Performance Comparison: Internal vs External Models

Flexibility and Funding

External economic development corporations (EDCs) often demonstrate greater flexibility in operations and funding. Being arm's-length, they can leverage funding from other levels of government and private partners more readily. For instance, Invest WindsorEssex (external) secured *over $8 billion* in investment deals in 2022 by working closely with federal/provincial partners on huge projects like the $5 B Stellantis/LG battery plant. This single project will create 2,500 direct jobs and thousands more in the supply chain. External agencies can also generate revenue (e.g. from sponsorships or fee-for-service activities) and carry unspent funds across fiscal years, unlike municipal departments.

In contrast, internal departments depend on municipal budgets and have less ability to raise independent funds. Their activities are subject to annual budget cycles and municipal procurement rules. For example, Toronto's Economic Development division focuses on city-funded programs (entrepreneurship services, arts grants, etc.) and does not publicly claim direct investment attraction totals, as those efforts are partly channeled through a separate regional agency, Toronto Global. Internal teams may thus appear less entrepreneurial in funding but benefit from guaranteed municipal budget allocations.

Strategic Focus and Accountability

External agencies are often singularly focused on economic development mandates, which can sharpen their performance. They usually have Boards of Directors from the private sector to drive a business-like approach and set clear targets (jobs, investment, tax base growth). For instance, Waterloo EDC's board set aggressive goals and the agency delivered $288M in new investments and 267 jobs in one year. Kingston Economic Development Corporation, governed by a board with business and city representatives, actively pursued strategic sectors like green energy and health tech, helping the city land a Li-Cycle battery recycling plant and other investments. These agencies publish detailed annual impact reports with ROI metrics (e.g. Invest Ottawa reporting $118.9 M in tax revenue and 15,231 jobs created over 2012–22), which increases accountability for results.

Internal departments, on the other hand, must balance economic development goals with broader municipal priorities and bureaucratic processes. They often have to coordinate with planning, infrastructure, and council policy directions. This can be beneficial for alignment, ensuring that economic initiatives fit with land-use plans or that workforce programs complement social policies. Additionally, internal agencies may be able to assist businesses with navigating municipal departments in a more thorough manner than external ones. For example, Mississauga's internal EDC works closely with the City's planning department to ensure business attraction aligns with available serviced lands and transportation plans. Accountability for internal departments rests with elected councils and city management. While this ensures public oversight, it sometimes diffuses accountability (economic outcomes result from many departments' efforts, not just the EDC). Internal divisions also may track success in terms of city-wide indicators (overall employment, assessment growth) rather than attributing specific deals to the EDC team.

Speed of Decision-Making

External agencies can view their advantage as being able to respond and close deals quicker, often touting "concierge" services for businesses. InvestStratford (SEEDCo), for example, markets "concierge-style support" and helped fast-track multiple industrial land sales in 2022 (over 22.4 acres sold across two business parks) resulting in new plant constructions. Its small team could pivot quickly to assist companies like Cleanfix, which expanded in Stratford and champion new initiatives, like Stratford's Sport Tourism Strategy, without needing multiple city council approvals.

Internal departments may face slower processes due to municipal protocols. A city EDC often must navigate inter-departmental coordination (permitting, legal, finance) for each investment project. However, being inside City Hall can also streamline access to permits and infrastructure information for clients. For instance, a business in Hamilton can get immediate coordination between the economic development staff and the City planning/building department since they're part of the same organization (sometimes even co-located). In Mississauga's case, the Economic Development staff secured 13 major business investments in 2023 by working hand-in-hand with planning and even the Mayor's office on incentives. So while the decision-making authority on incentives might rest with Council's schedule, the internal coordination can ensure investors receive a "one-stop" experience. It's worth noting that some external agencies mitigate this by embedding city liaisons or having the Mayor/Councillors on their boards, as Burlington or Kingston do.

Performance and Metrics

From the available data, external agencies tend to report more robust performance metrics in terms of direct jobs and investment:

- **Invest Ottawa (external):** In 2024, IO facilitated 3,065 jobs and attracted $649.8 million in domestic and foreign investment. Over the past decade, Invest Ottawa has supported 1,000 + startups and scale-ups and helped firms raise $1.88 billion in capital, maintaining a strong reputation for innovation and measurable results
- **London EDC (external)**: In 2024, the London Economic Development Corporation supported 1,100 new jobs and reported $3.2 billion in new investments through 17 trade missions. Since inception, LEDC claims 25,000 + jobs and $3 billion in cumulative investment
- **Waterloo EDC (external)**: In 2024, Waterloo Region EDC secured $288 million in investment and 267 new jobs, bringing its total since 2016 to more than 12,500 jobs created and $1.55 billion in regional GDP impact
- **Burlington EDC (external)**: In 2024, Burlington Economic Development and Tourism supported 335 new jobs and over 800 local businesses, while facilitating $241 million in new industrial, commercial, and institutional investment as part of a total $775 million in construction activity.

By comparison, internal departments' successes are often reflected in broader economic stats rather than direct attribution:

- **Toronto (internal)** – The City's internal division contributes via workforce & sector programs, but these numbers aren't directly credited to the division in reports. Instead, Toronto highlights being a top destination for investment (e.g. tech FDI) in external rankings. Additionally, as the core municipality involved in Toronto Global, they can take credit for much of the economic opportunity attributed to the regional economic development organization.

- **Mississauga (internal)** – EDC facilitated 1,815 expected jobs from 2023 investments and won a Top 20 in North America ranking by Site Selection magazine for its performance. Yet, detailed annual public reports are scarce – successes are often announced through press releases (like the Roche Canada expansion with provincial support).
- **Hamilton (internal)** – The city saw a surge of tech firms and film industry growth. Hamilton's internal team launched an Economic Recovery Action Plan with 77 actions, but metrics like jobs created are aggregated in the Community's employment survey (which showed a rebound to 236k jobs in 2022). The internal department's impact is evident in large employers choosing Hamilton (e.g. Amazon's fulfillment centre, 1,500 jobs) but the department doesn't publish a standalone "jobs created" figure annually.

One reason for this discrepancy is that external agencies explicitly track and market their ROI to justify municipal funding, whereas internal departments, being part of government, integrate their results into overall city outcomes. External agencies often use consulting methodologies to calculate indirect and induced impacts, such as Invest Ottawa utilizing KPMG analysis to show $663M GDP impact in 2022.

Smaller Municipalities' Experience

Smaller cities (Thunder Bay, Stratford, St. Thomas, etc.) seem to gravitate towards external agencies. Their economies are more sensitive, and having a dedicated agency allows focus on unique local strengths. For example:

- **Thunder Bay** (pop. ~110k) uses the CEDC external model. Given its remote location and need to diversify from a resource-based economy, the CEDC has been instrumental in targeting tourism and immigration as economic drivers. The Tourism fund example shows how an external agency can manage dedicated funds (Municipal Accommodation Tax revenues) effectively to generate significant economic impact. The CEDC also led Thunder Bay's participation in the Rural and Northern Immigration Pilot (RNIP), resulting in 162 newcomers hired in local jobs in one year, directly addressing labour shortages. Such proactive initiatives are easier under an external governance model that can specialize in specific programs.
- **Stratford** (pop. ~32k) with SEEDCo (external) has leveraged its arm's-length status to attract funds and partnerships: e.g., it secured federal and provincial grants (FedDev, OMAFRA) for downtown revitalization and an attainable housing project. investStratford's small team managed to support 91 business startups/expansions in a year, a huge number relative to Stratford's size, and helped keep unemployment at a low 4.2%. The Board's involvement (composed of local industry leaders and City officials) ensures a balance of entrepreneurial approach with municipal oversight. It's doubtful a tiny city department alone could have achieved the same scale of activity; the external model enabled regional collaboration (Stratford's agency also serves surrounding Perth County) and a clear, singular mandate to grow the local economy.

Meanwhile, some smaller communities that keep economic development in-house may lack visibility or dedicated resources. Guelph (pop. ~143k) treats economic development as a City Hall department ("Business Development and Enterprise Services"). While Guelph has a strong economy (3.7% employment growth in 2022), its economic development activities are less public-facing. Guelph does not publish an annual economic impact report; as a result, it can be harder to gauge performance or rally external stakeholders around City initiatives. Though formally internal, Guelph's economic development agency brands itself as "Invest in Guelph" for marketing, a hybrid approach some cities take to appear external-facing to businesses while remaining a City unit. Milton (pop. ~132k) similarly has an internal division but uses the brand "Milton Economic Development" and an investor-oriented website. In 2022, Milton's team launched a new 5-year strategy and reported on key initiatives (like the Digital Main Street program assisting dozens of local businesses).

Quinte Economic Development Commission (QEDC) is an example of a *regional external agency for smaller municipalities*: it serves Belleville, Quinte West, and Hastings County. By pooling resources into an external commission, these smaller municipalities managed to attract sizeable investments (e.g., a $15M Kellogg's expansion) and run joint workforce training programs. If each had a tiny internal department, they likely could not individually afford specialized staff for investment attraction in aerospace or manufacturing (sectors QEDC targets). The external regional model yields efficiencies and a stronger collective pitch for Quinte Region.

Qualitative Insights

Stakeholder feedback often highlights that external agencies can be more innovative and business-friendly, while internal departments ensure better integration with community goals. An academic study of Ontario economic development practices found that practitioners value the autonomy of arm's-length organizations but also note the importance of maintaining close ties to City Hall for success. For instance, Invest Ottawa's arm's-length status allows it to hire tech-savvy staff and pivot into new areas like autonomous vehicle testing (Area X.O) quickly, yet it maintains a strong partnership with the City (the Mayor sits on its board, and the City funds it) to ensure alignment with Ottawa's broader economic strategy.

In smaller communities, having the city council strongly support the external agency is critical. Stratford's example of councillors on the SEEDCo board ensured that investStratford's initiatives (like the Sport Tourism Strategy) meshed with City departments and had political buy-in.

Conclusion & Recommendation

Considering the data and experiences above, external arm's-length agencies generally appear more prevalent for economic development, especially for mid-sized and smaller municipalities. The external model often yields clear, quantifiable outcomes on investment attraction and job creation numbers are reported by agencies like Invest Ottawa, Waterloo EDC, LEDC, etc., compared to internal departments of similar-sized cities. Smaller cities with external agencies (Burlington, Stratford, Sarnia-Lambton) have been able to pursue big opportunities and partnerships and report out on it differently than a small internal staff would. They leverage specialized expertise and external funding to punch above their weight.

That said, an external agency is not a magic bullet. Its success still hinges on strong collaboration with the municipality and stable funding. A poorly funded external agency would underperform just as an under-resourced city department would. Additionally, large cities or regions with ample capacity (Toronto, York Region) can and do succeed with internal departments, partly because their scale allows dedicated teams and they often have separate specialized entities such as Toronto Global for FDI to complement the internal staff.

SWOT Analysis

A SWOT analysis is a critical decision-making tool in the evaluation of BEDT as it enables a structured assessment of the organization's internal capacity and external environment. By identifying Strengths and Weaknesses, the City can better understand how the agency is currently performing relative to its intended mandate. Equally, analyzing Opportunities and Threats sheds light on the broader municipal and regional context that shapes BEDT's future potential, regardless of whether it remains an arms-length agency or becomes internalized within the City's corporate structure.

For a governance question of this magnitude, whether to internalize BEDT or maintain its external status, the SWOT framework ensures that the decision is informed by both evidence of performance and realistic projections of risk. It helps distinguish between challenges that are structural and resolvable, versus those rooted in the external environment. This clarity is essential for recommending a model that can deliver accountable, efficient, and measurable economic and tourism outcomes for Burlington.

Strengths	Weaknesses
1. Established Awareness 2. Independence 3. Existing Success 4. Natural Alignments	1. Misalignment with City Priorities 2. Accountability 3. Role Confusion 4. Low Engagement 5. Outdated Methods
Opportunities	**Threats**
1. Improved Communication 2. KPIs 3. Closer Collaboration 4. Sector-Specific Growth	1. Erosion of Trust 2. Economic Pressures 3. Political Uncertainty 4. Competition 5. Stakeholder Fatigue

Strengths

The analysis across interviews, focus groups, and surveys identified several intrinsic advantages of BEDT as it currently exists:

Established Awareness and Brand Recognition

Despite limitations in depth of understanding, both the business and public surveys confirm that a majority of respondents are at least aware of BEDT. This brand presence provides a foundation on which stronger engagement strategies can be built.

Perceived Value in Independence

A recurring theme, especially among business stakeholders, is the belief that an arms-length structure allows BEDT to operate with agility and to provide candid assessments of municipal processes. Independence is seen as a mechanism to insulate economic development from shifting political priorities and to project a business-friendly image.

Existing Engagement Successes

Where interactions have occurred, through networking events, marketing, or tourism promotion, business satisfaction levels are high. This suggests that when BEDT connects effectively with its audience, it can deliver programs that are valued.

Alignment with Burlington's Natural Strengths

Stakeholders repeatedly emphasized Burlington's strong natural and locational assets: proximity to the GTA, a skilled workforce, and an attractive waterfront. BEDT's mandate positions it to capitalize on these advantages, especially in sectors such as green technology, logistics, and professional services.

These strengths indicate that BEDT has credibility, a recognized role, and selective success stories that can serve as the foundation for future growth. They also highlight why some stakeholders remain supportive of maintaining an external structure, provided its governance and accountability can be improved.

Weaknesses

More pervasive than strengths, the weaknesses of BEDT underscore systemic concerns about governance and effectiveness:

Misalignment with City Priorities

Interviews revealed repeated instances where BEDT pursued initiatives without coordination with City departments, creating friction, undermining trust, and in some cases leading to failed opportunities.

Limited Accountability and Transparency

Surveys and interviews consistently identified a lack of clear performance measurement. Annual reports are perceived as superficial, and stakeholders are not provided with meaningful data to evaluate outcomes.

Role Confusion and Overlap

Businesses and even City staff often struggle to understand BEDT's role. In practice, BEDT sometimes appears to act as an extension of the City, while at other times distancing itself when results are lacking. This ambiguity contributes to inefficiency and external frustration.

Low Engagement Levels

Despite relatively high awareness, more than half of surveyed businesses had not engaged with BEDT in recent years. Public respondents demonstrated even lower familiarity and struggled to articulate the organizations' functions.

Tourism Arm Outdated

The tourism division in particular is seen as lacking modern relevance, relying on traditional methods (brochures, visitor centres) rather than innovative strategies to attract and retain visitors.

These weaknesses raise doubts about BEDT's ability to justify its funding and to demonstrate value for tax dollars. They also highlight risks inherent to the arms-length structure, where autonomy without robust accountability mechanisms results in underperformance.

Opportunities

The external environment and stakeholder expectations provide meaningful avenues for improvement:

Improved Communication and Outreach

Both the business and public surveys prioritized better communication and engagement. There is clear appetite for more visible, accessible, and timely information about BEDT's role, services, and results.

Performance Measurement and Accountability

Introducing robust KPIs, dashboards, and outcome reporting would not only address current weaknesses but also provide the City and public with clearer evidence of return on investment.

Closer Collaboration with City Departments

Regardless of governance structure, stronger alignment with planning, transportation, and housing services is both possible and desired. This could address some of the workflow breakdowns that stakeholders currently experience.

Sector-Specific Growth Potential

Burlington's position within the GTA and proximity to innovation hubs like Waterloo create strong opportunities in technology, green energy, logistics, and professional services. A focused economic development strategy could leverage these strengths.

These opportunities align directly with resident and business expectations, offering practical pathways to increase BEDT's legitimacy and impact. They also show that structural reform could yield significant benefits if coupled with operational improvements.

Threats

Several external and structural risks threaten BEDT's future effectiveness:

Erosion of Trust and Credibility

Continued misalignment, poor communication, and lack of measurable outcomes risk further eroding stakeholder confidence. This could make it more difficult to attract investment or community support.

Economic and Demographic Pressures

Broader issues such as high housing costs, business closures, and affordability challenges directly affect Burlington's economic vitality. BEDT's inability to respond effectively to these challenges could leave it perceived as irrelevant.

Political Uncertainty

Shifts in municipal leadership and council priorities could undermine continuity, particularly if BEDT remains external but without strong governance safeguards.

Competition from Other Municipalities

Surrounding cities and regions (e.g., Hamilton, Mississauga, Waterloo) are aggressively pursuing investment with more clearly defined economic development strategies. Burlington risks losing opportunities if BEDT cannot match their professionalism and agility.

Stakeholder Fatigue

If calls for reform, particularly around communication and accountability, are not addressed, there is a risk of disengagement from both businesses and the public. This could weaken partnerships essential to success.

These threats underscore the urgency of reform. Left unaddressed, they could result in diminished relevance of Burlington as an investment destination and weaken the case for continued public funding of an arms-length model.

Conclusion

The SWOT analysis highlights a complex picture. BEDT has some clear strengths in brand recognition, independence, and selective engagement successes. However, its weaknesses, particularly around alignment, accountability, and role clarity, are systemic and widely acknowledged. Opportunities exist to address these weaknesses, especially through stronger communication, collaboration, and performance reporting, but failure to act risks intensifying threats such as declining credibility, economic competition, and political uncertainty.

For the City of Burlington, the SWOT analysis demonstrates that the decision on BEDT's future governance must weigh the value of independence against the pressing need for transparency, accountability, and integration. The findings point toward reform as essential, whether within an improved arms-length framework or through full internalization.

Findings and Recommendations

After reviewing all of the inputs, we have come to the following conclusions:

1. The relationship between the City and BEDT is broken. The two groups are not working together collaboratively and show little interest in doing so.
2. Economic development and investment attraction may be a lower priority if housed within the City than it is with a separate agency.
3. The public consultation conducted is of little value due to lack of knowledge on the part of participants.
4. Both internal and external models are widely used by municipalities and there is no consensus that the evidence leads to one being considered superior to the other.
5. There is no reason to believe that BEDT can hire more qualified or effective people than the City.
6. There is real value to the private sector participation in BEDT.
7. BEDT should be dissolved, and the Economic Development and Tourism components brought into the City. In order to preserve some of the private sector benefits, an advisory council composed of Business Leaders should be established and chaired by the City Manager.