



City of Richmond

Report to Committee

To: General Purposes Committee
From: Cecilia Achiam, MCIP, BCSLA
Director, Administration and Compliance
Re: BizLink – Richmond's Business Development Initiative

Date: February 6, 2013

File:

Staff Recommendation

That the attached staff report, titled "BizLink – Richmond's Business Development Initiative", dated January 21, 2013, and presenting **BizLink**, Richmond's proactive business retention, expansion, attraction, partnership development and promotional initiative, be received for information.

Cecilia Achiam, MCIP, BCSLA
Director, Administration and Compliance
(604-276-4122)

Att. 2

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Corporate Communications	<input checked="" type="checkbox"/>		
Sponsorship Development	<input checked="" type="checkbox"/>		
REVIEWED BY DIRECTORS	INITIALS: 	REVIEWED BY CAO	INITIALS:

Staff Report

Origin

BizLink is Richmond's comprehensive business development program, designed to facilitate and enhance the planning, implementation and monitoring of Richmond's ongoing business retention, expansion, attraction, partnership development and promotional efforts. The program will establish a structured platform for the City of Richmond to effectively and efficiently engage, service and support existing Richmond businesses, attract new ones and develop partnership prospects.

Strategically, implementation of **BizLink** directly supports multiple priorities under Council's term goals, as follows:

- Council Term Goal 3.1: *"Increase the economic development activities in the City."*
- Council Term Goal 3.2: *"Foster a collaborative economic development culture within the City where the City and businesses are working together to build on and seize opportunities in a faster, more efficient manner, with critical mass."*
- Council Term Goal 3.11: *"Increase the focus on business retention."*

Operationally, **BizLink** will enable Richmond businesses to seamlessly access City Hall information and services, specifically developed to meet the needs of business clients and prospects. This initiative will also supply the analytical framework for measuring the progress of the City's Economic Development Strategy (to be updated in 2013). In addition, the program will enhance the reach and efficiency of a range of day-to-date economic development activities, such as promotion of Richmond as a business destination, response to information requests and management of client accounts.

The **BizLink** initiative was presented to and endorsed by the Richmond Economic Advisory Committee in late 2012.

Analysis

Overview

Along with policy development, business development is a major vehicle through which Richmond continues to maintain a strong local economy and a healthy business tax base (businesses are accountable for 44% of Richmond's tax revenues). While the City has a solid track record in servicing business clients, business inquiries are handled ad-hoc and in reaction to incoming requests. A reactive business development model has resulted in the economic development office being called upon to address issues rather than generate business for the City. In contrast, **BizLink** will enable the City to:

- Engage – proactively reach out to the entire Richmond business community.
- Communicate – establish a consistent messaging platform for the City to reach its business audience, combining multiple communication channels (e.g. "Business in

Richmond” e-newsletter, social media channels and web presence) through a single-click information access and data update portal.

- Target – concentrate business development efforts on sectors of strategic significance to Richmond’s long-term economic prosperity.
- Capitalize – generate business partnership opportunities and raise private funding for City events, facilities and other community opportunities.
- Streamline – continue to address incoming business requests for liaison and facilitation with other City departments while collecting business intelligence for future areas of potential policy development and internal process improvements.
- Measure – systematically measure local business and sector performance to assess the state of Richmond’s local economy, providing for more agile business policy development amidst times of rapid change and volatility.

Program Components

The **BizLink** initiative is comprised of four distinct elements, with the rationale, benefits and elements of each program component detailed below.

1. Annual Business Development Campaign

Richmond’s proactive business development efforts in the past have been driven either by specific opportunities, such as the various 2010 business programs (the Richmond Revealed initiative, the regional Olympic Business program and the O-Zone hosting program) and community events (the 2012 economic outlook event at the Richmond Olympic Oval or the Maritime and Tall Ships festivals), or through sporadic referrals by Council, staff members, business organizations and other businesses. Furthermore, the introduction of a Sponsorship Development function created an impetus for the City to systematically nurture and develop partnerships with local businesses to raise funding and value-in-kind contributions towards City initiatives.

In 2011, the economic development office launched a small-scale pilot to test the uptake for a potential ongoing outreach program in the business community. An initial business survey targeted over 50 Richmond businesses. At a response rate of 52%, 26 surveys were completed and a number of initial meetings with businesses took place in 2012. Through the information gathered during the pilot, the business survey was refined into its final form (**Attachment 1**), a set of communications, account management and data analysis tools were developed and an annual business outreach campaign process was established. In the last quarter of 2012, 11 business retention and expansion opportunities were proactively generated from the completed surveys and subsequent business meetings.

The pilot achieved a substantial response rate (number of surveys as percent of total businesses targeted, at 52%) and a significant conversion rate (number of opportunities created as a percent of total businesses targeted, at 22%). The success of the pilot demonstrated uptake in the business community and established the case for an ongoing annual proactive business development program.

The 2013 campaign is planned to be launched under the **BizLink** label. Between 100 and 150 businesses in Richmond's strategic sectors, such as transportation and logistics, manufacturing and technology, will be targeted during the 2013 campaign. Businesses will be invited to complete the outreach survey which will provide the basis for identification of expansion, retention or partnership development opportunities for staff to pursue. It is envisioned that, to be able to accurately track and reflect business movement, **BizLink** needs to reach out to the same set of businesses every three years.

2. Business Account Management & Performance Measurement System

A cloud-based application has been customized to meet Richmond's needs and implemented to record **BizLink** activities and results. It has been developed based on the requirements of multiple City functions – Economic Development, Business Liaison and Sponsorship Development – and allows for simultaneous, real-time management of multiple aspects of the City's combined business development functions including: business outreach campaigns, company surveying, account management, and opportunities tracking. A powerful reporting function allows for ongoing reporting and performance measurement of the City's business development activities. The status and results from economic development and sponsorship initiatives are visible in real time, as demonstrated by the dashboards included in **Attachment 2**.

3. Richmond Business Information and Access Portal

In conjunction with the annual **BizLink** campaign, the City has developed a business outreach information portal, specifically developed for a business audience. The portal will be hosted at the www.businessinrichmond.ca domain and will provide instant access to:

- Information on the advantages of doing business in Richmond
- Detailed printable profiles of Richmond's strategic industries
- A comprehensive, interactive data section, providing current statistics specific to Richmond's economic performance
- Economic development and business liaison services for businesses that are based in or are looking to locate to Richmond, including participation in the **BizLink** program
- A central broadcast and access point for current local economic development content, including social media (@RichmondEDO Twitter account and Richmond Economic Development Facebook page) and the "Richmond in Business" e-newsletter

The portal will be linked from the City of Richmond website and will link back to other City of Richmond services for businesses, such as obtaining a business license or accessing City tenders. The businessinrichmond.ca platform will become the main vehicle through which all economic development content and communication will be managed and updated, thus generating efficiencies in the delivery of economic development services to businesses. Through on the ground promotion online positioning, businessinrichmond.ca will become a significant point of access through which Richmond businesses reach City of Richmond services and business-related information. The business information and access portal is scheduled to be launched at its permanent businessinrichmond.ca domain on March 1, 2013.

4. Reporting, Analysis & Process/Policy Recommendations

Over time, **BizLink** will become a turnkey platform for tracking performance of the City's business development programs and the health of the overall Richmond economy. The program will generate consistent data that will become the basis for future analysis related to identifying gaps in business service levels, areas for improvement in City processes related to serving the business customer and opportunities for policy development towards a healthy Richmond business climate and a sustainable local economy.

Return on Investment

Comparing **BizLink** costs to its potential benefits, the initiative delivers a high return on investment in terms of both dollar value and economic impact. The upfront cost of implementing **BizLink**, including customization of the account management system and development of businessinrichmond.ca, is \$30,000, which was incurred from the 2012 economic development budget. Annual costs for the program are estimated at \$7,000, including annual license fees and businessinrichmond.ca hosting, to be covered from the existing economic development budget. In comparison, to date **BizLink** has been a contributing factor in the retention and creation of 1000 jobs and 500,000 square feet of commercial space and the generation of \$500,000-worth of sponsorship.

Financial Impact

BizLink has been developed at an upfront cost of \$30,000 from the 2012 economic development budget and is estimated to incur \$7,000 in annual maintenance costs from the existing economic development budget.

Conclusion

BizLink is a business development initiative implemented by the City's economic development and sponsorship development functions. The program's objective is to facilitate and enhance the planning, implementation and monitoring of Richmond's ongoing business retention, expansion, attraction, partnership development and promotional efforts. There are 4 inter-related and integrated components to the program: an annual business outreach campaign, an account management and performance measurement system, a business information and services portal and an ongoing reporting and process/policy improvement process. Comparing the minimal program investment required, at no additional costs to the City, to the combined tangible and intangible benefits generated to date, **BizLink** presents a remarkable future return on investment opportunity for both the City and the Richmond business community.



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**City of Richmond Business Outreach Survey**

Thank you for agreeing to participate in the Richmond Business Outreach Program. This survey has been developed to help the City of Richmond understand the needs of the business community and core industries. Results are used to help connect companies with available resources, and to aid in program and policy development.

The survey should take 10 minutes to complete, and all answers are kept in strict confidence.

1 Name: (required)**2 Title: (required)****3 Company: (required)****4 Email address: (required)****5 Telephone Number: (required)****6 In what year was your business established in Richmond?****7 What is the company ownership type?**

- ☐ Sole proprietorship
- ☐ Partnership
- ☐ Private corporation
- ☐ Public (listed) corporation
- ☐ Non-profit
- ☐ Social enterprise

8 What is your current annual revenue (in dollars)?

9 In the last 2 years, your sales:

- ☐ Increased
☐ Decreased
☐ Stayed the Same
☐ Not sure

10 Where are your current markets (please select all that apply):

- ☐ Local (within 800 mile radius)
☐ Canada
☐ United States
☐ Asia
☐ Europe
☐ Latin America
☐ India
☐ Other

11 Are you interested in growing your exports?

- ☐ Yes
☐ No
☐ Not applicable

12 Into which markets are you interested in growing your exports? (please select all that apply)

- ☐ Local (within 800 mile radius)
☐ Canada
☐ United States
☐ China
☐ India
☐ Latin America
☐ Europe
☐ Other (please specify)

13 If you selected other in the previous question, please specify:

14 Where are your current suppliers from (please select all that apply):

- ☐ Local (within 800 mile radius)
☐ Canada
☐ United States
☐ Asia
☐ Europe
-

- ☐ Latin America
☐ Other

16 Are you interested in growing your supplier base from:

- ☐ Local region (within 800 miles)
☐ Canada
☐ United States
☐ Asia
☐ Europe
☐ Latin America
☐ Other
☐ Not Applicable

16 Your company facility in Richmond is a:

- ☐ Headquarters
☐ Regional Head Office
☐ Satellite Office
☐ Subsidiary to Another Company
☐ Other

17 Your current Richmond premises are:

- ☐ Leased
☐ Owned
☐ Home-based

18 How much time (in months) is left in your lease?

19 The current size of your Richmond facilities is (in square feet):

20 Your current facilities in Richmond are:

- ☐ Too small
☐ Too large
☐ The right size

21 How many employees do you currently have?

22 How did the number of staff change in the last 2 years?

- ☐ Increase
 - ☐ Decreased
 - ☐ Stayed the same
 - ☐ Not sure
-

23 How do you expect your workforce to change in the next 2 years?

- ☐ Increase
 - ☐ Decrease
 - ☐ Stay the same
-

24 Are you experiencing difficulties finding and recruiting suitable talent?

- ☐ Yes
 - ☐ No
 - ☐ Not applicable
-

25 Overall, what are critical issues for your employees?

- ☐ Housing availability
 - ☐ Cost of living
 - ☐ Commute/transportation
 - ☐ Child care availability
 - ☐ Health & wellness options
 - ☐ Amenities & attractions
 - ☐ Volunteerism & community engagement
 - ☐ Environmentalism & green living choices
 - ☐ Other
-

26 Approximately what percentage of your employees live in Richmond?

- ☐ 0-25%
 - ☐ 25-50%
 - ☐ 50-75%
 - ☐ 75-100%
 - ☐ Not sure
-

27 What are some of the environmentally responsible measures taken to date to "green" your business?

- ☐ Water use reduction
 - ☐ Energy use reduction
 - ☐ Packaging reduction
 - ☐ Alternative transportation for employees
 - ☐ Waste reduction & recycling
 - ☐ Greener sourcing & supply chain
-

- ☐ Green buildings
- ☐ Other
- ☐ Not Applicable

28 What are some of the measures taken to date to make your business more socially responsible?

- ☐ Competitive wages
- ☐ Community volunteerism & engagement
- ☐ Sponsorship
- ☐ Charities
- ☐ Corporate social responsibility (CSR) reporting
- ☐ Other
- ☐ Not Applicable

29 Over the next 2 years, do you plan to take any of the following environmentally responsible measures to "green" your business?

- ☐ Water use reduction
- ☐ Energy use reduction
- ☐ Packaging reduction
- ☐ Alternative transportation for employees
- ☐ Waste reduction & recycling
- ☐ Greener sourcing & supply chain
- ☐ Green buildings
- ☐ Other
- ☐ Not Applicable

30 Over the next 2 years, do you plan to take any of the following measures to make your business more socially responsible?

- ☐ Competitive wages
- ☐ Community volunteerism & engagement
- ☐ Sponsorship
- ☐ Charities
- ☐ Corporate social responsibility (CSR) reporting
- ☐ Other
- ☐ Not Applicable

31 Are you currently considering changing the location of your business?

- ☐ Yes
- ☐ No

32 If yes, where are you considering moving your business to?

- ☐ Elsewhere in Richmond
☐ Outside of Richmond
-

33 Within the next 2 years, do you expect your business to expand?

- ☒ Yes
☐ No
-

34 If yes, what is the nature of the planned expansion? (please select all that apply):

- ☐ Lease more space
☐ Renovate current space to generate efficiencies
☐ Add products or services
☐ Invest in equipment & technology
☐ Hire employees
☐ Other
-

35 Do you anticipate any of the following constraints to your planned expansion? (please select all that apply):

- ☐ Financing
☐ Lack of skilled workers
☐ Lack and/or affordability of space & facilities
☐ Local regulations i.e. permitting, zoning, etc.
☐ Timing
☐ Other
☐ Not Applicable
-


36 Within the next 2 years, do you expect your business to downsize?

- ☐ Yes
☒ No
-

37 If yes, what is (are) the most likely downsizing strategy (ies)?

- ☐ Move into a smaller space
☐ Sublease part of premises
☐ Divest from business units portfolio
☐ Divest from equipment/technology
☐ Reduce workforce
☐ Other
☐ Not Applicable
-

38 What is the greatest opportunity your business may be presented with in the next few years?



39 What is the greatest challenge or threat your business may be faced with in the next few years?



40 Is your business facing any urgent issues in Richmond that require immediate attention?

- ☐ Yes
☐ No

41 If yes, please describe



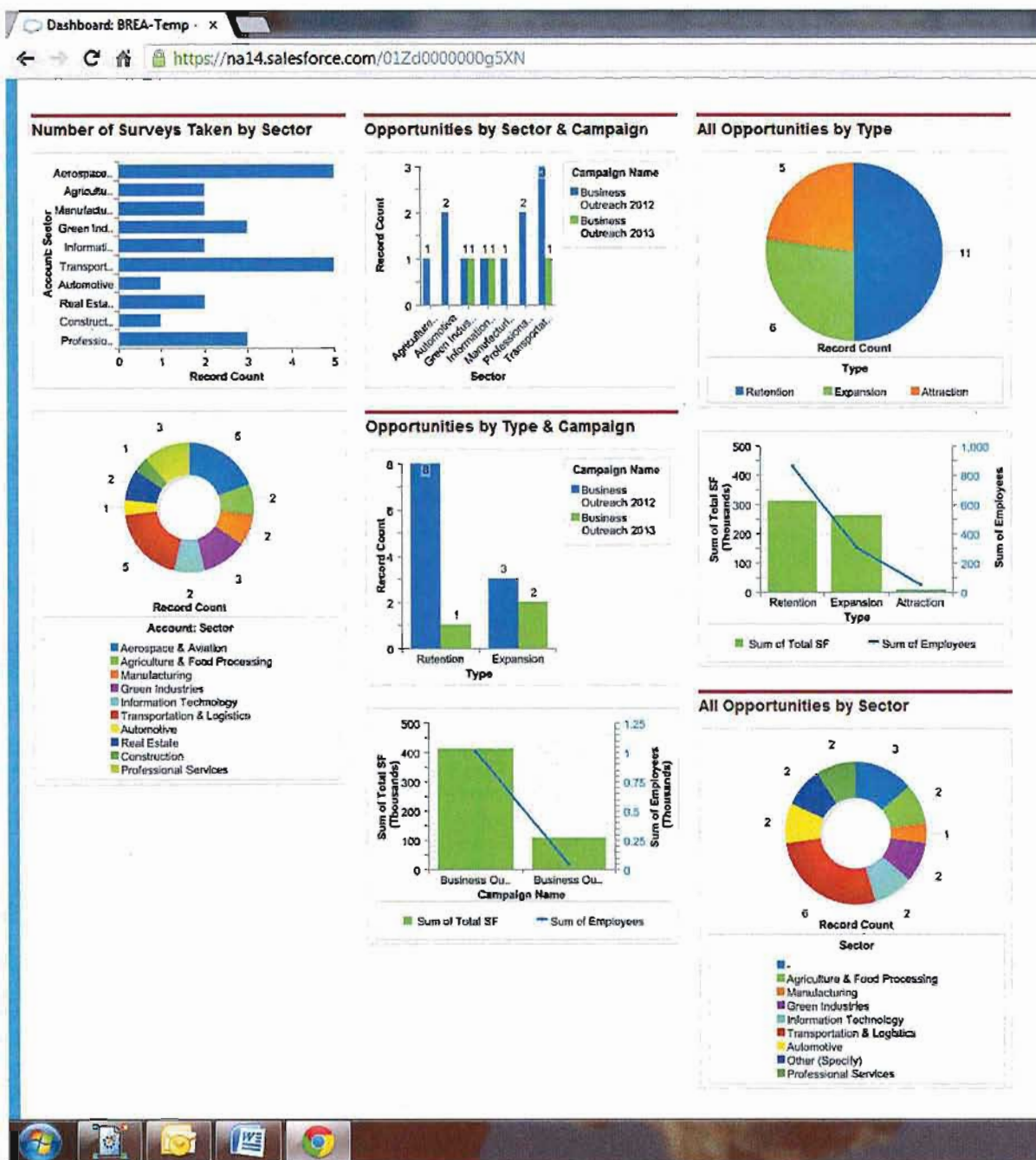
42 Do you wish to receive updates from the City of Richmond Economic Development Office?

☐ Yes – subscribe me to "Richmond in Business" – a monthly e-newsletter from the City of Richmond Economic Development Office highlighting business success stories, business-focused government news, new businesses and statistics

☐ No

43 Please enter any additional comments you may have:

Figure 1: Business Retention, Expansion and Attraction Dashboard



The economic development dashboard above indicates that BizLink outreach to date has generated 26 surveys and 14 economic development opportunities in various sectors. There were also 8 additional opportunities generated as incoming inquiries to the economic development office, from local business expansion and permitting inquiries, to relocation and facility search requests. Businesses occupying over 500,000 square feet of commercial space and employing more than 1,000 people have been assisted by the City's economic development function since launch of the pilot.

Figure 2: Sponsorship Dashboard



The sponsorship dashboard above indicates that the **BizLink** initiative has been a factor in the generation over \$500,000 in cash and in-kind contributions towards various types of City initiatives. It also reports on the dollar equivalents raised for each major City initiative (e.g. Maritime Festival 2012) and which sectors are most active in the community.