

# Designing the Future

## An Economic Development Strategy for the City of Cambridge

### Executive Summary

The Canadian economy is experiencing rapid and far-reaching structural changes, and many communities are struggling to understand how best to position themselves for success in the emerging economic environment. The City of Cambridge has chosen this time to proactively examine its current and future economic opportunities and positioning, and to develop an action-oriented approach to building an economic development strategy that is tangible, practical and sustainable. However, 21<sup>st</sup> Century Canada is confronted by a dramatically and radically transformed economy, fundamentally different from what has gone before. New global trade linkages, disruptive technologies, international capital mobility, the rapid emergence of new international economic powers, the widespread restructuring of the workforce: these and other global trends have created a new context in which the Canadian economy must seek to adapt, innovate and thrive. In this new environment, the policies and practices of the past are not only obsolete, they are often counterproductive.

This fundamental transformation creates significant challenges for economic development activity at the local level. While it may be difficult for most municipalities to impact global economic trends, they must strive to ride the waves of change rather than be swept away by those same shifting currents. To be successful in these efforts, however, they require new and innovative tactics, tools and approaches. To determine precisely what form these new tools should take a range of background research activities and widespread community consultations have been undertaken, and are summarized within the body of the strategy itself. These include:

- **An Economic Base Analysis**, including a detailed demographic analysis of the community and the present state of its economy
- **An Infrastructure Assessment**, including examination of both physical and human resource issues related to economic development opportunities
- **A Community Consultation Program**, including public consultation sessions facilitated by the Queen's Executive Decision Centre, an extensive online survey of some 250 local businesses, and more than 25 one-on-one consultation sessions with key business and community leaders
- **A SWOT Analysis**, identifying strengths, weaknesses, opportunities and threats based on the results of the other components of the research process

Ultimately, the City of Cambridge finds itself well-positioned for the challenges ahead. Despite the massive downturn in the traditional manufacturing sector, Cambridge has been rapidly transitioning to a new knowledge-based advanced manufacturing base that is maintaining – and even growing – the scope of the manufacturing sector within the community. The community is building on its unique history and heritage assets to meld its past with its future, and has quietly

learned from and become a partner to the most innovative elements within its neighbouring communities. In short, it has already begun to lay the groundwork for renewal and success in the new Canadian economy.

Three primary pillars of strength underlie this transition, and have supported the successes to date in that redevelopment of the Cambridge economy:

1. **Education** – From skills retraining to rising levels of educational attainment, Cambridge current and future successes will increasingly rest upon innovative educational institutions that combine leading edge knowledge and ideas with practicality and relevance.
2. **Environment** – From parks and green space, historic rivers and heritage architecture to environmental engineering and green design expertise, Cambridge is a community that increasingly seeks to embrace today's challenges while respecting the accomplishments of yesterday and safeguarding the opportunities of tomorrow.
3. **Excellence** – Like other famous Cambridges in England and Massachusetts, this Cambridge seeks to develop a reputation for world-class and world-leading innovation, expertise and creativity. Its commitment to excellence in local governance is matched by the community's increasing confidence and willingness to take on projects of regional, national and even global significance.

In looking to the future of economic development in the community, Cambridge must continue to build upon these pillars, but it must also focus its efforts in a discreet number of key target areas. With limited human and financial resources available, the demands of the new economy necessitate careful and deliberate allocations of resources into the pursuit of certain key goals and targets. The purpose of this strategy is to highlight those targets so that informed, proactive decisions may be made about the allocation of time, effort and resources in the future. It is also about building a City where opportunity, access and quality of life are available to all, and in which citizens and residents have the freedom and space to envision new goals, new objectives and new accomplishments.

To reach these objectives, the City must pursue economic development activities in five specific target sectors:

1. **Target One: Advanced Manufacturing** – Building upon retention programs that seek to safeguard its existing and traditional manufacturing base, Cambridge must seek to expand its growing role as a centre of advanced manufacturing. To traditional strengths in areas like the automotive centre, it must add new strengths in areas such as the nuclear industry. In particular, with the development of the new Conestoga College campus, the community will be well-positioned to pursue new opportunities in food processing.
2. **Target Two: Life Sciences** – With genuine strength in health services and medical device manufacturing, and notable local successes in biotechnology and pharmaceutical manufacturing, Cambridge is well-positioned for future growth in the Life Sciences

sector. This position is bolstered by a new regional emphasis on the life sciences sector, and a range of local partners willing to work with the City in targeting this sector.

3. **Target Three: Small Knowledge-Based Industries** – while large companies often get attention in this sector, the vast majority of knowledge-based industries are small in size, generally employing fewer than 10 people. By focusing on businesses on the area of professional, scientific and technical services (architecture, engineering, web design, software development, advertising, graphic design, etc.), Cambridge has an opportunity to drive high-value enterprise and job creation within its three downtown cores. This will diversify the local economy while spurring renewal.
4. **Target Four: The Environment** – In recent years, Cambridge has developed an outstanding base of public and private expertise in the environmental field, ranging from park and greenspace management through to waste management and environmental engineering. Recently, the community has taken some exciting new steps into the arena of environmental design, construction and engineering (perhaps best epitomized by the new Gold LEED-certified City Hall). The community is well-positioned to build existing businesses within this sector, while attracting new investment that will help the sector grow over time.

Underlying each of these four target sectors, however, is a common thread: in the emerging knowledge economy, it is not simply the strength or speed of machinery or the flexibility or newness of technology that drive successful economic activity. Instead, it is the manner in which a new creative class of knowledge workers injects innovative ideas into industry, smashing paradigms and breaking open new markets and new concepts. For most communities, making the transition from an economy of brawn to an economy of brain is difficult – but Cambridge has some unique assets that underpin its opportunities in each of the four target areas.

Conestoga College has always had strong and productive connection with Cambridge, the scope and depth of this relationship is about to be greatly expanded with the development of new campuses, programs and facilities within Cambridge. One of the first of these areas of expansion is related to the food processing, which has the potential to become a major new contributor to the local economy. Conestoga will be a significant contributor to this strategy moving forward.

Since 2004, the University of Waterloo's School of Architecture has also been located in Cambridge, laying the foundation for a new layer of creative knowledge and technical expertise within the community. For the past four years, this change has been remarked but not always understood. This is about to change.

Some may envision architecture as a process for drawing blueprints, for sketching the layout and configuration of buildings. This narrow vision of architectural knowledge and excellence fails to capture the full impact that the Waterloo School will have on Cambridge; rather than a narrow training centre for draftsmen and builders, the School of Architecture is instead a centre of excellence and insight into the emerging world of design, one of the most powerful forces in

the 21<sup>st</sup> century economy. As home to such a centre, Cambridge has an asset and competitive advantage that very few other communities anywhere in the world can match when it comes to economic development. It's also an asset which sits at the heart of each of the four target areas described above.

In the manufacturing sector, product design, process design and industrial design are key drivers of productivity and profit. In the Life Sciences sector, product design for medical devices, and facilities design for health services are increasingly important economic factors. Architectural design, interior design, graphic design and web design are major pillars of the small knowledge-based industries sector. In the environmental field, landscape design, environmental design and architectural design are dominant concerns. In each and every instance, Cambridge's link to the School of Architecture and the community's role as a growing centre of design expertise create an economic development opportunity that differentiates Cambridge from its competitors, and enhances existing strengths and assets within the key target areas.

This does not mean that economic development will flow to the community without effort. To accomplish the goals of this strategy, it will be necessary to create an economic development infrastructure that is adequate to the task at hand. In part, these efforts will be accomplished through cooperation and collaboration with community organizations and stakeholders. Alternatively, goals may be accomplished through the mobilization of community volunteers. However, the City must acknowledge that an enhanced vision of the community's economic development potential may well require an enhanced commitment to providing the resources necessary to accomplish this work.

**1. Economic Development Service: Delivery Strategies**

While the City has made past commitments to activity in this sector, leadership on the economic development front may well require additional resources, both in financial and human resources terms, in the future.

Combining the actions in the economic target sectors and those related to service delivery, the strategy ultimately proposes a series of 29 actions. These are summarized in the following chart.

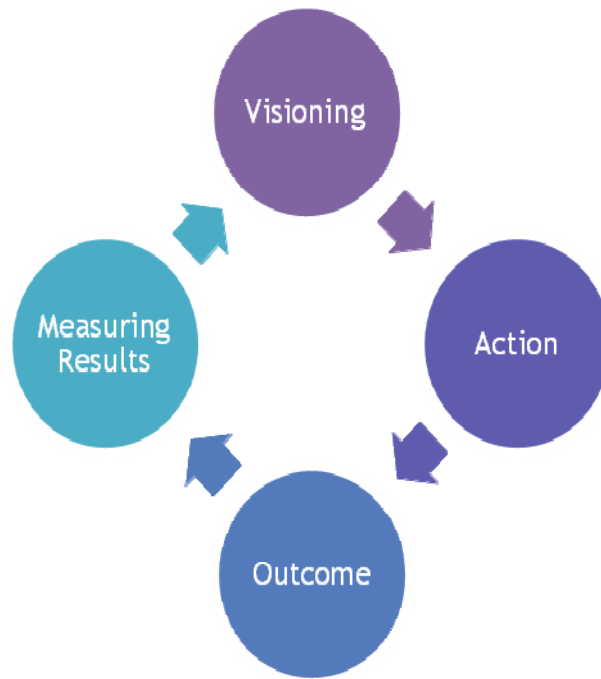
Target Area	Action Recommendations
<b>Advanced Manufacturing</b>	<ul style="list-style-type: none"> <li>• Develop and deliver a substantive manufacturing retention program</li> <li>• Undertake the development of a detailed Advanced Manufacturing Sector Strategy</li> <li>• Work with manufacturers in the nuclear sector to understand existing strengths and emerging opportunities</li> <li>• Undertake a business recruitment campaign in the food</li> </ul>

	<p>processing sector</p> <ul style="list-style-type: none"> <li>• Host an annual Industrial Design Symposium</li> </ul>
<b>Life Sciences</b>	<ul style="list-style-type: none"> <li>• Develop an inventory and database of sector skills and capacity</li> <li>• Work with Regional economic development interests to develop a shared sector strategy</li> <li>• Develop a nutraceuticals initiative linked to the food processing sector</li> <li>• Establish a working group on medical device design</li> <li>• Establish a working group on medical and healthcare facility design</li> </ul>
<b>Environmental Design</b>	<ul style="list-style-type: none"> <li>• Develop an inventory and database of sector skills and capacity leading to the creation of an industry network or association</li> <li>• Develop a promotional campaign focused on celebrating environmental accomplishments and expertise</li> <li>• Seek new LEED-certified building projects and other environmental projects to develop and showcase local expertise</li> <li>• Host an annual landscape and environmental design show – consumer show showcasing local companies, technical; discussions and consultations in parallel</li> <li>• Establish a green architecture working group with the School of Architecture to coordinate student activities impacting the City– annual student projects and competition</li> </ul>
<b>Small Knowledge-Based Industries</b>	<ul style="list-style-type: none"> <li>• Work with BIAs to identify investment attraction targets for each neighbourhood</li> <li>• Develop an inventory and database of sector skills and capacity leading to the creation of an industry network or association</li> <li>• Add incentives to Community Improvement Plans(CIP) likely to assist in efforts to grow this target sector</li> <li>• Undertake a student entrepreneur recruitment campaign targeting Conestoga, University of Waterloo and Wilfrid Laurier graduates</li> <li>• Explore wireless connectivity in downtown cores</li> </ul>

	<ul style="list-style-type: none"> <li>• Enhance streetscaping and quality of life programming in downtown cores</li> <li>• Develop an incubator program in conjunction with the School of Architecture</li> <li>• Deliver expanded student entrepreneurship competitions targeting the small KBI sector</li> <li>• Hold an annual conference on building design, interior design and architecture to showcase local skills and expertise</li> </ul>
<p><b>Economic Development Service Delivery</b></p>	<ul style="list-style-type: none"> <li>• Utilize this strategy as a tool for focusing on priorities while not excluding other opportunities</li> <li>• Identify and work with 50 key influencers of future growth in the City</li> <li>• Re-evaluate the economic development strategy on an ongoing basis and invest in economic development</li> <li>• Partner with other communities interested in design</li> <li>• Continue efforts to maintain an adequate supply of industrial land for future development purposes</li> </ul>

The actions within these five broad areas form the basis of the City’s new economic development strategic plan. Within these action areas, the City’s role and responsibilities will vary greatly. In some instances, the City must play a “lead” role – that is, it must initiate and champion a particular course of action (often in partnership or collaboration with other community organizations) and accept some responsibility for seeing the action through to fruition. In other instances, the City’s role will be “facilitative”; it will encourage other partners and organizations to initiate action and activity that will assist in fulfilling the strategic objective, or it will act as an honest broker in important community discussions. Finally, the City will often play a “support” role, utilizing its resources to assist community partners as they seek to undertake actions identified within this strategic plan.

Finally, the document speaks to the issue of performance measurement, accountability, and the monitoring of progress in the implementation of this strategy. While a number of specific tools and methodologies are outlined, they are all based on the concept that progress in economic development is a continuous process.



In Cambridge's case, this continuous development process is not necessarily a new discovery. The community's economic strength and increasing revitalization are clear evidence of this. However, a new range of assets – including increasing strength in key industries and target sectors and the emerging role of outstanding educational institutions like Conestoga College and the University of Waterloo's School of Architecture – mean that Cambridge is now in a position to direct a wider array of resources to the goal of Designing the Future.