OAKVILLE

REPORT

Planning and Development Council

Meeting Date: May 20, 2025

FROM:	Economic Development Department
DATE:	May 6, 2025
SUBJECT:	**2024 Economic Development Annual Report**
LOCATION:	Town-wide
WARD:	Town-wide Click here for multiple wards. Page 1

RECOMMENDATION:

That the 2024 Economic Development Annual Report from the Economic Development department be received.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Oakville's current Economic Development Strategy encompasses the five-year period of 2019 to 2024. A new five-year plan for the 2025-2029 period was brought to Planning and Development Committee on May 20, 2025.
- The purpose of this document is to provide an update to Council on 2024 economic activity, competitive positioning, and departmental initiatives in support of Economic Development Strategy goals.
- This report and presentation are provided to Council for information.

BACKGROUND:

The town's existing five-year Economic Development Strategy focuses on attracting new investment, responding to the needs of local businesses, and supporting the town's commercial districts. This report provides an update on economic activity in 2024 and key initiatives in support of the Economic Development Strategy goals.

Throughout 2024, staff worked on the development of a new five-year plan to guide the work of the department. That plan was brought to Planning and Development Committee on May 20, 2025 for consideration.

The department pursued a variety of other initiatives in 2024, such as leading the Film Pilot Program, supporting the Ontario Auto Mayors initiatives, and launching the permanent Seasonal Commercial Patio Program which included the development of an online portal for the 2025 season.

COMMENT/OPTIONS:

Oakville Business Activity

In 2024, Oakville welcomed several new companies to the community and celebrated the growth of the existing business base. Investments in facility expansions and innovation resulted in job creation and economic growth.

New Company Arrivals

The list below highlights a sample of new company arrivals across a variety of industry sectors in 2024. Most new company arrivals moved operations into existing industrial space.

Name	Description	Ward
Aplin Martin	Architecture consulting firm	3
Atlas Workwear	Workwear manufacturer	6
Element Materials Technology	Product compliance and qualification testing services company	1
eXp Realty	Real estate brokerage	4
La Vie Executive Health Care	Private health clinic	6
Orange EV Canada	Electric vehicle manufacturer	1
Traveltek Ltd.	Travel technology company	3
Vast-Auto Distribution	Distributor of automotive parts	1
Vital Bio	Medical technology manufacturer	6
Worley	Energy sector consulting company	2
YESA Inc.	Business development company	1

Town of Oakville, Economic Development department, April 2025; CBRE Marketview Reports 2025

Expansions & Investments

In addition to welcoming new employers, Oakville also saw expansions, investments, and announcements from existing companies, including Ford Motor Company of Canada, KPMG, Entripy Custom Clothing, Dana Canada Corporation, and GL CHEMTEC.

Ford Motor Company of Canada announced its plans to invest $3 billion USD to expand production of F-series Super Duty pickup trucks, including $2.3 billion to install assembly and integrated stamping operations at the Oakville Assembly Complex (OAC). This will secure approximately 1,800 jobs at the OAC.

KPMG, an audit, tax and advisory services company, moved into a new office at 354 Davis Road. Entripy Custom Clothing, one of Oakville’s top employers, moved to a larger facility just down the street from their old space, on Brighton Road.

Oakville businesses and organizations that received provincial and federal funding to support innovation include:

- Dana Canada Corporation received approximately $3 million from the federal government through NGen, a non-profit organization that leads Canada's Global Innovation Cluster for Advanced Manufacturing. This funding will support the company's advanced manufacturing processes for electric vehicle (EV) power electronics heat exchangers, creating improved cooling systems for EVs. The company will be partnering with Waterloo's KA Imaging for this endeavour.
- M&G Steel received $2.8 million from Federal Economic Development Agency for Southern Ontario (FedDev Ontario) to expand their capacity to manufacture structural steel solutions by adopting advanced equipment to enhance productivity. The company will also use a new production line to reduce both manufacturing time and waste, expand into international markets and create jobs in the region.
- Spark Power was awarded $2.5 million through Ontario's Skills Development Fund. This funding will support worker training, address labour shortages, and create opportunities for underrepresented groups in the skilled trades.
- GL CHEMTEC, a pharmaceutical manufacturing company, received a $750,000 investment from FedDev Ontario. This investment will help the company establish a Good Manufacturing Practice (GMP)-certified production space to produce Active Pharmaceutical Ingredients (API) for drug discovery, delivery and development in clinical trials.

Non-residential Development Activity

The Economic Development department monitors annual commercial and industrial development activity. Oakville's non-residential tax base represents 11.40 per cent of the total assessment base and contributes 16.12 per cent of all town taxes levied. In 2024, this amounted to $41,883,774 in tax revenue collected.

Major Non-residential Development

The list below highlights the top commercial and industrial development projects in 2024, based on highest total building permit construction value.

Type	Description	Address	Construction Value	Area (sq.ft.)	Ward
Commercial	Two storey guide dog training facility	1949 Ironoak Way	$49M	92,696	6
Industrial	One-storey addition to existing facility –	2379 Speers Road	$8.4M	3,629	1

	Fruition Manufacturing				
Industrial	Construction of one storey industrial shell building	3268 South Service Road West	$5M	75,191	1
Industrial	Modifications to the existing Medical Center at the Ford Oakville Complex (OAC)	1400 The Canadian Road	$4.3M	5,138	3
Industrial	Construction of new industrial building	2855 Portland Drive	$4M	38,395	6
Industrial	Addition to an industrial building - Zeton	455 Michigan Drive	$3M	33,637	1
Retail	Construction of new commercial units	3535 Rebecca Street	$2.4M	21,366	1

Source: Town of Oakville, Economic Development, AMANDA, Building Permits, 2024

Commercial Building Permit Activity

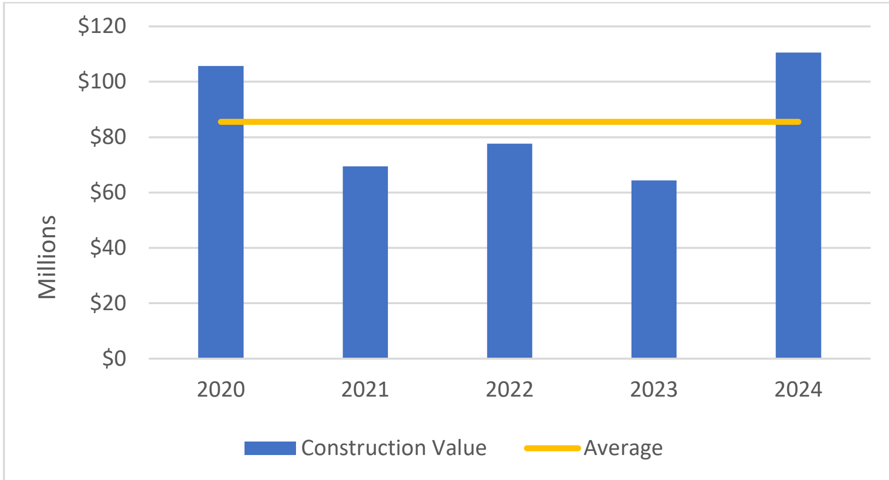
Commercial development activity increased overall in 2024, with total square-footage higher than in 2023. Construction values were the highest they have been since 2016 and closer to pre-pandemic levels. Major contributions included the $49M development at 1949 Ironoak Way for the Lions Foundation of Canada Dog Guides, and a $7.3M addition to the Mississauga Oakville Veterinary Emergency Hospital. New commercial development activity accounted for a total of 183,172 square feet of total development.

Construction Value	Area (sq.ft.)	Number of permits
$110.5M	802,891	185

Source: Town of Oakville, Economic Development, AMANDA Building Permits, 2024. Permit revisions not included.

Five-year Commercial Building Permit Activity, Total Construction Value

Annual Average Construction Value: $86M



Data does not include permit revisions.

Industrial Building Permit Activity

Industrial development activity decreased significantly from the previous year's high construction value and square footage. In 2023, the town saw over 1.6 million square feet of new industrial permit activity, with the majority of these developments coming into market in 2024.

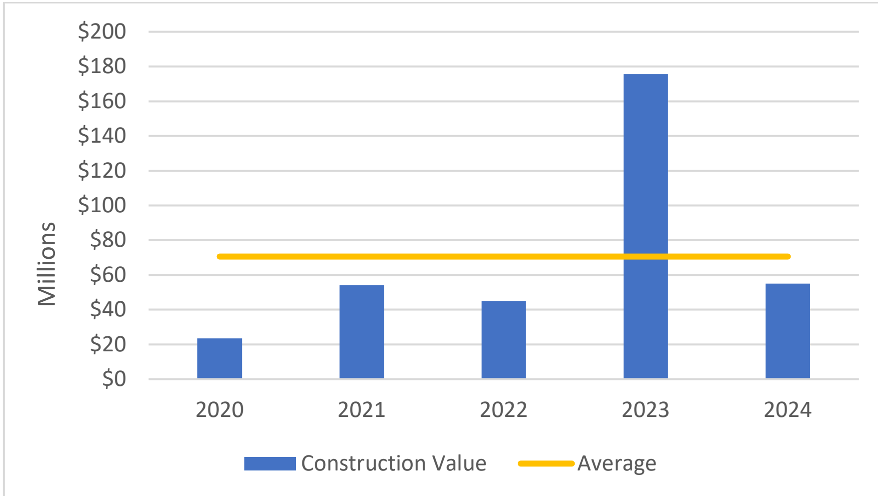
In 2024, industrial building permit activity consisted mostly of interior alterations to existing facilities. New industrial development activity accounted for 288,770 square feet of the total development. Total square footage and construction values in 2024 were more aligned with historical levels.

Construction Value	Area (sq.ft.)	Number of permits
$55M	682,402	43

Source: Town of Oakville, Economic Development, AMANDA Building Permits, 2024. Permit revisions not included.

Five-year Industrial Building Permit Activity, Total Construction Value

Annual Average Construction Value: $71M



Data does not include permit revisions.

Oakville Real Estate Market Overview

Office Market

In 2023, the office market vacancy rate decreased to 17.5 per cent, the lowest it had been since 2019 (16.5 per cent). In 2024 this number slightly increased to 17.7 per cent.

Inventory (sq.ft.)	Vacancy rate (per cent)	Vacant space – direct & sublet (sq.ft.)	Net rental rate (per sq.ft.)
4.6M (-)	17.7% (↑)	822,400 (↑)	$18.52 (↓)

Source: CBRE Marketview Snapshot, Oakville Office Q4 2024

Industrial Market

In 2024, several new industrial business parks were developed in the west end of Oakville. These developments brought approximately 1.6 million square feet of new space online. These developments also account for the increase in the Oakville's industrial vacancy rate, which increased from 3.1% in 2023 to 7.3% in 2024.

Inventory (sq.ft.)	Vacancy rate (per cent)	Average sale price (per sq.ft.)	Weighted avg. net rental rate (per sq.ft.)	TMI (per sq.ft.)
20.5M (↑)	7.3% (↑)	$380.32 (↑)	$17.59 (↓)	$4.52 (↑)

Source: CBRE Marketview Snapshot, Oakville Industrial Q4 2024

Competitive Position

To ensure Oakville remains competitive for new investment, the Economic Development department benchmarks the town against 17 surrounding Greater

Toronto Area (GTA) municipalities in the areas of non-residential development charges (DCs), property taxes, and industrial land sale values.

As outlined in *Appendix A: Competitive Position*, Oakville's commercial market remains highly competitive from a cost perspective. Oakville ranks within the top five municipalities reviewed for non-residential property taxes and within the top three for development charges, making it a competitive market for new office investment.

Oakville's industrial market remains relatively less competitive, with industrial tax rates ranking within the top ten of the municipalities reviewed. Industrial development charges were more competitive, ranking within the top five.

In 2024, Oakville and the Halton Region were recognized by Site Selection Magazine as one of the best locations to invest in Canada. This is the sixth year in a row for Oakville. Oakville's new company arrivals, facility expansions, and new job creation have earned the community recognition among Canada's top 20 locations by the international site selection publication.

2024 Department Updates

Key initiatives undertaken by the department in 2024 include:

- **Economic Development Plan 2025-2029**: Development of the five-year strategic plan began in September 2023 and continued throughout 2024, with Deloitte as the consultant. In June 2024, the Economic Development Plan 2024-2029: Draft Strategic Directions staff report was endorsed for public consultation by Planning and Development Council. The final five-year plan was brought to Planning and Development Council on May 20, 2025 for adoption.
- **Film Pilot Program:** In year two of the Film Pilot Program, the team coordinated over 230 days of filming, with a total of 45 productions being shot in Oakville. The Film Office was pleased to welcome Alan Ritchson in *Reacher* and Scott Wolf and Molly Parker in *Doc*. The department also hosted a film familiarization tour in the fall, touring 16 location managers across the town's most popular filming locations, and celebrated Canadian National Film Day by hosting a tour of Centennial Pool for members of Council.
- **Seasonal Commercial Patio Program**: The Seasonal Commercial Patio Program became an annual, permanent program in 2024, with Economic Development department leading the administration of the program. A total of 55 patio permits were issued throughout the Downtown Oakville, Kerr Village, and Bronte Village Business Improvement Areas (BIAs). Throughout 2024, town staff worked on the development of an online permitting system for the program. As of 2025, applicants can now apply and pay for a patio permit online through the town's website.

- **Ontario Auto Mayors**: The department continued to facilitate the work of the Ontario Auto Mayors Caucus, which includes annual meetings and advocacy. The 2024 meeting, co-hosted in Stratford, featured keynotes from Ford Motor Company of Canada's CEO Bev Goodman and PowerCo's CFO Brent Hinson. Goodman discussed the state of Canada's auto industry and the potential impacts of the upcoming United States-Mexico-Canada Agreement (USMCA) review. Hinson highlighted Volkswagen's $7 billion investment in St.Thomas and Ontario's advantages in green technology and EV supply chains. The Action Plan working groups provided updates on EV adoption strategies and supply chain resiliency. The Mayors also held a roundtable discussion where they discussed the future topics of the next meetings including electrification, EV charging stations and mining critical minerals for EV vehicles.
- **Collision conference familiarization tour**: For the second year in a row, the department partnered with the Ministry of Economic Development, Job Creation and Trade, Halton Region, and Burlington Economic Development to host international delegates attending the Collision Conference in Toronto. The tour included Oakville-based, industry-leading telematics company Geotab and world-renowned Sheridan College, where we showcased Oakville's thriving technology sector and positioned the community as a prime location for investment.
- **Social media and marketing strategy**: Throughout 2024, the department developed a social media and marketing strategy with the goals of increasing awareness of the services offered by Invest Oakville, and of positioning Oakville as a premier destination for business investment and expansion. Early results for Q1 2025 indicate a 13 per cent growth in Linkedin followers and an engagement rate of 6.2 per cent, which is 3.8 per cent higher than the industry average.
- **Bronte Harbour Banquet and Conference Centre second floor**: The Economic Development and Legal departments worked together to facilitate the short-term lease of the second floor of the Bronte Harbour Banquet and Conference Centre, revitalizing it into an event space and bringing animation to the building year-round. As of April 2025, members of the community can book the space for weddings, birthdays, showers, and other events.
- **Business Directory Database Pilot**: The department worked with ThinkData Works on the Business Directory Database Pilot to explore pathways to building an accurate and up-to-date database of businesses in Oakville. The pilot project assessed various public, subscription-based, and third-party data sources to determine their viability for inclusion in the database. The final report recommends leveraging partnerships and surveys when building an ideal business directory and highlights the potential benefits of aligning a

customer relationship management (CRM) system with the business directory development to optimize resources and enhance data integration.

- **Digital Main Street Program and small business:** The department hosted two Digital Main Street (DMS) Camp Tech workshops at Town Hall in January and February, as well as co-hosted a Small Business Networking event with Halton Region in April. In early 2024, the department worked with the Mayor's office to advocate for the continuation of the DMS program. However, the program in Ontario did not receive renewed funding and the final day of the program was March 31, 2024. Throughout the course of the program, the Digital Service Squad (DSS) served over 600 clients.

2025 Strategic Priorities

In 2025, the Economic Development department will continue to support the growth and diversification of the Oakville economy with the following key efforts:

- Finalize and implement the five-year Economic Development Plan 2025-2029
- Support the implementation of the new service delivery model for the Halton Region Small Business Centre
- Co-Chair the town's Tariff Task Force to support businesses that will be impacted by trade measures between the United States of America and Canada, including the development of an online tariff resource hub and hosting a Trade Talk event for businesses, in partnership with Halton Go Global Business Centre, Export Development Canada and Global Affairs Canada's Trade Commissioner Service
- Update the Brownfields Community Improvement Plan (CIP)
- A Municipal Accommodation Tax (MAT) utilization strategy
- Create an MOU between key town departments to support priority development applications
- Launch a new Business Retention and Expansion (BR+E) program to gain a stronger understanding of current operations, priorities, and challenges facing the business community and to introduce department supports
- Work with the Midtown Oakville team to develop an Economic Development Plan for the area
- Continue to support the film industry in Oakville by coordinating film days, developing Oakville's locations library, improving guidelines for productions, organizing another familiarization tour for location scouts, and reporting to Council on the Film Pilot Program
- Explore the potential purpose, scope and involvement in Foreign Direct Investment (FDI) activities

- Continued support of the Ontario Auto Mayors initiatives to promote growth in the automotive sector and respond to the threat of tariffs

CONSIDERATIONS:

(A) PUBLIC
N/A

(B) FINANCIAL
There are no financial implications as this report provides an information update to Council.

(C) IMPACT ON OTHER DEPARTMENTS & USERS
There is no impact on other departments and users.

(D) CORPORATE STRATEGIC GOALS
This report addresses the corporate strategic goal(s) to:

- Enhance our economic environment
- Continuously improve our programs and services
- Be accountable in everything we do
- Be the most livable town in Canada

(E) CLIMATE CHANGE/ACTION
N/A

APPENDICES:

Appendix A: Competitive Position

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Recommended and Submitted by:
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