

Petawawa Economic Action Strategy

FINAL

March 26, 2018





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Executive Summary



Executive Summary

The Town of Petawawa has experienced unprecedented growth in recent years, thanks in part to expansions at Garrison Petawawa. Growth in the town has led to increased household income and disposable income, a generally young population, and growing purchasing power. In addition, Petawawa is positioned to benefit from tourism, as people become more familiar with the diversity of activities available in and around the Town which can draw from larger urban populations such as Ottawa.

While Petawawa's growth has netted many positive results, there are nonetheless some challenges facing the community. The growing population has not been accompanied by proportionate growth in retail, restaurants and personal services, and economic leakage is present with people travelling to Pembroke to spend money. There is also uncertainty about what to do with local assets to ensure they are capable of producing economic growth, such as private-sector opportunities associated with the Garrison, aerospace and the Pembroke and Area Airport, and maximizing trail assets and tourism opportunities more broadly.

Presently, Petawawa's economy is on the verge of a large transformation. The potential for growth and development is imminent. It is not a question of when, but how the transformation will unfold.

Building an Economic Strategic Plan that Works for Petawawa

Creating a strong and coherent Economic Action Strategy charts a course for developing the local economy in a way that is both intentional and flexible. When a community has grown significantly, many opportunities can present themselves, but they may not always be congruent with where members of the community envision it to be going. A clear path aligns community strengths and assets in an organized way, while addressing identified challenges in ways that illuminate opportunities for enhancement.

This Economic Action Strategy has been developed to guide Petawawa in its growth ambitions by focusing on things that are most likely to result in impacts. Above all, it is an action-oriented strategy with clear directions informed by thorough and inclusive consultation efforts, data analysis, and industry best practices.

Methodology

The methodology underpinning the strategy is based on two forms of information gathering:

- Secondary data gathering and analysis comprised of background documents, economic base statistics, sector-specific deep-dives into defence, aerospace, and tourism and trails, and a retail gap assessment
- Primary data gathering and analysis comprised of one on one interviews with Petawawa's Council and business community, focus group discussions with Town administration and local business/community leaders, and surveys of local residents and businesses. Consultations were also done with Garrison Petawawa, Pembroke and Area Airport, individual municipal senior administration, and County of Renfrew administration.



These above-listed data gathering and analysis efforts provide input for a Strengths, Opportunities, Aspirations, and Results (SOAR) assessment. The SOAR assessment represents a model of appreciative inquiry, which helps to go beyond where things currently stand in Petawawa and make important links to where the community wants to go in the future. It allows the action plan to be rooted in the desires of the community by identifying components of a vision and how best to understand if they are being met by actions undertaken.

From the SOAR analysis results, a **vision** for Economic Development in Petawawa is obtained, and a series of **strategic objectives** are created that align with aspirations identified in the SOAR that are grouped by theme. A series of **actions** that will lead Petawawa toward meeting each strategic objective is created. For each action item, a timeline is provided as well as considerations about partners to be involved, performance measures for monitoring progress, and cost considerations are provided. In addition, a distinction is also made between “core” and “non-core” activities, the latter of which represents opportunities for the economic development officer to support an initiative without leading it.

These different components are summarized in the graphic below.

Project Methodology Flow Chart



Articulating Petawawa's Value Proposition

Four specific sectors were looked at critically to understand what Petawawa's value proposition is for



each. These included private-sector defence, aerospace, tourism and trails, and retail, personal and restaurant services. A value proposition is the key messaging associated with growing the sector in question. It is based on careful consideration of the estimated long-term growth of the sector, its compliment to existing businesses or assets, the potential to have a significant impact on the economy, level of investment required, and the current state of the sector.

Economic Driver	Defence	Aerospace	Tourism & Trails	Retail, Personal & Food Services
What is the value proposition for the sector?	With Canada's largest active military Garrison and proximity to critical military locations in Eastern Ontario and Western Quebec, Petawawa is your competitively priced, connected, and supported location for defence-related entrepreneurs, contractors, and suppliers.	Affordable and available industrial land, low tax costs, and access to a 5,000' runway make Petawawa your ideal location for aerospace innovation, products and services.	Outdoor adventure, learning experiences, and cultural excitement meet affordable commercial properties, competitive taxes, easy highway access, and great development potential.	The population is booming with one of the highest median household incomes in Canada, strong regional growth, and a young population; all within a town that has room for commercial growth and regional demand for diverse amenities, large and small.

In addition to value propositions and opportunities associated with the above sectors, economic development also relies on different tools and approaches for different kinds of development. Therefore, Petawawa's economic development potential can only be maximized if the following dimensions of economic development are maximized:

- **Investment readiness and attraction** – Ensuring the town is ideally positioned for attracting industrial, commercial and tourism investment.
- **Business Retention and Expansion** –Ensuring existing businesses (large and small) in the community are positioned to grow and to be proactive about preventing businesses from closing, downsizing, or relocating out of the community.
- **Start-up/Entrepreneur Support:** Ensuring people interested in starting new businesses have all the appropriate resources at hand to launch new ventures through the brokering of relationships, guidance through regulatory processes, and partnerships with other economic development service providers such as Renfrew County Community Futures Development Corporation, Renfrew Enterprise Centre, and other area-partners.



- **Economic Gardening** – Ensuring that an environment is conducive to growth and inviting for investment through competitive infrastructure, quality of place aesthetic and assets, value-added business services or incentives, and talent pipeline development.

A Vision for Economic Development

Almost every stakeholder engagement method included some form of data collection about aspirations or visions for economic development in Petawawa. A vision for economic development is important because it identifies a future state beyond the timeframe of the Economic Action Strategy itself so that the Strategy can put in place the actions that will eventually lead to its broader outcomes.

Based on stakeholder engagement, Petawawa's vision for Economic Development is:

To create an environment that welcomes new growth and investment, supports entrepreneurship and local businesses, encourages and facilitates communications and relationship building, and attracts visitors in search of memorable experiences, escape, and entertainment.

The vision serves as the overarching framework to which all strategic objectives must align. If the vision is forgotten, people may forget why a given objective is important. Meanwhile, once the Economic Action Strategy is implemented, it will remain an important consideration for evaluating whether new opportunities or actions make sense. If they run contrary to the spirit of the vision, such ideas may require revision or dismissal in favour of alternative approaches or ideas.

Petawawa's Economic Action Strategy

Based on the information gathering and analysis, the results of the SOAR assessment and value proposition discussions, and based on the Vision for Economic Development in Petawawa, four Strategic Objectives have been developed, from which the action strategy emerges. The Strategic Objectives should be viewed as broad goals toward which the individual actions that accompany them will work. Though in the Economic Action Strategy below each action is comprised of multiple steps, for reasons of simplicity, just the primary action is summarized under its respective strategic objective.

Strategic Objective 1 - Enhancing the community and its profile as a place where businesses, residents, and visitors are excited to be.

1. Coordinate the development of a new Trails brand for Petawawa as the epicentre of trails adventure and develop its associated marketing.
2. Apply an experiential tourism framework to asset coordination and marketing to maximize tourism experiences for visitors based on cultural, recreational, and educational tourism components.
3. Ensure local Tourism Assets have listings on key online travel resources, such as TripAdvisor.
4. Support enhancing the connectivity of the Petawawa Trails System to Algonquin Trail.
5. Support the development of a concept for a town centre plaza.



6. Support the long-term development of a concept for redevelopment of Petawawa Boulevard and the Petawawa Bridge.

Strategic Objective 2: Elevating investment attraction to a targeted and intentional process that produces results that are consistent with the desires and vision of the community

1. Develop a comprehensive Community Profile and sector-specific fact sheets to promote investment.
2. Create a series of redevelopment scenario prospectuses for local under-developed properties and encourage redevelopment.
3. Create an online available properties tool that includes listing sheets for key commercial/industrial properties the Town or property owners are trying to sell.
4. Initiate an Investment Attraction Concierge Service to facilitate lead handling, permit requirements, applications, and procedural reviews.
5. Attract large commercial (retail/service/entertainment) investment to Petawawa.
6. Target “boutique” style retail and restaurants for smaller-scale investment attraction.
7. Advance business development relationships with national and multinational businesses that are contactors of Garrison Petawawa or Canadian Nuclear Laboratories (CNL).

Strategic Objective 3: Building an entrepreneurial system that nurtures growth, facilitates knowledge-sharing, and builds a stronger and more diversified private-sector economy

1. Initiate a series of post-retirement military entrepreneur support programs including defence-related entrepreneur start-ups, non-defence related entrepreneur start-ups, and succession transition support.
2. Grow aerospace opportunities through stronger collaborations with Pembroke and Area Airport.
3. Identify and promote the creation of a co-location space for local entrepreneurs to serve as a stepping stone for growing home businesses into larger operations.

Strategic Objective 4: Creating a municipal environment that builds and maintains relationships and improves communications between the Town and the community

1. Develop a communications plan for Petawawa’s economic development activities that identifies key messaging, branding, channels of delivery, and roles and responsibilities.
2. Enhance business retention and expansion services.
3. Explore the use of software to maximize the customer relationship management process: develop, monitor, and maintain relationships with existing businesses and prospective investors.



Chapter 1



1. Introduction

The Town of Petawawa has been one of Ontario's fastest growing communities, with a growth rate of 19% over the last 15 years¹. Home to Garrison Petawawa, the town's population boom is largely due to growth and expansion at the Garrison, which has implications on the local economy via increased purchasing power, surging household incomes, and a generally young population. Petawawa is also connected to a major thoroughfare for interprovincial transport via Highway 17. Being less than two hour's drive from Ottawa, Petawawa's tourism appeal is in a position to grow substantially. The CP Rail line conversion into the Algonquin Trail has the potential to deliver new visitors to Petawawa's own local trail system, the scenic Petawawa and Ottawa rivers, and other attractions available in town.

And while Petawawa's growth has netted many positive results, such as strong disposable income, improved recreation enhancements, and partnerships with the Garrison for access to additional amenities, there are nonetheless challenges facing the community. For one thing, the amount and diversity of amenities have not kept pace with the booming population. There is economic leakage, as residents spend money in nearby Pembroke or further afield. The economy lacks diversity as compared to other communities because nearly half of the working population works for the Federal Government, while areas such as manufacturing and other productive industries are only performing moderately for a community of its size.

Petawawa's economy is on the verge of a large transformation. The potential for growth and development is imminent. It is not a question of when, but how the transformation will unfold.

1.1 Striking a Path for the Future

Creating a strong and coherent Economic Action Strategy will chart a course for developing the local economy in a way that is both intentional and flexible. When a community has grown significantly and can be expected to continue its trajectory for the foreseeable future, many opportunities can present themselves, but they may not always be congruent with where members of the community envision itself to be going. A clear path aligns community strengths and assets in an organized way while addressing identified challenges in ways that illuminate opportunities for enhancement.

This Economic Action Strategy illustrates how Petawawa and its partners can work together to enhance employment, business support, and investment opportunities that will benefit the community. The Strategy is based on the premise that the community can develop a local vision and strategic objectives for what it wants to become, determine the actions that will lead it in that direction, and identify ways to measure and monitor whether progress is being made. If done systematically and in measurable increments, Petawawa can enhance its economic base while maintaining its core values and improving personal quality of life.

The Strategy has therefore built these considerations into a living document that can be updated and fine-tuned as time goes on. Shifting economic forces can arise that are beyond Petawawa's immediate control which may offer new opportunities or challenges, and this framework allows sufficient flexibility to

¹ Statistics Canada, Census Profiles, 2006, 2016.



address them as they materialize, while also setting clear and measurable actions designed to maximize time and budget resources. Above all, it is an action-oriented strategy with clear directions informed by thorough and inclusive consultation efforts, data analysis, and industry best practices.

1.2 Methodology

This Economic Action Strategy is the product of an extensive and integrated process. The project included comprehensive consultation and engagement in addition to rigorous analysis of background documents, statistics about the economic base, and a retail/services gap analysis. There has been particular interest in development opportunities associated with specific sectors. Deep investigations were done for:

- **Defence:** What are the key assets and opportunities for entrepreneurship and private sector growth associated with Garrison Petawawa?
- **Aerospace:** What are the opportunities for developing an aerospace cluster in Petawawa based on local assets including the Pembroke and Area Airport, skilled entrepreneurs, and available land?
- **Tourism & Trails:** What are the opportunities for enhancing and growing tourism in Petawawa through the development and enhancement of local assets and amenities including trails?

The research provided input for a Strengths, Opportunities, Aspirations, and Results (SOAR) assessment. The SOAR assessment represents a model of appreciative inquiry, which helps to go beyond where things currently stand in Petawawa and make important links to where the community wants to go in the future. It allows the action plan to be rooted in the desires of the community by identifying components of a vision and how best to understand if they are being met by actions undertaken. The SOAR model includes the following:

- **Strengths:** Positive attributes or assets currently present in Petawawa, particularly in comparison to the broader region and Ontario.
- **Opportunities:** Areas where Petawawa can remedy weaknesses or leverage strengths into competitive advantages.
- **Aspirations:** Areas where the community wants to be, serving as outcomes or an end-point following a series of actions.
- **Results:** The ways that progress will be evaluated.

From the SOAR analysis results, a **vision** and four **strategic objectives** for economic development in Petawawa are provided. A series of **actions** that will lead Petawawa toward meeting each strategic objective has been defined. For each action item, a timeline is provided as well as considerations about partners to be involved, performance measures for monitoring progress, and estimated financial requirements.

The methodology is summarized in Figure 1 below. Each of the above sections is elaborated in greater detail in the remaining chapters of the Action Strategy. Since the purpose of this undertaking is to be



action-oriented, the action plan is situated at the front of the document, with all supporting and background information in subsequent chapters or appendices.

Figure 1: Project Methodology Flow Chart



The Figure outlines the process for developing the Economic Action Strategy; from information gathering, to critical evaluation, to developing the action strategy itself.

1.3 Articulating Petawawa's Value Proposition

There are several key sectors that hold the potential to be developed, and it becomes necessary to identify to which are the strongest candidates for growth. This includes entrepreneurship, and defence,



aerospace, tourism, retail, personal and food services. A framework has been developed to identify which sectors make the most strategic sense to prioritize for active development, and which ones to address in more subtle ways.

Each aspect has been appraised against the following parameters:

- The estimated long-term growth of the sector in Petawawa
- The complement to the existing business base (fit in the local supply chain, similarity to local clusters, etc.)
- The potential to have a significant impact on the economy
- The municipal investment required to attract investment or encourage business start-ups
- The current state of the sector

Also, the framework poses three related questions:

- What is the Town's current ability to capitalize on the sector?
- What is the desired future situation by 2023?
- What is the Town's Value Proposition for the sector?

Figure 2: Description and Value Propositions of Economic Drivers

Economic Driver	Defence	Aerospace	Tourism	Retail, Personal & Food Services
Estimated long-term sector growth (nationally /globally)	Moderate	Moderate-Strong	Moderate-Strong	Very Strong
Complement to existing local economic base	Very Strong	Weak-moderate	Moderate	Strong
Potential to have a significant impact on local economy	Moderate	Weak	Moderate-Strong	Moderate-Strong
Municipal investment required to attract investment	Low-moderate	Low	Moderate-High	Moderate



Economic Driver	Defence	Aerospace	Tourism	Retail, Personal & Food Services
Current state of the sector	Weak-Moderate (unfamiliarity with existing businesses working with Garrison)	Weak	Moderate	Moderate
What is the Town's current ability to capitalize on the sector?	Strong: Increasing role of private sector in military affairs suggests opportunities may become available; however, Town requires proactive engagement in knowledge and capacity building, and stronger networks.	Weak: Current Airport-stakeholder relationship requires repair; potential for aerospace could be stronger if collaboration was stronger.	Moderate-Strong: A steady and growing population, renewed interest in development in Town, and interest in asset and amenity improvements all point to positive opportunities to tap into Ottawa or other urban markets. Avoid generic assets.	Very Strong: Investment is on its way, but what may be more important for Petawawa is encouraging and proactively attracting the 'right' kind of investment to suit the needs, tastes, and preferences of the community.
What is the desired future situation by 2023?	An established and interconnected defence-related private sector ecosystem composed of locally expanding and newly relocated businesses.	In a strong and productive relationship with Pembroke and Area Airport resulting in small-business growth related to aerospace and spin-off industries.	A primary destination for tourism for active, educational, and cultural tastes, characterized by tourism-business growth, increased overnight stays, and increased local spending.	To be a local and regional service and retail centre that has a mix of amenities to satisfy people's essential, casual, and entertainment needs.



Economic Driver	Defence	Aerospace	Tourism	Retail, Personal & Food Services
What is the value proposition for the sector?	With Canada's largest active military garrison and proximity to military locations in Eastern Ontario and Western Quebec, Petawawa is your competitively priced, connected, and supported location for defence-related entrepreneurs, contractors, and suppliers.	Affordable and available industrial land, low tax costs, and proximity to a 5,000' runway make Petawawa your location for innovative aerospace-related services.	Outdoor adventure, culture and learning experiences, meet affordable commercial properties, competitive taxes, easy highway access, and development potential for tourism-friendly business opportunities.	The population is booming with one of the highest median household incomes in Canada, strong regional growth, and a young population; all within a town that has room for commercial growth and regional demand for diverse amenities, large and small.

Critical Economic Development Activities

In addition to the industries identified above, consideration also needs to be given to embedding these forms of industry growth within a broader discussion of investment readiness, business support, investment attraction and other critical factors. These dimensions are outlined briefly here:

- **Investment Readiness and Investment Attraction:** These considerations relate to the ability to attract and secure new investment in Petawawa. This applies to both industrial and commercial applications. It also requires active marketing efforts. Locally, the emphasis should be placed on investment readiness and creating a development environment that is clear to navigate and which removes unnecessary barriers. Regardless of the industry, the Town should be a concierge or guide throughout the development approvals process. The Town will offer guidance on necessary steps and provide referrals to specific resources that are needed (e.g., external utilities, workforce supports). All related Town departments need to be working together to streamline development processes that enable development and entrepreneurship. It is one thing to say a community is open for business, but another thing to be open for business. In terms of investment attraction marketing, ideally, the County should have ongoing efforts to promote the region and collaborate with the Town on strategic direction and lead-handling.
- **Business Retention and Expansion (BR+E):** These considerations relate to the short-term objectives of building relationships with existing businesses, demonstrating or providing community support, addressing urgent business concerns and issues, improving communications, and retaining local businesses and jobs where there is a risk of closure. By actively working on these objectives, the Town will increase the competitiveness of local businesses which leads to new jobs and business development, establish and implement long-term strategic solutions, and strengthen the overall economy. A clear theme in stakeholder engagement was for stronger engagement with existing businesses and better communications about what is going on that may benefit them. A strong BR+E



program will produce both local business satisfaction and lead to new investment opportunities through their networks.

- **Start-up/Entrepreneur Support:** Small businesses account for over 80% of total employment in Canada. Encouraging a healthy start-up environment requires careful nurturing of new business ventures and strong advice to promising new opportunities. The role of the municipality is to help a new business owner navigate the gauntlet of paperwork and preparatory needs by brokering the supporting resources that already exist in the area. For traditional business development, awareness of the programs and services offered at the Renfrew Enterprise Centre, Canadian Forces Family Resource Centre, and Renfrew County Community Futures are imperative to creating a strong ecosystem for entrepreneurs.
- **Economic Gardening:** This concept relates to putting in place the amenities, infrastructure, and quality of place attribute that make for a nurturing and inviting environment for business. It also relates to considerations such as cultivating an ideal workforce and talent pipeline, succession planning, and business network nurturing. Developing the trails system is an example of economic gardening, because the asset may draw new business opportunities to the area that cater to users. Then there are the infrastructure factors such as people requiring high-speed and high bandwidth internet services (which Petawawa has), requiring office space for small or micro-sized businesses (which Petawawa lacks), and requiring access to the talent that will help them achieve their business needs or growth plans. Consultations pointed to a lack of a community focal point such as a town centre. These are examples of how economic gardening helps to foster and maintain an environment of growth.

1.4 A Vision for Economic Development

Every stakeholder who participated in the engagement was asked about aspirations or visions for economic development in Petawawa. A vision for economic development is important because it identifies a future state beyond the timeframe of the Economic Action Strategy itself so that the Strategy can put in place the actions that will eventually lead to its broader outcomes.

Based on stakeholder engagement, Petawawa's vision for Economic Development is:

To create an environment that welcomes new growth and investment, supports entrepreneurship and local businesses, encourages and facilitates communications and relationship building, and attracts visitors in search of memorable experiences, escape, and entertainment.

The vision serves as the overarching framework to which all strategic objectives must align. If the vision is forgotten, people may forget why a given objective is important. Meanwhile, once the Economic Action Strategy is implemented, it will remain an important consideration for evaluating whether new opportunities or actions make sense. If they run contrary to the spirit of the vision, such ideas may require revision or dismissal in favour of alternative approaches or ideas.



1.5 Strategic Objectives for Economic Development

Four Strategic Objectives have been identified to form the basis of the Economic Action Strategy. They have emerged from the aspirations identified during the SOAR Assessment and are closely tied to the spirit of the vision for economic development.

The strategic objectives are:

- **Strategic Objective 1: Enhancing the community and its profile as a place where businesses, residents, and visitors are excited to be.**
- **Strategic Objective 2: Elevating investment attraction to a targeted and intentional process that produces results congruent with the desires and vision of the community.**
- **Strategic Objective 3: Building an entrepreneurial system that nurtures growth, facilitates knowledge-sharing and builds a stronger and more diversified private-sector economy.**
- **Strategic Objective 4: Creating a municipal environment that builds and maintains relationships and improves communications between the Town and the community.**



Figure 3: Strategic Objective (rows) Relationships to Community Aspirations (columns)

	Enhancing Beauty and Place-making	Building Relationships with Garrison Petawawa	Becoming a Retail and Personal Service Hub	Creating a Diversified Economy	Improving Pembroke and Area Airport Relationship	Improving Business Relationships	Growing Tourism Development and Assets	Creating and following a Collective Vision
Objective 1: Enhancing the community and its profile as a place where businesses, residents, and visitors are excited to be.								
Objective 2: Elevating investment attraction to a targeted and intentional process that produces results congruent with the desires and vision of the community.								
Objective 3: Building an entrepreneurial system that nurtures growth, facilitates knowledge-sharing and builds a stronger and more diversified private-sector economy.								
Objective 4: Creating a municipal environment that builds and maintains relationships and improves communications between the Town and the community								

The Figure above outlines the relationship between four Strategic Objectives and various themes that relate to community aspirations.



1.6 Petawawa's Economic Action Strategy

The following section provides a series of action plans which directly support the economic development strategic objectives described above. These action plans should be interpreted in the following context.

In the action tables to follow, the level of priority has been based on several criteria including:

- The level of immediacy based on the Petawawa's economic development objectives
- The potential to contribute to the overall economic vitality and sustainability of Petawawa
- The resources required (i.e. the capacity to implement given the current state)
- Logical sequence of actions

The priority level assigned to each action item also corresponds to a specific timeframe. The time frame for each priority level may be operationalized as:

- Short (S) – 1 year
- Medium (M) – 2 to 3 years
- Long (L) – 3 to 5 years
- Continuous (C) – ongoing throughout the lifespan of the Strategy

Accompanying each action item is also a consideration for measuring performance toward the goal it is trying to achieve. Also, cost considerations are provided based on market estimates.

Core and Non-Core Activities

In addition to the priority levels, there are also considerations about whether the activity is a core or non-core function of the economic development officer (EDO). Activities in which the EDO plays a lead role are deemed core activities, and these are the majority of activities specified in the action strategy below. Meanwhile, non-core activities may require input or contributions from the EDO, but they are meant to be led by another component of the Town or other jurisdictions.

Strategic Objective 1: Enhancing the community and its profile as a place where businesses, residents, and visitors are excited to be

This objective has connections to investment readiness and economic gardening. As an outcome of this objective, Petawawa will increase its marketability by developing assets, enhancing quality of life and quality of place attributes, and building a tourist-friendly location.

Developing tourism assets, signage, and marketing are other ways to increase the profile of the community. As an added benefit, improving assets to draw more tourists to the area will also add to the appeal to locals, helping to prevent economic leakage, giving them things to do and turning them into ambassadors for visitor-attraction among friends and family. Developing a strong tourism brand does not have to be entirely about building experiences in the town itself, when Petawawa can also serve as a stop-



over spot, jump-off point, or extended stay area for people doing things in the region. When considering Petawawa's tourism assets, it is, therefore, useful to take into account the many things people can experience in the broader region. One critical opportunity is to continue developing Petawawa's value proposition as it relates to trails and marketing.

Quality of place infrastructure refers to the built elements of the community that add to the overall aesthetic, tone, and appeal of the community. There are several strong existing assets that already contribute to this concept, such as the extensive local trail system, which, in addition, to providing leisure space, are arteries for active transportation, allowing for scenic and practical mobility.

Ensuring that Petawawa continues to develop its trail assets is an important infrastructure undertaking that the economic development officer should contribute an important perspective toward because the asset can be used both for tourism and for increasing access to local businesses. Further connecting the local trail system to the newly opened Algonquin Trail would be an example of development that adds to the potency of the overall asset, while also adding to the appeal of Petawawa as a place to live and visit. While other municipal actors may lead the development, it is crucial that the potential impact on local businesses and development opportunities remain part of planning and implementation conversations.

Other examples of quality of place infrastructure enhancement include addressing the local desire to have more of a downtown core feel through the development of a town centre, and also the development of mixed-use commercial and residential zones that add a sense of micro-community to different neighbourhoods. Again, while the focus of these activities is not necessarily a core function of the economic development officer, it is important that economic development perspectives remain part of ongoing dialog relating to these developments.

Widening of the bridge to Garrison Petawawa and widening Petawawa Boulevard were also priorities raised by the community. It is understood that the road and bridge are not under Town jurisdiction and that the County of Renfrew is actively working on the file, but it is identified here to support any future efforts that go towards this enhancement. The improvement of traffic flow will not only lead to a better quality of life but may also lead to better access to commercial amenities and interest in investment in areas of redevelopment. Meanwhile, having a say in the overall aesthetic is something the EDO can contribute to from an investment attraction and tourism development perspective.

As was mentioned in the introduction, when it comes to development in Petawawa, it is not a question of when, but how the transformation will unfold. It is in the municipality's best interest to drive how the transformation of Petawawa Boulevard will unfold, and this can be best done with a Master Plan. While the timing and coordination of these developments are largely out of the hands of the economic development officer, it is essential that economic development perspectives remain part of the conversations and that the desire for redevelopment does not fall dormant. Working with all jurisdictions

As an example of redevelopment, Conception Bay South, Newfoundland, undertook a main street redevelopment plan recently because it was facing similar constraints as Petawawa. The community had grown significantly over a 10-year period, the majority of commercial businesses were stretched out along a single provincially-owned and managed highway, the town lacked a "downtown" core, and was suffering from economic leakage due to proximity to St. John's. Redevelopment planning allowed for a succinct and intentional approach to altering, revitalizing, connecting to a former rail bed trail, and enhancing the built environment for the benefit of the community and future investment.



who share responsibility, the benefit of such a plan is that the Town can direct where new development can be encouraged, what the overall aesthetic, look and branding of the areas should be, and jointly determine where priorities need to be placed. The economic development officer will, therefore, need to play a supporting role in providing information where appropriate that will add to the potential for an enhanced local economy as an outcome of the project.

Figure 4: Strategic Objective 1 – Enhancing the community and its profile as a place where businesses, residents, and visitors are excited to be.

Actions	S	M	L	C
<p>Elevating the Trails experience to the next level – Petawawa’s trail system will be connected to the Algonquin Trail, and there are also the Woodland and Nature Trails, Construction Bike Skills Park, and Petawawa Research Forest Trail. Also, Petawawa is close to the Forest Lea Trail system, which features advanced-level trails and hosts various Ottawa Valley Mountain Bike Association events. What the collective of these assets is lacking is a coherent brand that defines Petawawa as the epicenter of non-motorized recreational trails for all skill levels and interests.</p> <ol style="list-style-type: none"> 1. Coordinate the development of a new Trails brand for Petawawa as the epicentre of trails adventure and develop its associated marketing. <ol style="list-style-type: none"> a. Hire a marketing company to develop a concept for Trails branding for Petawawa that clearly identifies different target audiences, provides guidance on what they can expect from different experiences <ol style="list-style-type: none"> i. Promote Petawawa for extended stays ii. Ensure activities and options are bundled by theme b. Develop Marketing Materials to promote the branding, including online marketing tools. c. Identify target audiences for visitor attraction and use marketing tools to reach them. d. Improve signage so visitors know what is easily accessible by trail. <ol style="list-style-type: none"> i. Work with County and Ottawa Valley Tourist Association to look at providing visitor information postings at Algonquin Trail junctions. 	S	M		
<p>Role: Core Partners: Internal / Ottawa Valley Tourism Association, County of Renfrew Cost: marketing: \$5-\$7,000; capital: \$10-\$12,000</p> <p>Performance Measures: Brand identified and marketing program implemented; increased trail users; increase traffic on landing page via marketing links</p>				
<p>The report identifies three interconnected tourism activities, events, and assets that define the type of experience they produce: recreational tourism, educational tourism, and cultural tourism. Where any two categories overlap, there is a value-added tourism experience. For example, an asset such as Heritage Village represents the convergence of cultural and educational tourism, leading to a richer experience. When all three experience types converge,</p>	S			



Actions	S	M	L	C
<p>the result is known as the “sweet-spot.”² The sweet spot is what helps define an asset, event or activity as unique. An example is the Paddle Fest where Petawawa and Pembroke collaborate annually for a weekend-long event.</p> <p>2. Apply an experiential tourism framework to asset coordination and marketing to maximize tourism experiences for visitors based on cultural, recreational, and educational tourism components.</p> <ul style="list-style-type: none"> a. Using the existing Petawawa Tourism Asset inventory, identify the types of experience each tourism asset is most closely affiliated with b. Identify a series of packages that promote bundles of different experiences together and work with Ottawa Valley Tourist Association to market them (note: not all components need to be only in Petawawa) c. Grow Tourism awareness by adhering to the following best practices: <ul style="list-style-type: none"> i. Install effective signs to steer visitors toward local retail, eating, entertainment, and tourism options ii. Continue to develop the “Ask a Local” campaign and strive to keep local businesses involved in building tourism awareness among travellers and visitors iii. Promote Petawawa’s Things to Do webpage and ensure all additional marketing materials channel visitors back to this central information hub iv. Tell great stories by hiring journalists of nearby communities to help draw attention to local assets and experiences; this could include fam tour planning in conjunction with Ottawa Valley Tourism Association or Renfrew County; follow-through with media to encourage positive write-ups about experiences in Petawawa v. Get local assets photographed professionally so that they can be displayed online in palatable ways 				
<p>Role: Core Partners: Ottawa Valley Tourism Association Cost: \$3-\$5,000 per year</p> <p>Performance Measures: Increase in overnight stays; increase in tourism-associated spending</p>				
<p>3. Ensure local Tourism Assets have listings on key online travel resources, such as TripAdvisor.</p> <ul style="list-style-type: none"> a. Working from Petawawa’s Tourism Asset Inventory, identify assets such as the Petawawa Trails System, and other high priority assets that do not yet have online profiles on key travel websites. b. Develop profiles if the asset is owned by the municipality, or promote the development of profiles for assets that are not owned by the municipality. 	S			

² These three spheres of tourism development represent areas that overlap to create combined tourist experiences. A larger discussion of these spheres and examples of local assets that fall into each is provided, their areas of convergence, and the “sweet spot” at which point all three overlap, is provided in Section 2.3 Sector Deep Dives.



Actions		S	M	L	C
<ul style="list-style-type: none"> c. Identify a team of volunteers to develop positive reviews of the assets and to share links with friends and family to also evaluate them d. Promote opportunities for community members and visitors to share reviews, stories, and personal pictures of their experiences e. Celebrate key TripAdvisor and other media milestones with social media. 					
Role: Core Partners: Local cultural groups, tourism outfitters, tourism businesses Cost: minimal Performance Measures: List of assets that are missing profiles has been developed; missing items have had profiles added; increased user feedback and sharing has happened on assets and sharing					
4. Support enhancing the connectivity of the Petawawa Trails System to the Algonquin Trail. <ul style="list-style-type: none"> a. As other Town departments work toward linking the local trail system to the Algonquin Trail, ensure planning reflects economic and tourism needs or opportunities in the town b. Generate social media releases that underline the economic benefits and opportunities of key milestones being surpassed 			M		
Role: Non-Core Partners: Internal Cost: capital: to be determined; marketing: marginal Performance Measures: Increased active-transit flow on roads connecting to Algonquin Trail, increased traffic from trail to local businesses					
Addressing a key item noted by many stakeholders, a “town centre” is needed to serve as a focal point for community members and visitors. While the economic development officer is not expected to lead this cause, input on economic impacts and opportunities cannot be overlooked. 5. Support the development of a concept for a town centre plaza. <ul style="list-style-type: none"> a. Remain an active contributor to the consultation, planning and design phases of the project to ensure the development leverages existing economic assets, creates new development opportunities, and would help grow tourism 			M	L	
Role: Non-core Partners: Internal and Renfrew County; Granting Agencies Cost: to be determined Performance Measures: n/a					
6. Support the long-term development of a concept for redevelopment of Petawawa Boulevard and the Petawawa Bridge. <ul style="list-style-type: none"> a. Once the redevelopment undertaking has been confirmed by the County, ensure economic development considerations remain entrenched in consultation, design and planning aspects redevelopment. 				L	
Role: Non-core Partners: Internal and Renfrew County Cost: undetermined Performance Measures: n/a					



Strategic Objective 2: Elevating investment attraction to a targeted and intentional process that produces results that are consistent with the desires and vision of the community

The purpose of this strategic objective is to focus Petawawa's attention on the things that will make for more efficient investment attraction activities while adhering to the broader desire of the community to grow "smartly." Feedback indicated a desire for many new amenities, and while box stores and other large retailers are attractive, growth in these areas should be balanced by growth in areas that also add to the uniqueness of the community and add to its overall diversity.

In 2015, Petawawa developed an Economic Profile brochure, which presented an overview of some information relevant to potential new businesses, particularly external to Petawawa. With such explosive population growth, positive median family income levels, young demographics and competitive tax and development costs, Petawawa is positioned to revisit the notion of another community profile; however, the content should include a more comprehensive and detailed overview of the entire community. Such a profile would typically include the following information:

- Demographics – Population size and growth, age profile, language, mobility characteristics, level of education, income
- Labour Force characteristics – Key employment indicators, occupations, industry, place of work, Import/Export of labour, General Wages by Occupation
- Key Industries – Canadian business patterns, major local employers, key unique businesses
- Transportation and shipping – Distance/access to highways, intermodal rail terminals, international airports, ports, major Canadian/US cities, border crossings
- Taxes and Utilities – Local property tax rates, federal/provincial income tax, electricity, gas, water/wastewater, communications infrastructure
- Planning and Development Considerations – Planning Review Team; Planning Advisory Committee; development-related fees and charges
- Development Opportunities – Commercial and industrial properties including maps
- Business Support Programs and Services – Government, education, employment training, real estate support, economic development services, government incentives (all levels)
- Quality of Life – Housing characteristics; health, social and community services; transit services; emergency and protective services; recreation and tourism; community assets, events, cultural resources and aesthetics, and; local media contact information

The community profile should feature quotes from local business and community leaders that can apply to each of the categories listed above. It should be accompanied by quick-fact sheets developed for specific target audiences, such as entrepreneurs, investment attraction, and residential developers. A strong community profile acts as both a tool for investment attraction and means of generating local pride. It must be celebrated because, particularly in the case of Petawawa, there is a lot of good news to share.

Next, in line with themes of redevelopment already discussed above, Petawawa is in a position to also develop a series of land redevelopment prospectuses in cooperation with property owners. A prospectus



is a brochure-type document that highlights an investment opportunity for redevelopment by illustrating the kind of new development that can be undertaken in the same space as an existing building. It provides considerations and specifications related to the future development, and estimates return on investment that is attainable through redevelopment. If zoning permits, some properties may help develop a micro-hub by mixing residential and commercial development. Feedback from stakeholders pointed to the opportunity to increase seniors' housing and to ensure healthcare amenities are sufficient, which also both relate to building a community that invites investment and encourages retention of local spending dollars. Redeveloping land can result in these and other needs being met.

Direct commercial investment can be looked at as two different audiences; one which represents large national chains and franchises, and the other that represents small "boutique" chains of a limited number of establishments (often by the same owner). Each represents strong possibilities for Petawawa. On the one hand, both the retail gap analysis and stakeholder consultations indicated that Petawawa's retail environment could be expanded regarding clothing, accessories, and brand-name companies, while people also wanted fun things to do such as pubs and unique places to eat or meet people. Other forms of entertainment were also identified, such as a larger movie theatre or entertainment complex. Expanding to a tourism perspective, quirky and one-of-a-kind establishments attract visitor attention, but there is also often a desire for a specific level of quality. Petawawa will, therefore, need to become involved in a careful balance between targeting the right large retailers, personal services, or restaurants, with targeted activities to smaller, limited-run establishments that are looking to expand to a second or third location.

For large commercial investment, there are also specific venues and activities that serve as sources for leads. For instance, the development of a pitch-deck to present to prospects and attendance at trade shows such as the International Council of Shopping Centres' (ICSC) annual conference in Toronto help spread the word about investment opportunities in Petawawa. Because Petawawa has such impressive demographic numbers, even in consideration of Pembroke, the town stands to gain substantially from intentional engagement with key attendees at the ICSC.

Finally, in regard to investment attraction, there are the large corporations that have strong relationships with the Canadian Military and the Garrison. While small business and entrepreneurs from existing military personnel will be addressed in the next action, this section deals exclusively with the large companies. Discussions with Garrison Petawawa representatives indicated there are different levels of procurement, from locally-sourced to internationally-sourced. Petawawa's opportunity lies in national and international sized corporations that may consider an enlarged local presence in Petawawa to be an advantage in the future. Understanding who the key providers are, where they are currently located across Canada, and building connections with leads within the companies may open opportunities for expansions into the area. Similarly, for the Canadian Nuclear Laboratories that are currently undergoing a transformation, there may also be opportunities to attract the attention of large corporations involved in that project.

In sum, the action plan will address investment readiness tools and marketing of various growth opportunities to specific audiences, including two broad forms of commercial investment and defence and nuclear-related investment.



Figure 5: Strategic Objective 2 – Elevating investment attraction to a targeted and intentional process that produces results that are consistent with the desires and vision of the community

Actions		S	M	L	C
1. Develop a comprehensive Community Profile and sector-specific fact sheets to promote investment. <ul style="list-style-type: none"> a. Commission or develop a Community Profile. b. Commission or develop sector-specific Quick Fact sheets for target audiences (e.g. retail/restaurants, residential/mixed-use developers, tourism, etc.). c. Ensure the Profile and Quick Facts are available online and in print format. 		S			
Role: Core Partners: Internal Cost: \$2-\$10,000 (depending on the level of quality and whether done in-house or outsourced). Performance Measures: Number of profile downloads; number of hard-copies shared; number of follow-up leads from Profile information.					
2. Create a series of redevelopment scenario prospectuses for local under-developed properties and encourage redevelopment. <ul style="list-style-type: none"> a. Identify a list of key local properties that are under-developed and approach local owners to offer the prospectus development service for free Key considerations include: <ul style="list-style-type: none"> i. The prospectus will enlighten the owner about the possibilities for increasing the value and return on investment for redeveloping the property. ii. If the owner is not interested in directly undertaking the development, the prospectus shows what someone else can do if they are interested in purchasing the property from the existing owner. b. With the list of finalized sites, use all relevant data related to zoning requirements, maximum height, parking requirements, mixed-use, taxes, development charges, return on investment, and other details to create development scenarios for each property, including visual aids. c. Develop prospectus for each property to encourage redevelopment. d. For properties that current owners wish to sell rather than redevelop, identify and approach key firms that specialize in the redevelopment of mixed-use properties that have commercial bottom floors and residential upper levels³. 			M		
Role: Core Partners: Internal / Possible funding available via Rural Economic Development Fund Cost: redevelopment scenarios: time only if done in-house, \$5,000 if outsourced; marketing: \$2-\$5,000 Performance Measures: Scenarios completed; number of scenarios shared; number of qualified leads related to scenarios; number of properties from initial list that were redeveloped.					

³ Relating to a key demand noted by local businesses, ensure that some investment prospectuses include considerations for office space.



Actions		S	M	L	C
3. Create an online available properties tool that includes listing sheets for key commercial/industrial properties the Town or property owners are trying to sell. <ul style="list-style-type: none"> b. Highlight key attributes, zoning considerations, servicing, mapping, and other visual aids that may help attract new development. c. Ensure the tool is regularly updated. 		S	M		C
Role: Core Partners: Internal; Cost: \$1-\$2,000 Performance Measures: Properties tool completed; properties tool trends					
4. Initiate an Investment Attraction Concierge Service to facilitate lead handling, permit requirements, applications, and procedural reviews. <ul style="list-style-type: none"> a. Prepare process flowcharts or checklists to expedite customer understanding (e.g., development approvals flowchart, list of important contact people, etc.). b. Provide a one-window solution for advice and information gathering needs by coordinating fast-track channels among appropriate Municipal administration. c. Promote and generate positive feedback about the existing pre-consultation process. d. Explore software options for customer relationship management. e. Market the service as a <i>Competitive by Nature – Business First Advantage</i>, and ensure the service is highlighted in any Community Profile or relevant Quick Facts sheets. 		S			C
Role: Core Partners: Planning Cost: internal process: no cost; branding/marketing: minimal Performance Measures: Increased customer satisfaction; decreased processing times					
5. Attract large commercial (retail/service/entertainment) investment to Petawawa. <ul style="list-style-type: none"> a. Develop a pitch deck and speaking points for investors. b. Have a list of available properties at the ready (vacant and underdeveloped) and quick facts sheets. c. Work with Renfrew County on a plan to jointly push for development in Petawawa. d. Prior to events such as International Council of Shopping Centres (ICSC) annual conference, study the list of attendees to identify key companies of strategic interest: <ul style="list-style-type: none"> i. Conduct research on minimum thresholds to scope prospects that match Petawawa. e. Attend the International Council of Shopping Centres' (ICSC) annual conference in Toronto to specifically address identified investment leads, while remaining open to additional considerations not previously identified. 			M		C



Actions		S	M	L	C
f. Follow trends in retail and commercial expansion to understand companies and retail-subsectors that are in search of growth opportunities.					
Role: Core Partners: Pembroke, Renfrew County Cost: \$2-\$3,000 per year with larger cost in first year to create pitch Performance Measures: Number of leads; lead-conversion ratio					
6. Target “boutique” style retail and restaurants for smaller-scale investment attraction.		S	M		C
a. Identify a list of businesses that have a small number of locations (usually owned by the same person or group). Consider pubs, fine dining, and specialty stores.					
b. Arrange business meetings with the listed businesses based on priority and fit to Petawawa. Ensure promotional materials such as the community profile and fact sheets are available to share.					
Role: Core Partners: None Cost: Minimal cost Performance Measures: Number of leads; lead-conversion ratio					
7. Advance business development relationships with national and multinational businesses that are contractors of Garrison Petawawa or Canadian Nuclear Laboratories (CNL).		S			C
a. Study Procurement Canada’s Defence Contracting award listings according to large companies that operate across Canada and which may benefit by having a satellite location in Petawawa.					
b. Continue to survey Unit Logistics representatives from across the Garrison to understand possible supply-chain gaps that can potentially be filled via local businesses or the attraction of existing businesses not already established in Petawawa.					
c. Attend the annual Canadian Association of Defence and Security Small and Medium Enterprise event in Ottawa to continue to grow networks and identify potential investment leads.					
Role: Core Partners: Garrison; Unit Logistics Chiefs Cost: Minimal. Performance Measures: Number of leads; lead-conversion ratio					



Strategic Objective 3: Building an entrepreneurial system that nurtures growth, facilitates knowledge-sharing, and builds a stronger and more diversified private-sector economy

This objective ties closely to local interest in developing an entrepreneurial cluster, via defence-related private sector enterprises, aerospace opportunities, and other innovative entrepreneurs in other sectors. Building on the assumption that entrepreneurs thrive in a healthy and supportive ecosystem, the objective seeks to cultivate an innovation cluster that stands apart from traditional start-ups in other industries.

For this section, entrepreneurs include small defence-related businesses generally composed of retired military personnel, retired military personnel that start businesses not affiliated with defence, military spouse business owners, and other small-scale businesses that are part of the broader creative economy (e.g. researchers, engineers, architects, planners, graphic artists, software designers, etc.). Petawawa has a large proportion of residents that own properties and the Town needs to be ready to support the growth of home-based businesses (so long as they meet zoning requirements). The action strategy will outline how the town can approach supporting the entrepreneurial system in Petawawa, from early advice through business support and referral (concierge) services.

In addition, there are some opportunity structures that can be worked on by the Town that will also lend support to the entrepreneurial sector, including Garrison contracting of local services and national procurement of specialty needs, and alignment of small local businesses with large corporations already active with Garrison Petawawa or the military more broadly.

Finally, a critical gap identified in local amenities is sufficient office space to support small-business growth. There are advantages to encouraging co-location of smaller businesses within a larger office environment, including growing networks, encouraging cross-pollination of ideas and knowledge-sharing, and identifying new business opportunities. Petawawa lacks in such a space.



Figure 6: Strategic Objective 3 – Elevating investment attraction to a targeted and intentional process that produces results that are consistent with the desires and vision of the community.

Actions	S	M	L	C
<p>1. Initiate a series of post-retirement military entrepreneur support programs, including:</p> <ul style="list-style-type: none"> a. Defence-related private sector start-up awareness and support (focused on private sector businesses engaged with Canadian Forces). b. Non-Defence-related or military-spouse entrepreneur start-up awareness and support (focused on private sector businesses that are not defence-related but are owned by former military personnel). c. Succession transitioning support (focused on linking retiring military personnel with existing businesses looking for new ownership). d. Assemble resources for each type of entrepreneur including lists of business loans/incentives, business development training and workshops and online resources and best practices. The idea is to be a steward, not the sole actor in leading the expedition. e. Form partnerships with key organizations such as Petawawa Military Family Resource Centre, Renfrew County Community Futures Development Corporation and Enterprise Renfrew County to conduct awareness workshops targeting active military personnel that are interested in post-military career options or to host career-related training events. f. Design a Resource Kit of key information essential to starting a business in Petawawa, support services available through the Town and partners, and capacity building resources available through external sources (e.g., online learning, guides, best practices, etc.) g. Initiate a peer-support and mentor system that links existing military-entrepreneurs with new ones seeking guidance. 	S			C
<p>Role: Core Partners: Garrison Petawawa; Petawawa Military Family Resource Centre; Renfrew County; Enterprise Renfrew County; Renfrew County Community Futures Development Corporation Cost: Staff time, plus in-kind support from partners</p> <p>Performance Measures: A resource package has been assembled for each sub-category; Number of consultations undertaken specifically related to each sub-category; number of new businesses assisted; survival rate.</p>				
<p>2. Grow aerospace opportunities through stronger collaborations with Pembroke and Area Airport (PAA).</p> <ul style="list-style-type: none"> a. Work closely with the PAA to build a growth-oriented relationship based on collaboration, lead sharing, and referrals b. Ensure airport staff are familiar with and supportive of Petawawa's Concierge Service (See Strategic Objective 2.4) 	S	M		C



Actions		S	M	L	C
<ul style="list-style-type: none"> c. Identify key contacts with University of Ottawa and Queens University Aerospace Engineering programs and promote opportunities for testing space (including drones, aircraft, aircraft components, or other aerospace considerations). d. Identify air-service companies that are experiencing growth and of the possible need for secondary or tertiary service locations and seek to attract them to Pembroke and Area Airport. e. Identify flight schools that are in search of second or third locations and promote PAA as an opportunity for expansion. f. Identify regional outfitter companies interested in expanding value propositions by attracting chartered flights. g. Promote opportunities for defence-related private sector entrepreneurship among military trades relating to aerospace. 					
Role: Core Partners: Pembroke and Area Airport, Member Municipalities Cost: marketing: \$2-\$3,000 per year Performance Measures: Number of aerospace leads generated; Number of new business ventures associated with aerospace sector.					
3. Identify and promote the creation of a co-location space for local entrepreneurs to serve as a stepping stone for growing home businesses into larger operations. <ul style="list-style-type: none"> a. Identify local commercial properties that can serve as a space for co-location and engage owners about the possibility of setting up a co-location space. b. Assist with developing a budget and business plan for operating the space, which includes considerations for possible funding support from partner organizations or granting agencies. c. Help to identify a brand and marketing campaign to promote the business space. 			M	L	
Role: Core Partners: Renfrew County; Rural Economic Development Fund Cost: significant range depending on whether Town leads throughout or private sector leads Performance Measures: Grant dollars match investment funding; co-location space initiated; vacancy rate declining					



Strategic Objective 4: Creating a municipal environment that builds and maintains relationships and improves communications between the Town and the community

Strong and coherent communications is a cornerstone of relationship building. Petawawa is in a position to strengthen its relationships with different stakeholders in Petawawa and the broader region. Though in many ways consultations have indicated that Petawawa is already an approachable and helpful municipality to conduct business in, there are also opportunities for further enhancing or formalizing relationship management so that time and money can be more efficiently allocated.

This final strategic objective represents the interactive element of the Town as it engages with different stakeholders and partners within or affiliated with the community.

First, a business retention and expansion protocol is needed to direct proactive business outreach in a regular and measurable way. The protocol will need to identify a leadership team, a visitation team, and an implementation team. Teams are not exclusive, and it is not uncommon that key people such as the Economic Development Officer and Director of Planning and Development to be involved in some way with all three teams. The important consideration is that each has a specific series of tasks that need to be accomplished for a solid business retention and expansion effort to progress. A tailored business retention and expansion program will not only improve relationships with existing businesses, but will prevent issues from getting out of hand, and potentially lead to new investment leads.

Second, the Town would benefit from a dedicated communications plan that serves as a guide to engaging with stakeholders and investors and which outlines a coherent approach for marketing Petawawa's brand. The resource could also drive an "open for business" message, reaffirmed by testimonials from new businesses that have increased the diversity of offerings locally. This will have the effect of also overcoming any unfortunate local narrative that commerce is run by a small, tight-knit community that obstructs competition.

Third, several key relationships affiliated with the Garrison are critical, including the Deputy Commander, unit logistics-leads, and Petawawa Military Family Resource Centre. These relationships need to be monitored, and contact needs to be maintained on an ongoing basis. Relationships need to be maintained to identify opportunities for local businesses to bid on local projects, entrepreneurship transition for retired members, and other activities. Similarly, relationship building with Canadian Nuclear Laboratories' affiliated large contractors may open doors for local involvement as subcontractors.



Figure 7: Strategic Objective 4 – Creating a municipal environment that builds and maintains relationships and improves communications between the Town and the community

Actions		S	M	L	C
1. Develop a communications plan for Petawawa’s economic development activities that identifies key messaging, branding, channels of delivery, and roles and responsibilities. <ul style="list-style-type: none"> a. Train all relevant staff, including non-core economic development, about the Plan, its objectives, and their respective roles or responsibilities in supporting, sharing, or promoting economic development-related information (e.g. other departments from strategic projects, Municipal Council, etc.) b. Investigate the prospect of hiring a public relations (PR) firm to assist with messaging and strategic outreach 		S			C
Role: Core Partners: Internal/ Rural Economic Development Fund Cost: \$8-\$10k; ongoing communications support to be determined Performance Measures: Social media metrics have improved; increased leads generated through newly implemented communications channels; improved stakeholder satisfaction levels					
2. Enhance business retention and expansion services. <ul style="list-style-type: none"> a. Implement an annual Triage BR+E survey to identify local businesses that are experiencing challenges that require immediate solutions, broader systemic challenges needing address, businesses demonstrating expansion opportunities, key supply-chain gaps, and priorities for improving local business satisfaction. A random survey guarantees results are generalizable to the broader business community in Petawawa, while also assigning statistically accurate rankings of key priorities for the Town to focus on improving. <ul style="list-style-type: none"> i. Use Triage results to follow-up with businesses on issues raised or to assist them in opportunities for expansion. ii. Identify network development, learning or workshop needs via targeted questions. b. Continue to support local businesses by coordinating business-focussed workshops on topics identified as important to local businesses. <ul style="list-style-type: none"> i. Identify partners that can serve as workshop collaborators or who can lead workshops related to identified areas of interest ii. Work with partners to host three to four workshops per year (consider alternative times and short-form sessions such as breakfast talks and lunch-and-learns to make sessions accessible). 			M		C
Role: Core Partners: Renfrew County, Renfrew Enterprise Centre; Renfrew Community Development Corporation Cost: BR+E survey \$10-20,000 Performance Measures: Number of businesses contacted via survey; overall satisfaction with Petawawa as a place to do business has improved; ratio of red-flag problem solving increasing; number of workshop attendees; number of follow-up consultations initiated via workshops.					



Actions				
S	M	L	C	
	M		C	
3. Explore software options to maximize the customer relationship management (CRM) process: develop, monitor, and maintain relationships with existing businesses and prospective investors. <ul style="list-style-type: none"> a. Collect testimonials from satisfied businesses that have experienced various Petawawa services, resources or processes (these can potentially be used in future marketing) b. If adopted, leverage the CRM to maximize information sharing and promotion of new or revised services/resources. c. Identify a group of business ambassadors that can help amplify specific messaging by choosing local business owners that are respected in the community. d. Monitor satisfaction among service recipients. e. Ensure that key relationships with the Garrison Petawawa Deputy Commander, the respective heads of logistics for each localized unit, and with Petawawa Military Family Resource Centre are maintained and updated. 				
Role: Core Partners: None Cost: Negligible Performance Measures: CRM entries increasing, number of testimonials has increased				



Chapter 2



2. Where have we come from?

Reviews were conducted of existing policy documents and related industry reports or publications relevant to economic development in Petawawa, as well as an economic base analysis, which took stock of Petawawa's demographic and economic trends and areas of competitiveness vis-à-vis other communities. A summary of these components is provided below, with further details in Appendix A.

2.1 Background Review – Summary of Findings

A series of existing Town of Petawawa documents were reviewed as well as relevant documents from partners and industry. Key themes identified are outlined below:

- The Town's Strategic Planning Document (2011) and Official Plan (2013) both set objectives or goals to grow and encourage the local economy and to anticipate and prepare for future growth. The documents lay a policy framework that is open to expansion, with consideration to the ability to control development so that it can be congruent with the values and needs of the community.
- The Pembroke and Area Airport's revitalization and the attraction of new investment through the development of airport lands would help drive the facility's long-term sustainability.
- With new policies and programs to prioritize Canadian companies in Canadian defense procurement, there are growing opportunities for small and medium-sized enterprises (SMEs) to work and develop the local aerospace and defense industries which would also help employ a growing veteran population. Currently, there is no official policy direction informing Petawawa's private sector defence objectives which would leverage the Garrison as a strong local asset, but there is an opportunity to explore and identify more local possibilities and policy directions.
- The region's trail system and outdoor recreation opportunities are Petawawa's most attractive tourism assets. However, there are gaps in tourism services and infrastructure within the town that have been identified and that are needed to improve visitor experiences. Specifically, in commercial roofed accommodation, food and beverage options, and tourist attractions and shops. Improved signage and amenities on the trail system are also identified as essential to growing trail visitor numbers.
- Discussions are advocated between Town officials and Garrison Petawawa staff to explore tourism opportunities such as military-related tourism expansion and the pursuit of year-round tourism activities that can be held on base.

2.2 Economic Base Analysis – Summary of Findings

The following represent key findings that have emerged from the Economic Base Analysis. Further details are provided in the supporting appendix. Sources consulted for this Base Analysis include Statistics Canada's Community Profiles (2006, 2011, and 2016), the National Household Survey (2011), and Canadian Business Patterns (2014 and 2016). In addition, qualitative information was obtained from municipal websites and other Provincial Government sources.



Key finding from the base analysis include the following:

- Petawawa's population has had an explosive growth rate, representing 19% between 2001 and 2016, and currently resting at 17,187 residents. At a time when many rural Ontario communities have been experiencing declines in population, Petawawa's growth bucks the trend most likely due to military expansion at Garrison Petawawa. Future growth may not be as significant; however, maintaining a healthy growth rate of a few percent is ideal.
- Petawawa is also characterized by a notably young population, with a median age of 30.8 years old, compared to 47.2 in Pembroke, 44.8 across Renfrew County, and 41.3 as a provincial average. The young population is also driven by the large military family presence in the community. A parallel asset which has grown out of this demographic is the range of amenities that have been developed on the Garrison, which are available to families of soldiers, as well as civilian families at affordable prices. Likewise, amenities in town can also support the large population, with possible room for growth.
- Household income has also been strong at just over \$86,000, which is indeed higher than the Ottawa region's median⁴. Moreover, Petawawa's competitive housing costs (approximately \$269,000) and low residential tax rates (0.851277% single residential, 1.477147% multi-residential) make for strong disposable income, which should be encouraging to investors.
- Petawawa's residents represented a labour force of 7,220 in 2016. With respect to Military employment, it is clear that the Garrison represents the strongest economic driver, with 52% of residents working in public administration of which the majority are military. When public administration is controlled for, Petawawa has comparatively strong employment concentrations in utilities, retail, health care and social services, and in accommodation and food services; however, Petawawa may be in a position to further strengthen its retail and related sector strengths, and to rebound its professional, scientific and technical services sector which has seen some slippage in terms of employment concentration. Slippage in professional, scientific and technical services is likely affiliated with recent changes at Canadian Nuclear Laboratories.
- Shifting from employment to businesses counts between 2014 and 2016, the town has seen increases in the number of construction companies (23 to 29), accommodation and food businesses (15 to 20), health care and social service operations (16-20), and transportation and warehousing businesses (1 to 3), while seeing declines in retail (40 to 35), real estate and rental and leasing (12 to 9), agriculture (2 to 1), and manufacturing (10 to 9). Importantly, all three growth sectors reflect the growing population, but stakeholder engagement activities indicate health and restaurants in particular are in further need of growth.

In sum, the Town of Petawawa's largest economic driver is the Garrison Petawawa, which employs over 4,000 residents, and drives up the median household income in the region, while reflecting a particularly young demographic. Controlling for public administration employment, key sectors where Petawawa residents are employed at a higher proportion than the province include utilities, retail, and health care/social services, while areas where Petawawa's concentration of businesses are stronger are in construction, accommodation and food services, and health care/social services. Key industries to look to safeguard include manufacturing and retail. A boom in population and high household income levels can be potential sources of future business growth.

⁴ CBC News Ottawa (Sep. 13 2017): <http://www.cbc.ca/news/canada/ottawa/ottawa-highest-median-household-income-1.4287521>



2.3 Deep Investigations

Deep investigations were conducted for three areas of strategic interest to understand better the existing state and opportunity structures associated with local assets and economic development in the future. Each investigation is presented in its respective sub-section below. The sectors include:

- Defence & Security
- Aerospace & Airports
- Trails & Tourism

Key Findings for Defence and Security Sector

The Canadian Armed Forces have invested heavily in Garrison Petawawa in recent years, including the relocation of several units and squadrons, the development of new facilities and infrastructure, and growing its workforce (regular force, reserve, and civilian). The Garrison represents a key strategic asset for the Town, and opportunities to further connect private sector involvement with the Garrison as well as enhance post-military entrepreneurship are sought.

This section presents an overview of key findings emergent from a Defence Sector Deep Dive, which is further presented in the Appendix.

Key Observations:

- The Defence Sector is Petawawa's single largest employer, and is a regional source of employment. Garrison Petawawa's recent expansions indicate a sustained long-term presence in the community, which can potentially be leveraged to produce stronger private sector defence-related businesses.
- Across Canada, the private sector defence industry (hereafter "defence industry") generated nearly \$10 billion in economic impact in 2014 through direct, indirect (i.e. supply chain), and induced spending (i.e. consumer spending). The sector is dominated by approximately 60 large businesses that each employ more than 250 people and control some 80% of sales and 90% of export. These larger corporations represent an opportunity for potential local start-ups that may become involved as sub-contractors under these larger corporations.
- The defence industry is characterized by seven sub-sectors that are not easily defined according to traditional North American Industry Classification System (NAICS) parameters because many NAICS categories include both military and non-military-related products and services (e.g. aerospace manufacturers may build helicopters for the military as well as civilian ones). Defence sectors include aircraft related activities, combat vehicle related activities, naval ship activities, command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) and related activities, firearms, ammunition and related activities, troop support activities, and live-personnel and combat training services. Petawawa is in a position to capitalize on a number of these areas by focussing on encouraging entrepreneurship among existing military personnel once they have transitioned out of the military.
- Conversations with Garrison representatives indicated that research and development activities for the military are highly specialized and go through approval processes with Ottawa's National Defence Headquarters (NDHQ). NDHQ has authority to grant permission for trial products developed by



companies for military purposes. While there may be local military personnel that are positioned to begin entrepreneurial careers in military-related product or service development, a potential source of investment attraction lies in the prospect of large existing corporations that may be willing to open satellite facilities in Petawawa, such as in its industrial park or on nearby airport lands.

- Procurement processes function on a range of cost bands that, at each subsequent level, have reduced degrees of discretion from a local level. Credit card purchases by units are available for products or services that cost less than \$5,000, while costs exceeding \$5,000 require a tendering process based on a standing offer. Standing offers can be issued locally (e.g., portable latrines), nationally (e.g., pens), or internationally (e.g., trucks). For economic development purposes, there is value to understanding which nationally-oriented defence contractors could potentially benefit from locating a facility in Petawawa's industrial park; particularly, if they can benefit from the Garrison and other potential local clients.
- For a community like Petawawa, understanding the existing service providers already working with the Garrison may reveal critical supply chain opportunities for new businesses or partnership opportunities with larger "umbrella" businesses.
- Competitiveness Considerations: With over 5,500 existing military personnel, Petawawa has a strong pool of potential entrepreneurs. While the majority of this population are comparatively younger, those nearing key career milestones may be ready to transition out of the military into the private sector if the opportunities exist. Petawawa has the largest existing military resident population, with the exception of Ottawa. On the other hand, the town lacks a small business centre or co-location space that could serve as a stepping-stone for growing businesses (be they military or not). Considering Pembroke has such a facility, Petawawa is at a competitive disadvantage. An additional benefit of such environments is that they create an ecosystem for networking, knowledge sharing, and business development. More broadly, Petawawa appears also to be lacking in general office space, which may explain slightly higher costs per square foot. Finally, average dwelling costs are slightly higher in Petawawa than in area comparators; however, the difference is tempered by notably lower single and multi-residential tax rates. The housing costs in combination with competitive tax rates may represent ideal environments for small home-based businesses in early stages of development.

Key Findings for Aerospace Sector

The aerospace sector, though in some ways related to defence, is a more civilian-oriented industry. Given that the Pembroke and Area Airport is located in Petawawa, the sector is, generally, considered to be an area of untapped potential. Importantly, the sector is not always tied to an airport; however, having an airport does bring a substantial contribution to Petawawa's value proposition for the sector.

Key Observations:

- Global commercial aerospace is expected to have another year of revenue growth and operating earnings, resulting in an expected \$750 billion in new aircraft investment. In Canada, the aerospace sector is projected to contribute just under \$28 billion to Canadian GDP, employ more than 207,000 people (via direct, indirect, and induced impacts).
- The aerospace sector is broadly conceptualized as being affiliated with aerospace manufacturing and its supply chain, and maintenance, repair, and overhaul (MRO). Furthermore, the sector can be expanded also to include air transportation itself and related services.



- A benchmarking exercise identified that Petawawa has two aerospace industries in 2016, one in scheduled air transportation which is most likely Bearskin Airline's specialized service for special needs students and one in support activities for air transportation, which is likely the Airport itself. In Arnprior, 10 businesses engaged directly in aerospace manufacturing, maintenance, repair, and overhaul (MRO), or transportation. In regard to labour force, Petawawa has a larger proportion of people with educations in computer and information sciences and services (college or university), engineering (university), engineering technologies and engineering-related fields (college), mechanic and repair technicians (college/trade schools), and precision production (college), then comparators, but the drawback is that a large contingent are likely already employed in the military or the nuclear research facility in Chalk River.
- The Pembroke and Area Airport has potential to be a strong asset for Petawawa, which can be leveraged to spur aerospace developments and other industries that could be situated on some of the 300 developable acres that surround the airport. A recently released business plan has positioned the airport in need of critical investment, but there have also been reservations expressed from some municipalities about the level of funding being requested.
- With the exception of mechanics programming, Pembroke's Algonquin College Campus does not have any technical training program that would be supportive of the specialized roles typically affiliated with aerospace manufacturing, MRO, or transportation, which would oblige people to travel out of the region for education, and also limit the ability to grow a talent pipeline that could support aerospace operations. There may be an opportunity for a small scale flying school at the airport.
- Diversifying the Value Proposition for aerospace and the Pembroke and Area Airport may be helped by growing businesses in the area more generally, which would help create a network and cluster. There has already been success of a local parachuting school at the airport, which has resulted in the creation of a separate business. Though not directly related to aerospace, these kinds of operations can help to raise the profile of the airport. There are case studies of airport lands being used to house solar operations, similar to the existing arrangement at Pembroke and Area Airport, but at a larger scale. Incubator spaces are also common on airports and may cultivate aerospace-related businesses or other tech-related operations. If Pembroke and Area Airport is looking to expand its revenue stream, building opportunities on its lands could help to pay for the above-mentioned infrastructure upgrades, while also growing local businesses.
- The most likely growth segment associated with aerospace is the encouragement of small, independent entrepreneurs among people that already live in the Petawawa area. These may be retired military personnel or other people that are familiar with aviation or aerospace. Forging connections with appropriate engineering departments in Ottawa or Kingston may also lead to aerospace-related activities. Learning what locations such as Arnprior have done to grow their aerospace sector and encourage businesses would be a strong starting point.

Key Findings for Trails & Tourism Sector

Trails and tourism are areas that have been in development locally in Petawawa in recent years. Petawawa is an active member of the Ottawa Valley Tourist Association and has driven local initiatives to develop a



series of trails. As areas such as Ottawa continue to grow, the willingness of residents to take growing interest in exploring regions in their backyards for leisure, escape, adventure and excitement hold strong opportunities for Petawawa. This section provides an overview of some key findings relative to Petawawa's tourism sector and trails.

Key observations:

- Tourism is a strong sector for Ontario representing over \$23 billion in GDP annually, and employing over 200,000 people directly. The largest visitor population is from the United States, which accounts for over 90% of the more than 12 million annual visitors. More locally, the Ottawa Valley Tourist Association identifies that Renfrew County, where Petawawa is located, had approximately 1.5 million visitors in 2015, who contributed some \$165 million in economic impact to the region.
- Trails development has seen a boom in recent years following a Provincial strategy released in 2010. The conversion of former rail lines into a new multi-purpose trail spanning from the base of Lanark County to the south through Renfrew County will open a new artery of potential visitors for communities such as Petawawa, who has also developed its own internal trails assets in recent years. Indeed, Petawawa's timing could not be better to be positioned to meet trail user needs and draw them into the community from the former CP Rail line, known as the Algonquin Trail.
- A review of Petawawa's tourism asset inventory has found a diversity of local assets that contribute to a positive tourism experience including assets at Garrison Petawawa, parks and trails, museums, and outfitters that complement the sector. At the same time, some gaps have been identified such as poor marketing of trails assets outside the municipal website, as well as the Emerald Necklace name for the system (referred herein as Petawawa Trail System), which could be confused with similarly named systems in the United States. A shortage of restaurants catering to tourism desires for unique, creative, local, memorable, and non-generic experiences has been identified. Relatedly, Petawawa's offering of shops and services that could complement tourism, whether trail users or other forms are underdeveloped.
- Approximately 7,500 vehicles pass by daily on Highway 17, which is positive, but far below Renfrew and Arnprior, whose numbers are approximately double. Petawawa has 7 TripAdvisor listings, of which none of them point to the trails network, representing an opportunity for growing exposure. Petawawa needs some local and far-flung brand ambassadors who can provide positive reviews on TripAdvisor and other popular travel-related resources. Identifying several key assets that do not have reviews yet and developing reviews is an important first step to growing exposure for the region. Cross-promotion across different review posts is the second step.
- Via a series of case studies, best practices indicate that creating a brand (or building on an existing one), marketing to a variety of audiences by leveraging different assets to different tastes, using influencers to steer attention to an area, and making sure trails and related asset marketing are consistent, accessible, and supported by cross-over facilities/amenities, etc. are methods that have been shown to generate positive tourism responses.

2.4 Retail Gap Assessment



A retail gap assessment was conducted for Petawawa and several area comparator communities. Based on the population in a given community as well as the daily commuters that travel to it, the assessment identifies whether sub-sectors in retail, personal services, and food services are under-supplied or over-supplied for a particular area. The findings help to clear some of the “noise” when thinking about the kinds of retail or other services that are in need in a community and can inform policy decisions about planning for new commercial developments and attracting investment in the sector.

A “gap” is defined as a specific industry sub-sector that does not have enough of a particular business type to meet local demand, based on how the rest of the province is normally composed, while a surplus means that there are potentially too many businesses in a given subsector for the existing resident and commuter population to easily sustain. Meanwhile, a gap that is exhibited across multiple communities may represent an opportunity to draw from an even broader catchment than would normally be the case, while a local gap may be impacted by a surplus in other communities in a push-pull way.

With that in mind, there are some exceptions to the notion of surplus retail which pertain to higher-order goods. These items represent the kinds of goods or services that people are willing to travel a larger distance to enjoy or purchase. For example, people are generally more willing to travel a greater distance to shop for a new car or an off-road vehicle than for some fast food or a pet groomer.

Petawawa was compared to Pembroke, Arnprior, Renfrew (Town), and Laurentian Valley. Key findings from the analysis include the following:

- The largest gap for Petawawa is in the food service and restaurants retail sector. Even though Petawawa has improved since 2014, the town is still significantly below capacity in full-service restaurants and limited-service eating places (fast food). Though statistically Petawawa is capable of supporting more limited service eating establishments, consultations have also indicated that there is a preference to focus on attracting a greater diversity of full-service restaurants. The opportunities in this category are even more relevant if tourism is a focus area of expansion for the community, as these types of establishments are essential for building a vibrant place for people to visit.
- In terms of full-service restaurants, there are no comparator communities that are over capacity; however many are under – such as Pembroke, Arnprior, and Laurentian Valley. This means there is a great opportunity for Petawawa to capture not only the local market, but also the surrounding market in this sector.
- Another gap for Petawawa lies in the clothing and accessories retail sector. The community is under capacity for woman’s clothing stores, family clothing stores, shoe stores, and jewelry stores. With a growing population and the desire to create more of a downtown core feel, there is an opportunity for more clothing and accessory stores to open up in Petawawa. When analysing comparator communities, Pembroke and Renfrew stand out as being over capacity in this retail sector. Specifically, Pembroke is overcapacity in men’s clothing, woman’s clothing, jewellery, and luggage and leather goods stores, while Renfrew is overcapacity in woman’s clothing, family clothing, and shoe stores. These markets may represent existing pulls for retail that would not necessarily commute to Petawawa for other shopping, whereas it is likely that many people from Petawawa already shop in Pembroke. It should also be noted that online shopping may pose a threat to stores in this retail sector, as well as the increase in minimum wages across the province which may reduce some growth outlooks for some retailers. This means stores that specialize in unique items and can draw from surrounding communities for reasons of uniqueness and quality may fulfil local niches in market demand for original goods. Also, key brand name stores that have good exchange policies for online



purchases may also compliment Petawawa. Moreover, given Petawawa's generally young population, some large-name retailers that target teens and young adults may be ripe for the community.



Chapter 3



3. Where do we want to go?

3.1 Consultation Results

Six forms of consultation were undertaken in support of the Economic Action Strategy. These included:

- Petawawa Senior Staff and Administration Focus Group – A session that focussed on understanding the Town's role in economic development activities, a vision for future economic development, issues or barriers impeding economic development success, and potential solutions to identified problems
- Business/Community Leader Focus Group – A session that invited local business and community leaders to participate in a guided discussion about Petawawa's economy, opportunities, and possible future directions
- One-on-one Council Interviews – Interviews with six councillors and the Mayor, conducted via open discussion format based on a semi-structured interview style
- One-on-One Business Interviews – Confidential interviews with 10 local businesses with the purpose of identifying how business needs are being met locally and identify potential supply chain gaps
- Online Community Survey – A short open-ended survey designed to explore local economic strengths, opportunities, and aspirations; participated in by 49 people
- Online Business Survey – A survey focussing on business retention and expansion considerations among local businesses; participated in by 14 local businesses

Detailed Results of each exercise are provided in the Appendix, and the results are integrated into the Strengths Aspirations Opportunities and Challenges (SOAR) Assessment below.

In addition to the above consultation methods, informal interviews were also conducted with Pembroke and Area Airport and Garrison Petawawa representatives.

3.2 Strengths Opportunities Aspirations Results Assessment

The SOAR assessment represents a model of appreciative inquiry, which helps to go beyond where things currently stand in Petawawa and make important links to where the community wants to go in the future, it accomplishes this by identifying components of a vision and how best to understand if they are effective. The SOAR model includes the following:

- **Strengths:** Positive attributes or assets currently present in Petawawa, particularly in comparison to the broader region (i.e., Pembroke, Renfrew County, etc.) and Ontario.
- **Opportunities:** Areas where Petawawa can remedy weaknesses or leverage strengths into competitive advantages.
- **Aspirations:** Areas where the community seeks to be, serving as outcomes or an end-point following a series of actions.
- **Results:** The ways that progress toward and fulfillment of aspirations will be conducted.

The SOAR converts data from the background review, base analysis, deep dives, retail gap analysis, and stakeholder engagement activities, into tangible strategic directions and value propositions.



Strengths

- **Garrison Petawawa's Stability** – The presence of the Garrison produces a large employment base that consequently offers significant employment stability in the Town and broader region. Operationally, it has undergone significant growth in the past decade and is slated to remain in a holding pattern indefinitely, suggesting long-term stability of the asset.
- **Department of National Defence Policy to Maintain Petawawa** – The Federal government has further signaled the long-term stability of the Garrison as an active military base with recent large surges of investment, the relocation of specific units or regiments, and facility, infrastructure and living quarter upgrades. The current policy is to maintain rather than grow; however, this too indicates a form of predictable long-term stability, which may be leveraged for other investment attraction.
- **Sports and Recreation Amenities** – Between the Town of Petawawa and Garrison Petawawa, residents have a large array of affordable recreation amenities.
- **Strong Disposable Income Levels** – Household incomes are high (2nd in Ontario), property taxes are low, and the cost of property is less expensive than in Ottawa or other large cities. These factors combine to indicate a generally high disposable income level in the area, which would be amenable to a growing retail sector.
- **Strong Bilingual Population** – Petawawa's bilingual population is 20%, compared to 11% as the provincial average, and is stronger than Pembroke and Renfrew County overall.
- **Sector Strengths** – Based on employment, and controlling for defence and other public administration, Petawawa has sector competitiveness in professional, scientific and technical services; utilities; retail; health care and social services; and accommodation and food services. Based on number of businesses, Petawawa has sector strength in construction, accommodation and food services, health care and social services, and transportation and warehousing.
- **Petawawa is a preferred posting location** – The quality of life characteristics of Petawawa and the Garrison, and its proximity to Ottawa have made the Garrison the desired location for many Military personnel who want to raise families. Soldiers are excited to move to Petawawa. As one stakeholder said, "The old stigma about being posted to Petawawa has given-way."
- **Competitive Tax Rates** – Petawawa has the lowest residential and non-residential property tax rates in the region.
- **Well-educated Workforce** – Petawawa has a larger proportion of people with bachelor degrees or higher than the province and other nearby communities. Specific areas where Petawawa's education levels are strong, including computer and information sciences, engineering and engineering technologies, mechanic and repair technicians, and precision production.
- **Petawawa Trail System** – This asset has been developed over the last few years and is a source of local pride. The conversion of the former CP Rail line by the County has also opened access to Petawawa's trail system to trail users from outside the community, representing an opportunity to draw more tourists to Petawawa. Meanwhile, the trail has recently been connected to an expanded trail system at Garrison Petawawa.



- **Pembroke and Area Airport** – The Regional airport is within Petawawa’s municipal boundaries, representing an asset that can be used for potential aerospace industry as well as other industry development on its 300 acres of height-restricted developable land.

Opportunities

- **Trail Promotion** – Signage and web-presence are identified as lacking for the Petawawa Trail System. There is an opportunity to grow online awareness of the trail system by creating and promoting Trip Advisor profile visits, engaging in cross-promotion, leveraging different assets for different user-types, and using “influencers” to help promote the trails to help improve online exposure for the system. Relatedly, local signage is underdeveloped to promote the trails, and signage that would steer them toward tourism amenities is lacking for trail users.
- **Retail and Full-service Restaurants** – As made plain by the Retail Gap Analysis, and re-affirmed by stakeholder feedback, Petawawa lacks sufficient variety for retail and food options. The gap also relates closely to tourism. Residents and visitors tend to desire unique, creative and original places for food, but retail tends to be balanced between niche-specializations and brand-name companies with strong return policies related to online purchases. Petawawa can potentially pull from surrounding areas to grow the prospective client radius around the community.
- **Identify and Connect with Existing Private Sector Businesses on the Garrison** – Develop an inventory of large profile businesses that operate on the garrison and identify critical contacts at each company. Build and maintain relationships to identify supply-chain opportunities for local businesses or for entrepreneurial development.
- **Entrepreneurship and Military Veterans** – Develop a resource kit to help inform retired military personnel about possible entrepreneurship opportunities and resources available to help start small businesses. Develop supporting materials and programming in partnership with regional organizations such as the Petawawa Military Family Resource Centre, Renfrew County Community Futures Development Corporation, and Enterprise Renfrew County to encourage an environment of defence-related entrepreneurship.
- **Establish a Small Business Centre** – Small business centres are places where many small businesses can be located in the same building and share certain common resources, such as meeting rooms, receptionist services, and kitchen space, while also having individual offices. Given the desire to grow entrepreneurs in defence, aerospace and other professional fields, a small business centre would meet the needs of businesses that are transitioning from a home office environment to a larger, more professional space. Moreover, Petawawa lacks office space in general.
- **Military Updates Totalling \$200 billion over Next 15 Years** – The Canadian Association of Defence and Security Industries (CADSI) indicates the Federal Government is expected to invest \$200 billion in upgrades over the next 15 years. Arguments have been made that procurement favour Canadian firms because the defence industry is not subject to the same rules as other industries under NAFTA.
- **Regularly Scheduled Business Survey** – Petawawa’s mandatory business registry can be used to conduct regularly scheduled business retention and expansion surveys by engaging with a minimum number of businesses each year. The survey would serve two purposes; helping businesses that raise red flags (closing, relocating, and downsizing) or green flags (expanding), and getting the pulse on existing business needs more broadly, including priorities for improving the business climate.



- **Natural Quality of Place Assets** – Residents are proud of natural assets such as the Ottawa River, Petawawa River, long trails, beach areas and outdoor amenities. There is a desire to further-develop and leverage opportunities associated with these areas.
- **Design and Redevelop Petawawa Boulevard** – There is a notable demand for a stronger sense of a downtown core, including possible redevelopment of Petawawa Boulevard, the construction of a town-centre to serve as a focal point, and expansion of roads and the Petawawa bridge. It is noted that the Boulevard is a County jurisdiction and the bridge is a Provincial one; therefore, requiring Petawawa to assert itself and work productively to ensure the respective partner continues to move redevelopment forward. Some components may be beyond the scope of the action strategy, yet still be relevant from plenary and partnership coordination perspectives.
- **Go Beyond Trails** – Now that trails have been developed and are connected to a broader network, Petawawa has an opportunity to develop complimentary tourism assets such as those related to the waterfront or specific niche audiences, such as eco-tourism or extreme sports.
- **Development and Building Permit Process** – There is an opportunity to undertake a review of the existing development and building permit processes, which has been identified by stakeholders as challenging. The process was observed by stakeholders to be slow and at times cumbersome. The review should include consultation with recent users of the service and consideration of best practices implemented in other communities such as one-window approach, concierge services, fast-tracking capabilities, etc.

Aspirations

Aspirations are the desired future state people want Petawawa to look like. They represent different aspects of a vision for Petawawa.

- **Beauty and Placemaking** – People envision a beautiful and vibrant town-centre, community and set of natural assets.
- **Garrison-Town Relationship** – Deeper and committed relationship between Garrison Petawawa and Economic Development in Petawawa.
- **Retail and Personal Service Hub** – A retail and personal service hub for local and regional shopping, food, and entertainment.
- **Diversified Economy** – A diversified economy that leverages private sector developments with Garrison Petawawa, Pembroke and Area Airport and other leading industries (professional, scientific and technical, health care and social services, utilities, construction, manufacturing etc.).
- **Pembroke and Area Airport** – A prosperous and healthy asset that encourages local growth and development
- **Business Relationships** – A stronger relationship between the Town of Petawawa and existing local businesses
- **Tourism Development** – A four-season destination for tourists, explorers, and thrill-seekers.
- **Collective Vision** – A collective vision for the community and its economic goals that are sincerely advanced and championed by the Municipality, and clear communications of all affiliated messages



Results

- **Town-Centre Plan Enactment and Commitments to Boulevard Redevelopment** – A plan for a town-centre focal point has been created and the project has moved forward, while Petawawa continues to ensure Petawawa Boulevard and Petawawa Bridge redevelopment planning is advanced by the County and the Province.
- **Retail and Service Hub** – Growth in the number of investment leads for retail, accommodation and food service, and other personal services, number of leads converted to investments, number of franchise fair attendees.
- **Diversified Economy** – Specifically relating to business counts, improved location quotient scores for the following sectors: professional, scientific and technical; health care and social services; utilities; construction; manufacturing; retail; other personal services; and full-service restaurants. Also, new assessment and jobs attributed to economic development involvement in business development or investment attraction. A plan is in place to facilitate small businesses in locating office space.
- **Pembroke and Area Airport**—Collaborative efforts for investment attraction have increased. Investments have increased by Airport-related businesses thanks to collaborations between Petawawa and the Pembroke and Area Airport.
- **Business Relationships** – Business retention and expansion engagement plan identified, the minimum number of businesses contacted annually, results built into priority planning for system, service, infrastructure, support, or programming improvements required, as well as the number of businesses assisted with red flag issues and number of businesses assisted with green flag issues.

It is the SOAR Components which have fed into the Economic Action Strategy's sector value propositions, additional economic development considerations, and action-planning components of the strategy. The remaining sections of the report represent appendices which constitute the detailed components of analysis and background information.



Appendices



Appendix A – Background Review and Economic Base Analysis

Detailed Background Review

The following table presents an overview of all critical resources consulted during the background review. The documents are all identified by date, and the purpose and key takeaways & economic considerations are presented. This process allows for an understanding of where the Economic Action Strategy fits within the existing policy landscape, and how it may complement existing policies.

Document	Purpose	Key Takeaways & Economic Considerations
Petawawa Strategic Plan (2011)	Outlines the vision, mission, values, and strategic goals of the Town of Petawawa.	Strategic Objectives of Petawawa: (1) Resource & Financial Sustainability; (2) Adequate Planning for Growth & Dev; (3) Achieve Reputation as Helpful, Healthy, and Environmentally-Friendly; (4) Become a Centre for Rec, Culture, and Tourism; (5) Encourage Economic Development
Petawawa Official Plan (2013)	To guide growth and development of Petawawa from 2013- 2020.	Growth in Petawawa shall be promoted by: <ul style="list-style-type: none">▪ Strengthening and diversifying Petawawa's economic base▪ Maintaining and enhancing the natural and built environments in the community▪ Providing policies to guide the establishment of land use in an integrated manner;▪ Identifying and protecting renewable and non-renewable resources▪ Ensuring sustainable development which considers the environment▪ Coordinating the community's servicing plans with land use planning objectives▪ The Plan also identifies that the Town will work toward developing a non-motorized trail system, and where specific links are required between existing trails.



Document	Purpose	Key Takeaways & Economic Considerations
Petawawa Economic Profile (2015)	Provides an economic overview of Petawawa including community statistics, local assets, and dev opportunities.	<ul style="list-style-type: none"> ▪ Petawawa has a unique partnership with Garrison Petawawa, the largest commercial customer and major economic driver for the Upper Ottawa Valley ▪ The military base contributes more than \$300-million payroll and \$20-million in maintenance and local purchases ▪ There is also 44 acres of vacant, partially serviced and accessible industrial land for sale ▪ Petawawa has been developing the tourism sector with a number of recreational programs and infrastructure investments
Petawawa Parks & Rec Master Plan (2011)	Provides guidance and recommendations on parks development, recreational programming, and local facility use for Petawawa from 2011-2021.	<p>50 overall findings and recommendations, some of particular relevance include:</p> <ul style="list-style-type: none"> ▪ There is local interest in expanding and improving the trail system in Petawawa ▪ There is local interest in expanding waterfront green space as well as beautification of parks and green spaces ▪ There is local interest in the development of a universally accessible playground, a splash park; an off-leash dog park, and a skate-park, all of which have been completed except for the skate-park ▪ Encourage participation in four-season outdoor recreation opportunities through providing and expanding amenities ▪ Increasing the support provided by Town staff to community groups running recreational and cultural program will help sustain those programs long-term ▪ Increasing the promotion of recreational opportunities offered by community groups through the Town's website will have the greatest reach in showcasing programming to the community



Document	Purpose	Key Takeaways & Economic Considerations
Petawawa Tourism Strategy (2012)	Provides background research, local consultation findings, and a strategy to develop and promote tourism in Petawawa.	<p>Seven primary tourism strategies identified:</p> <ul style="list-style-type: none"> ▪ Rally local tourism stakeholders to work collaboratively around strategies to improve the tourism industry in Petawawa ▪ Undertake a formal tourism destination inventory and assessment to identify opportunities and gaps in Petawawa ▪ Prioritize action items from findings of the inventory/assessment, focusing on quick wins for destination development ▪ Clarify the roles and responsibilities of entities involved in tourism development, marketing, and servicing ▪ Creation of a Visitor Information Centre ▪ Explore opportunities associated with the development of a sports tourism strategy ▪ Have proactive discussions between Town officials and CFB Petawawa staff to explore military-related tourism opportunities such as the Military Museum, Tank Park and Afghanistan Memorial, and the Memorial Forest
Petawawa Destination Development Action Plan (2013)	Builds on the recommendations of the 2012 Tourism Strategy to leverage tourism assets and develop Petawawa as a tourism destination.	<ul style="list-style-type: none"> ▪ The region's trail system and outdoor recreation opportunities are Petawawa's most attractive tourism assets ▪ There are gaps in tourism services and infrastructure within Petawawa, specifically in commercial roofed accommodation, food and beverage options, and tourist attractions/shops ▪ Tourism growth within Petawawa should support future private sector tourism investment in areas where gaps exist ▪ Petawawa should explore opportunities for attracting land and water-based competitions and events designed to attract visitors and build Petawawa as an ideal location for tourists ▪ The Municipality should partner with Garrison Petawawa to pursue the development of year-round tourism related to activities at the base



Document	Purpose	Key Takeaways & Economic Considerations
County of Renfrew Active Transportation Strategy (2017)	A long-term strategy document for developing Renfrew County's active transportation and infrastructure policies.	<ul style="list-style-type: none"> Renfrew County is the largest geographical county in Ontario, providing an opportunity for collaborative action on developing roads and trails systems to improve transportation and overall quality of life There are currently 3,800km of trails in Renfrew County which can be optimized through a Master Trail Strategy Some goals include: (1) Enhance Trail Inventory, (2) Work with Stakeholders to Improve Cycling and Road Sharing Education & Opportunities; (3) Infrastructure Development such as Building Hardened Trails, Connected Pathways, and Signage
Ottawa Valley Tourism Association Strategic Plan (2012)	Lists the vision, mission, mandate, partnerships, and 2012-2015 strategic priorities of the Ottawa Valley Tourism Association.	Strategic Priorities of Ottawa Valley Tourism Association: (1) Organization Development; (2) Communications & Membership; (3) Visitor Services; (4) Marketing, Leisure & Travel Media; (5) Destination Development; (6) Product Development



Document	Purpose	Key Takeaways & Economic Considerations
County of Renfrew Trails Strategy (2016)	Provides background research on trails in the Renfrew area and recommendations on how to implement and achieve a co-ordinated trails system for the benefit of the region.	<ul style="list-style-type: none"> Trail systems attract tourists and thus spending in the local economy Trails create service jobs related to tourism and trails construction/ maintenance jobs City mayors have credited trail construction for contributing to downtown revitalization Renfrew County hopes to utilize abandoned rail corridors as the backbone of the trail system and work with partners to create linkages to existing trails and destinations Partners include: local municipalities, provincial. & federal government, non-government organizations, utilities, Algonquin First Nation, and TransCanada Trail It is recommended that Renfrew County support the creation of a volunteer community trails association that would undertake building of community interest in trails and engage communities in planning as well as on a variety of trail issues It is recommended that Renfrew County complete a comprehensive trail inventory that includes reviewing existing trails and their condition It is recommended that a distinctive tourism brand and signage should be developed to promote the Renfrew County trail system
Ontario's Defense & Aerospace Industry: SMEs Lead the Charge on Innovation (2016)	Provides an overview of the current situation in defence – in relation to innovation. Showcases innovative solutions being provided by SMEs in the Canadian defence and aerospace industry.	<ul style="list-style-type: none"> Innovation is crucial to defence where the stakes are higher than in business Innovation includes a variety of strategies that reduce product costs, improve quality, or improve the ways things are done Canada's defence needs have spawned new companies that can adapt and fill niches Canada has a leading aerospace cluster; however, new competitors are emerging in South America and Asia; therefore, Canada needs to innovate its industry so it does not fall behind



Document	Purpose	Key Takeaways & Economic Considerations
Pembroke & Area Airport Economic Impact & Infrastructure Review (2015)	Identifies the economic impact of the airport, assesses the existing infrastructure and provides development recommendations.	<ul style="list-style-type: none"> ▪ The airport handles 4,300 aircraft movements annually, with 75% consisting of civilian traffic and 25% as military traffic ▪ The economic impact of the airport to Renfrew County is estimated to be just under \$1-million annually, with 10 Full Time Equivalents (FTEs) ▪ Stakeholders believe the airport is a critical asset for the County and should be revitalized and utilized to its full potential ▪ High prospect ideas to revitalize and utilize the airport include bringing a training school, attracting aerospace and defence businesses to locate on site, ad-hoc charter flights, creating warehousing and distribution opportunities, building a recreation facility, and more ▪ Attraction of new investments through the development of airport lands would help diversify the airports revenue stream ▪ Although a public entity, the airport should run as a business to drive for long-term sustainability
The SME Roadmap to Defence (2015)	Outlines how SMEs can become contractors to the Canadian military and defence system.	<ul style="list-style-type: none"> ▪ Growing opportunity to SMEs looking to expand into Canadian defence market ▪ Three ways Government solicits work for defence: (1) standing offer; (2) supply arrangement that is task based; (3) supply arrangement that is solution based ▪ Build in Canada Innovation Program pays up to \$1-million for military innovation that focuses on command and support, cyber security, arctic/maritime security, and more; ▪ Canadian Content has been added to bid evaluation criteria under the Industrial & Technology Benefits (ITB) Policy, increasing the likelihood for Canadian SMEs to win bids



Document	Purpose	Key Takeaways & Economic Considerations
The Innovation Agenda and Canada's Defence Industry: Realizing the Opportunity of a Generation (2016*)	Provides suggestions on how to generate innovation-led growth Canada's defense and security industries.	<ul style="list-style-type: none">▪ Made in Canada Defence Industrial Policy would set clear objectives for defence industrial growth based on Canadian Armed Forces requirements and Canadian industry capabilities▪ It would also incentivize intellectual property transfer from foreign primes into Canada, so that Canadian companies would be able to engage in innovative production and manufacturing▪ On-going recapitalization of CAF and unique market dynamics provides an opportunity for the gov. to drive innovation-led growth through defence industry▪ New governance regime needed to enable GOC to set/achieve strategic procurement objectives that advance Canadian sovereign and economic interests needed

Detailed Economic Base Analysis

To the greatest extent, this section references data from the 2016 Census output from Statistics Canada's Community Profiles, and uses that data in comparison to previous Census releases and/or the 2011 National Household Survey (NHS). Notably, the 2011 NHS was a voluntary survey, and therefore lacked a truly random distribution and may result in distortions due to skewed participation rates. The weakness associated with the NHS is acknowledged here because results may be impacted to some unmeasurable degree. Another source of data used at the tale-end of the subsection consults results from Statistics Canada's Canadian Business Patterns (CBP) releases for December 2014 and 2016. The CBP is a data set derived from businesses that report Goods and Services Tax data to the Federal Government, even if they are tax-exempt.

The analyses use Pembroke, Renfrew County, Ottawa, and Ontario as comparators.

Demographic Portrait

Population and Population Growth

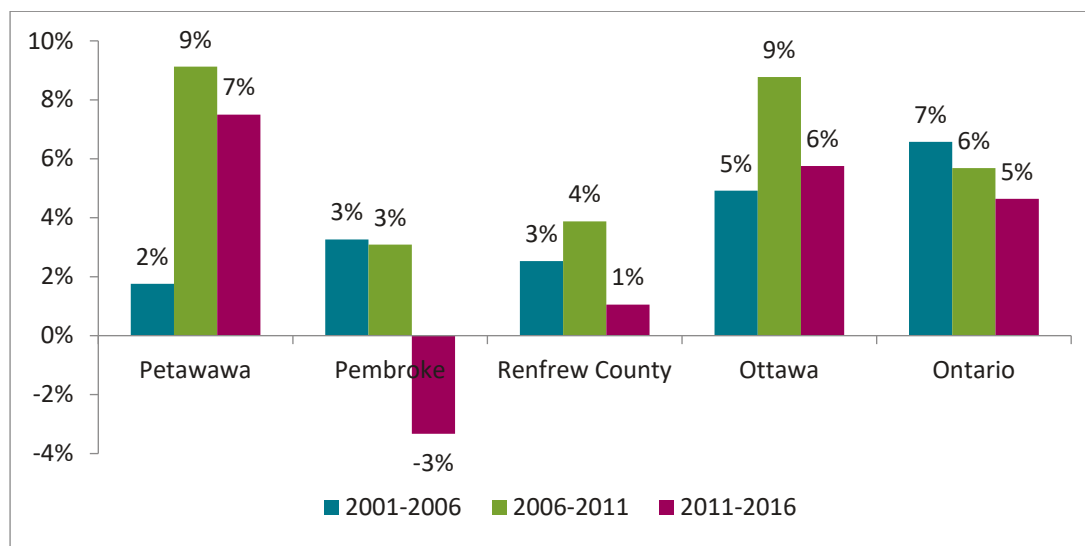
Between 2001 and 2016 Petawawa's population has grown from 14,398 to 17,187, constituting a net growth of 19% over that period. Petawawa's population growth in the latest census period (2011 to 2016) was so significant at 7%. Media coverage over Petawawa's population boom has indicated a large driver of the increase is continued growth at Garrison Petawawa, which has led to a surge in families in the area. As noted by Petawawa's Mayor Bob Sweet, growth is largely owing to "expansions to Garrison Petawawa, including the Canadian Special Operations Regiment and the standing up of 450 Tactical Helicopter Squadron." In any case, though Garrison Petawawa remains a location of continued investment, it is



expected that expansions at the Garrison by Census 2021 may not be as robust, resulting in a likely lower population growth projecting forward.

Petawawa's overall growth since 2001 rivals Ottawa's and the Province's growth rate (21% and 18%, respectively), and in particular has outpaced Pembroke and Renfrew County.

Figure 8: Population Growth in Petawawa and Comparators, 2001-2016

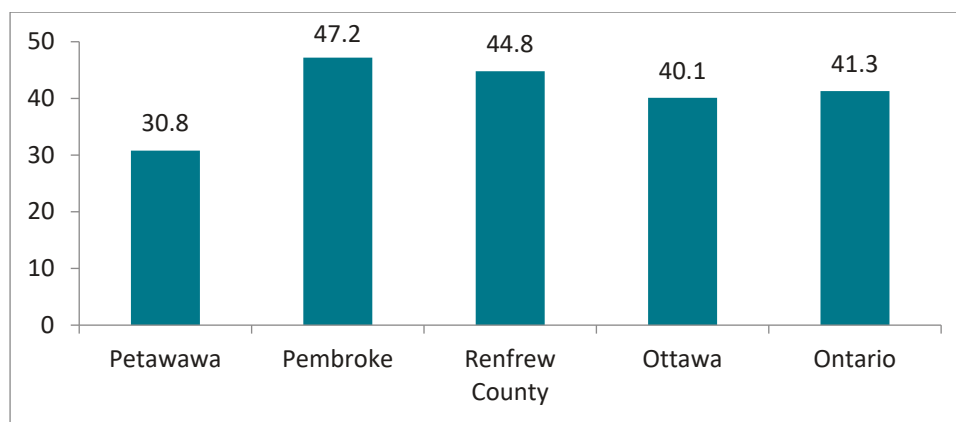


Source: Statistics Canada: 2016 Census Profile, 2011 Census Profile, 2006 Census Profile.

Population by Age Structure

As seen in Figure 9, Petawawa boasts a comparatively younger population than the Ontario median age, as well as other nearby comparators, including Ottawa. The low overall age is likely the result of Garrison Petawawa military families.

Figure 9: Median Age for Petawawa and Comparators

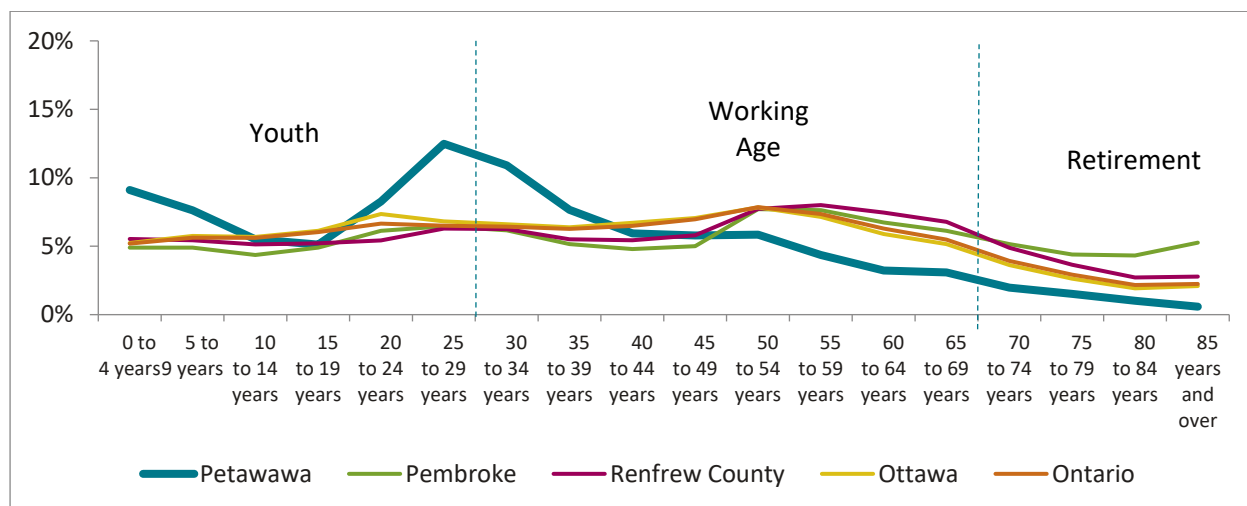


Source: Statistics Canada, 2016 Census Profiles.



Indeed, when studied according to age distributions, as shown in Figure 10, Petawawa has comparatively higher proportions of 20 to 39-year-olds and 0 to 9-year-olds than other communities, generally suggesting young families.

Figure 10 Population Age Group Distributions, 2016

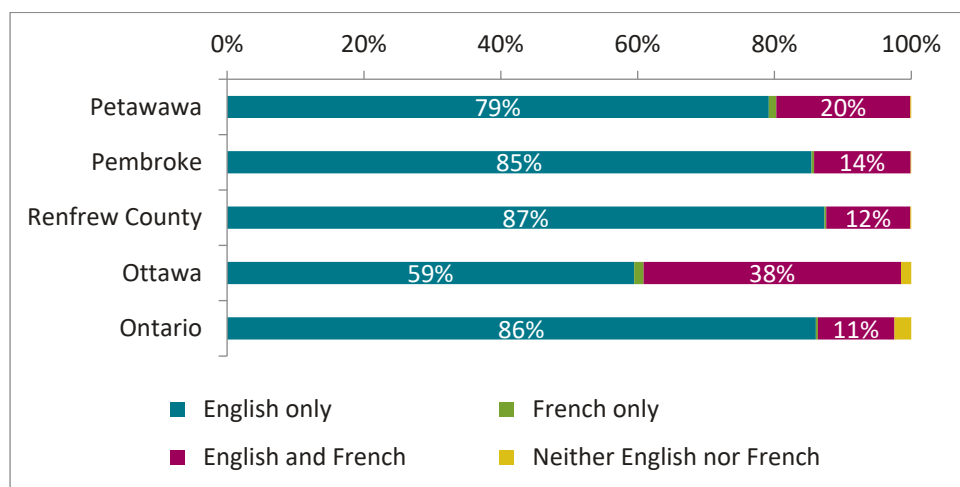


Source: Statistics Canada. 2016 Census Profiles.

Knowledge of Official Languages

In comparison to other communities west of Ottawa, such as Pembroke and Renfrew County, Petawawa boasts a larger bilingual population share (20%), once again indicating a degree of influence from the Garrison Petawawa population, which come from across Canada, including Quebec and New Brunswick. If non-garrison-related families also demonstrate strong bilingualism, Petawawa can be in a position of strong competitiveness for potential businesses that operate in both official languages.

Figure 11: Knowledge of Official Languages



Source: 2016 Census Profile.

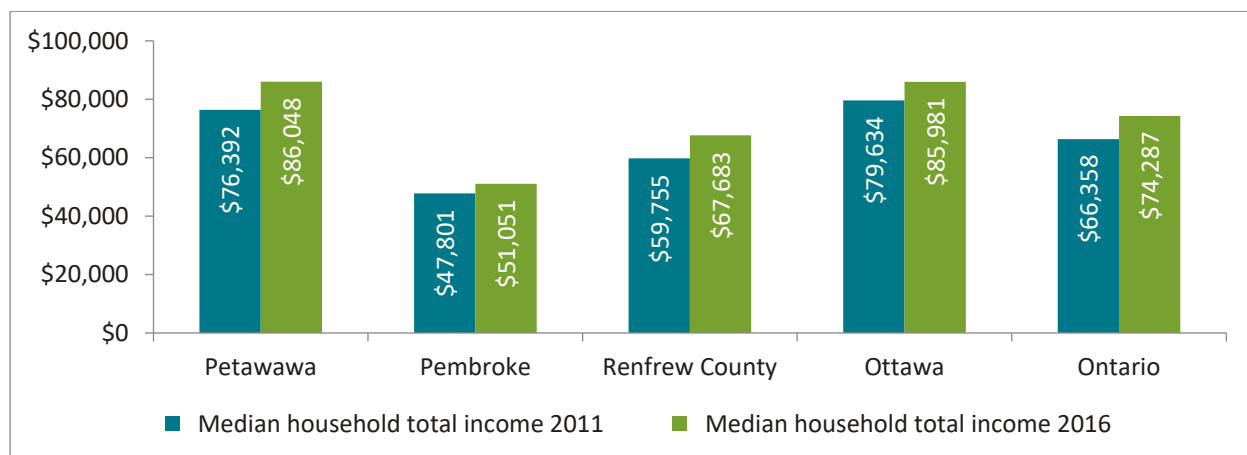


Household Income

As shown in Figure 12, median household incomes continue to rise across Ontario, and Petawawa echoes this trend, by increasing from \$76,392 in 2011 to \$86,048 by 2016 (a net gain of nearly \$10,000). Moreover, Petawawa's net increase outpaced all other comparators, and its median household income was also highest. Once again, Petawawa's strong household earnings are likely affected by the military population in the area. High household income levels indicate a generally strong quality of life, and disposable income levels which likely have positive effects on local commerce.

For external investors, high incomes can represent a potential barrier to investing in a community because of concerns over increased labour force costs. Though not measurable in concrete numbers, some additional consideration must be given to the relative cost of private sector labour, at least from a qualitative perspective. Business visitation surveys could help to gain estimates of non-military labour force costs, which could be used for investment attraction datasets or marketing materials. These would serve as a counter-weight to other considerations such as household income, which is clearly being impacted by military-related households.

Figure 12: Median Household Income, 2011 & 2016

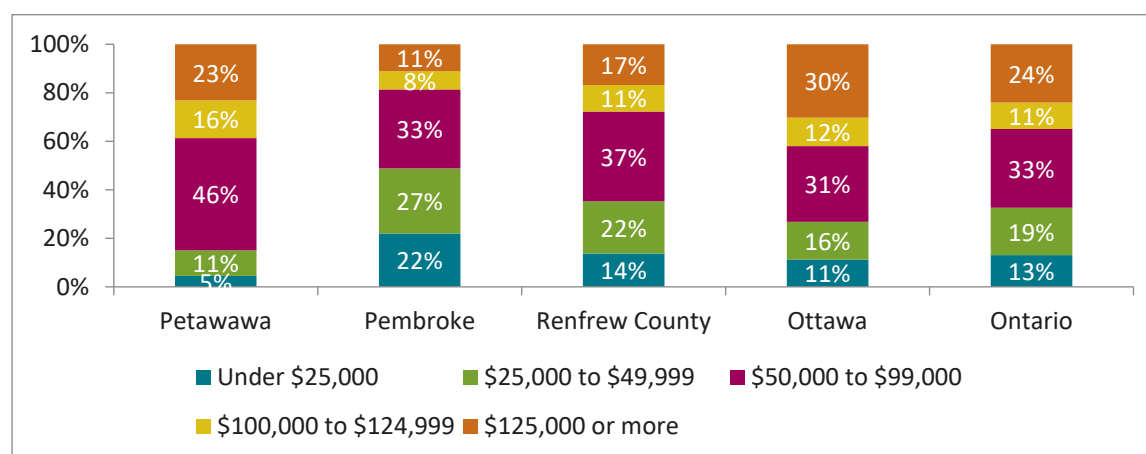


Source: Statistics Canada: 2016 Census Profile, 2011 National Household Survey.



Figure 13 illustrates that Petawawa has a much greater concentration of higher income households earning \$125,000 or greater than Renfrew County or Pembroke, and has the largest proportion of households earning between \$50,000 and \$99,000 than any other comparators.

Figure 13: Income of Households aged 15 years and over, 2016



Source: Statistics Canada 2016 Census Profile.

Dwelling Values and Characteristics

Figure 14 illustrates that Petawawa is at a local disadvantage for median value of dwellings. While the increased value from \$245,377 in 2011 to \$269,243 in 2016 is positive for homeowners, Median Dwelling Values are notably higher in Petawawa than in Pembroke and Renfrew County, buyers may be pushed toward other nearby alternatives for more competitive costs. Median rental costs do not appear to demonstrate as much variability between locations in the Petawawa area. Ottawa and Ontario are both experiencing inflated value associated with market heating, especially in Toronto. Notably, corrective measures implemented in early 2017 to cool the Toronto housing market, will likely impact the Ontario average at the next census in 2021, but these effects are not captured in the most recent data.

Figure 14: Median Dwelling Value and Rent Cost (per month), 2011 & 2016

Category	Petawawa	Pembroke	Renfrew County	Ottawa	Ontario
Median value of dwellings 2011	\$245,377	\$189,514	\$200,578	\$349,151	\$300,862
Median value of dwellings 2016	\$269,243	\$200,415	\$240,212	\$400,148	\$400,496

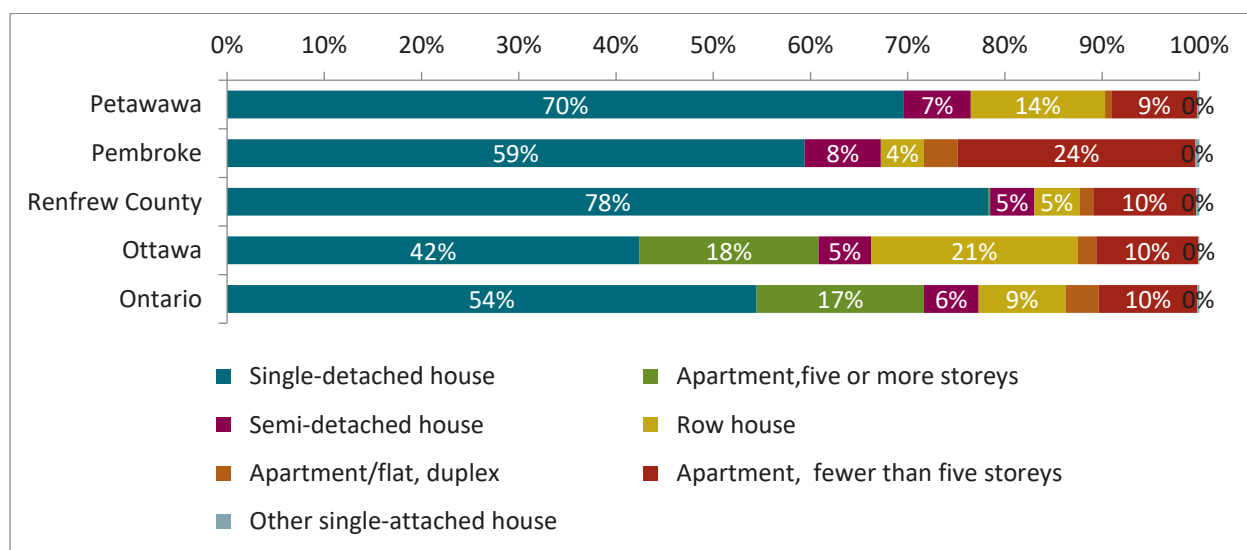


Category	Petawawa	Pembroke	Renfrew County	Ottawa	Ontario
Median monthly shelter costs for rented dwellings 2011	\$779	\$710	\$726	\$953	\$892
Median monthly shelter costs for rented dwellings 2016	\$866	\$827	\$838	\$1,112	\$1,045

Source: Statistics Canada, National Household Survey 2011, Statistics Canada 2016 Census Profile.

One reason why rental costs for apartments are not as variable as housing costs in the Petawawa area is because Pembroke has a stronger market share in apartments with fewer than five storeys. The effect is that Petawawa's apartment rental market has tended to remain within close range of Pembroke's benchmark. These details are seen in Figure 15. The majority of dwelling types in the Petawawa, Pembroke and Renfrew County are single-detached houses.

Figure 15: Types of Dwellings, 2016



Source: Statistics Canada, 2016 Census Profile.

Educational Profile

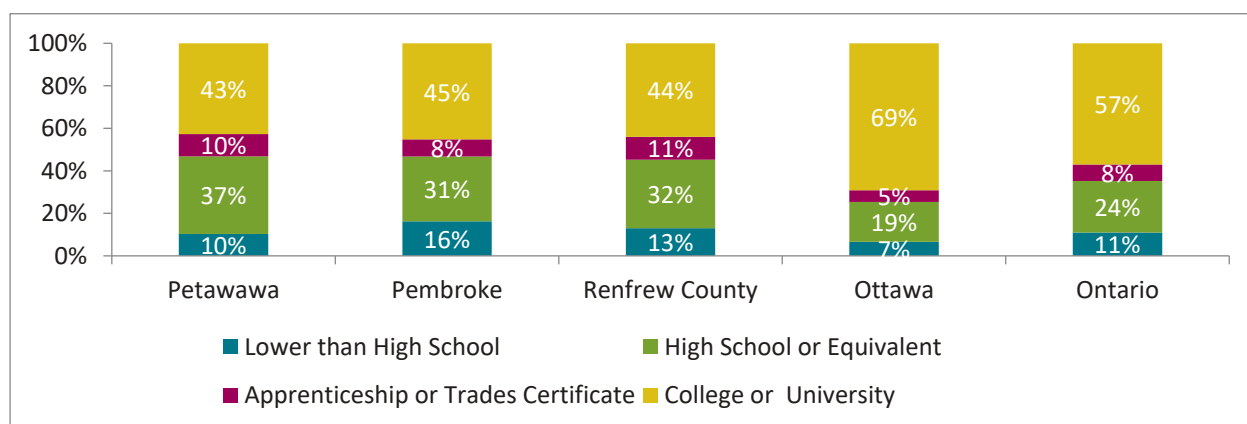
An educational profile is an important socioeconomic indicator as it reveals a community's ability to staff new and existing businesses. For the purposes of this profile, the total population aged 25 to 64 years old was examined in relation to the highest certificate, diploma or degree they have obtained. As shown in Figure 16, in 2011 Petawawa's education distribution was notably similar to Pembroke and Renfrew County's distributions. The area with the strongest difference for Petawawa was among people with only a high school education or equivalent, where 37% of Petawawa's population fall into the category compared to 31% of Pembroke and 32% of Renfrew County. On the other hand, both Pembroke and the county have larger proportions that have not completed high school. These results likely reflect the standard that the Canadian Armed Forces will only accept regular force recruits that have completed high school. Notably similar across the region is the proportion of people with post-secondary education



credentials from college or university; particularly, in comparison to Ottawa and Ontario.

The results indicate a generally unskilled labour force in Petawawa and the region, which in turn may affect the ability to attract strategic investments in areas such as aerospace or private-sector defence activities. A concerted effort may be needed to attract talent to the region, or convince military retirees to settle in Petawawa, where they may themselves start or work with private sector contractors.

Figure 16: Population aged 25 to 64 years old by educational attainment, 2011



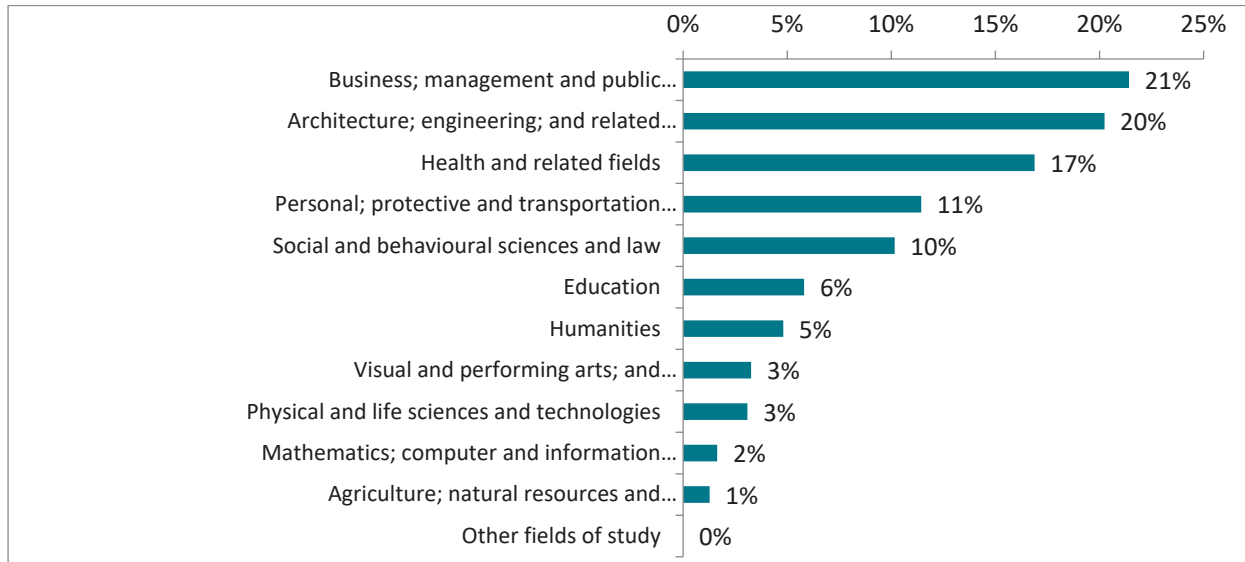
Source: Statistics Canada: 2011 National Household Survey.

For people in Petawawa that have completed post-secondary education, Figure 17 outlines their fields of study. The top three education categories are:

- Business, management and public administration
- Architecture; engineering; and related technologies
- Health and related fields

Notable is that 20% (1,115 people) have a technical education related to architecture, engineering or similar, which could be positive for investment attraction. On the other hand, it is probable that as much as half (or greater) are currently enlisted in the Canadian Forces.

Figure 17: Field of Study for Post-Secondary Education Graduates, 2011



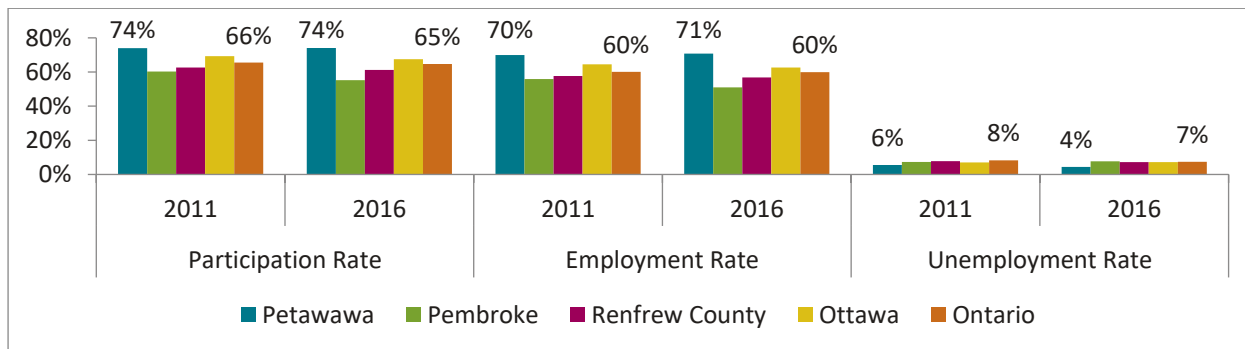
Source: Statistics Canada, National Household Survey, 2011.

Labour Force

Unemployment Rate

Unemployment rates have remained stable in the region. As shown in Figure 18, Petawawa's unemployment rate has declined slightly from 6% to 4%. Of note, Pembroke's participation rate was considerably lower than all other comparators in 2016, while Petawawa maintained the highest participation rate (74% in 2011 and 2016). Petawawa's high participation overall is also an effect of the Garrison as a stable source of employment and job security. The results may also reflect the low number of retirees that live in Petawawa.

Figure 18: Participation, Employment, and Unemployment Rates, 2006 & 2016



Source: Statistics Canada, National Household Survey. Note: census data reflects 2010 and 2015 income tax years respectively.

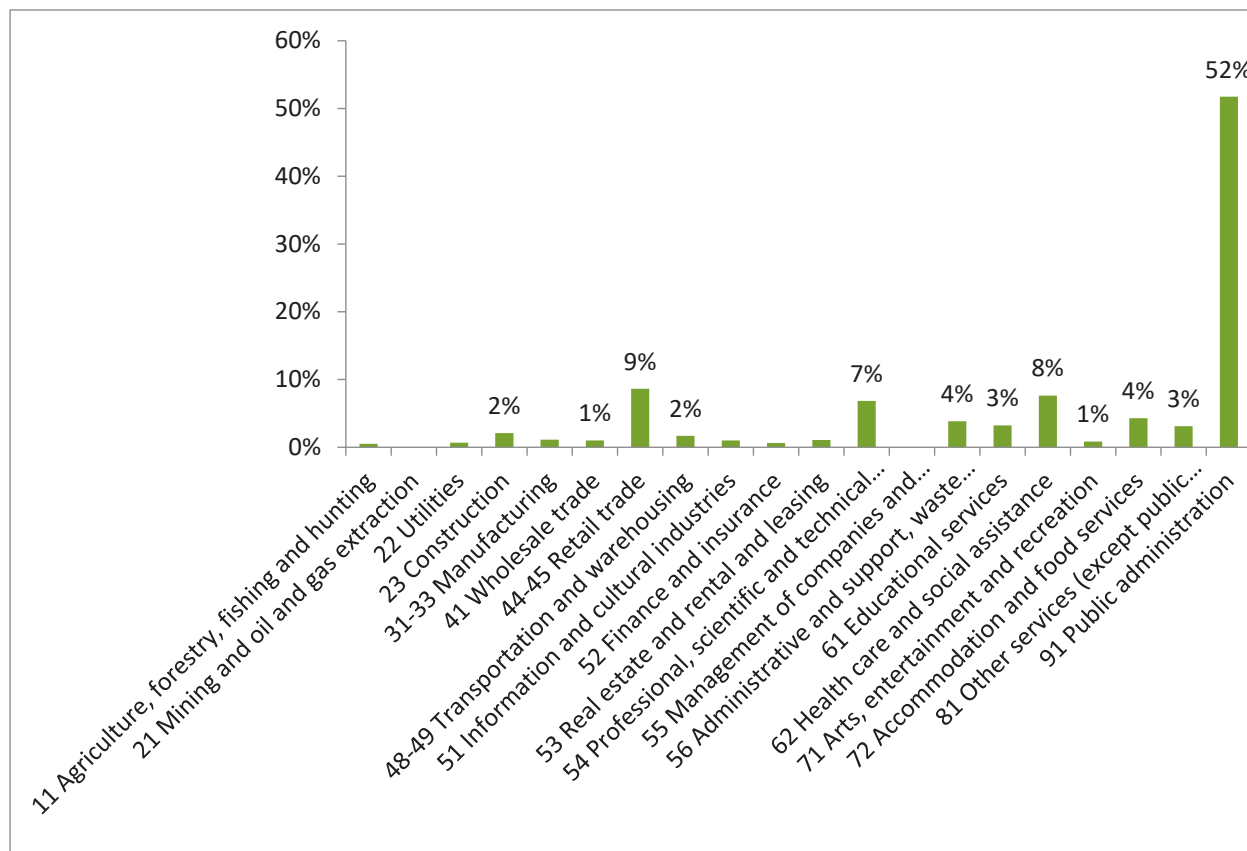
Labour Force by Industry Sector



For 2016, 52% of employment in Petawawa was associated with Public Administration. The next highest sector of employment in retail trade (9%), followed closely by professional, scientific and technical services (8%).



Figure 19: Total labour force population aged 15 years to 64 by industry, 2016



Source: Statistics Canada, Census Profile, 2016.

Because the presence of Public Administration jobs skews the Petawawa data so notably, an additional test of competitiveness was conducted controlling for Public Administration employment. Public Administration was also controlled for comparator communities, and location quotient analysis was applied. Location quotient analysis allows of the identification of sector competitiveness relative to the distribution of people working in each industry. If a greater proportion of people are employed in a given industry than the provincial proportion, the community in question is said to be an industry leader in that sector, but if a lower proportion of people are employed than the provincial proportion, the industry is said to be lagging behind the province. Location quotients (LQs) are evaluated based on a scoring system where:

- An LQ of 1.25 or greater is considered a strong industry sector
- An LQ of 0.75 to 1.24 is considered on-par with the province (with 1.00 being perfect parity)
- An LQ of 0.74 or lower is considered a weak industry

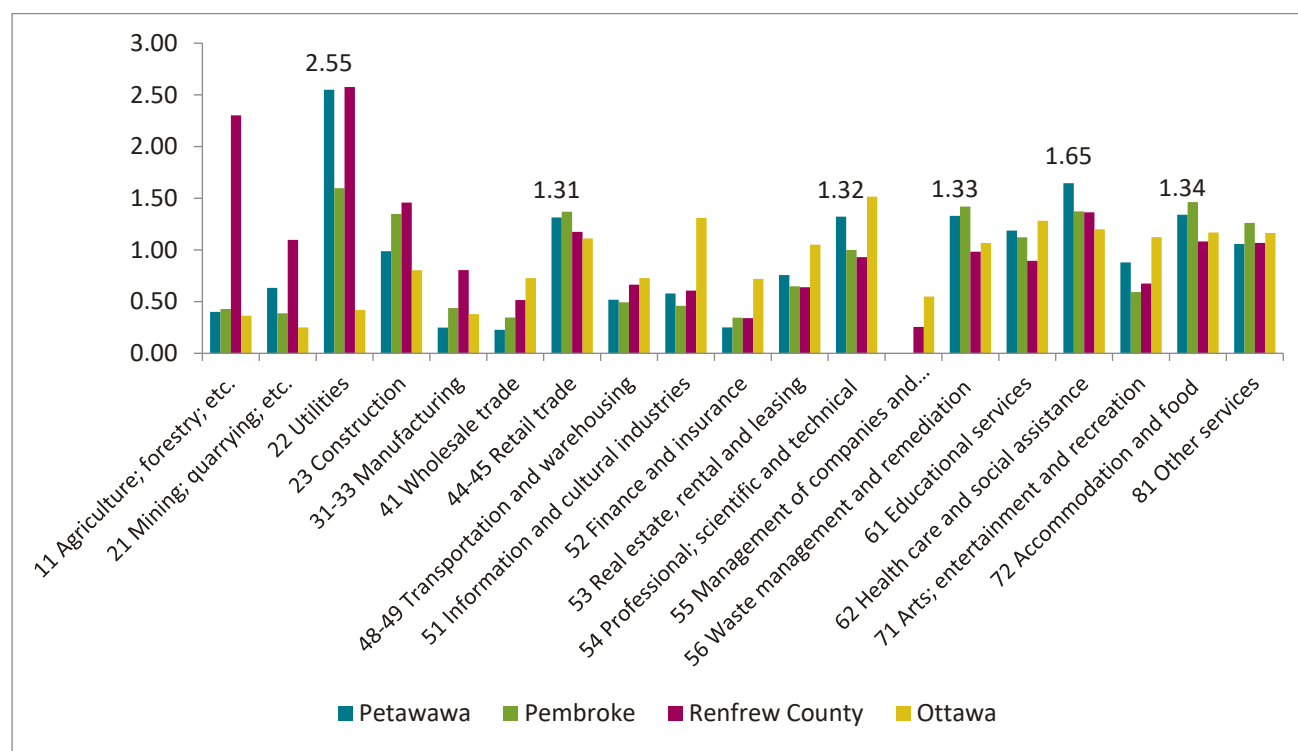


As noted, LQ testing was done for Petawawa and comparators, controlling for Public Administration in all cases. The results indicate that, relative to the province, Petawawa leads in the following industries in terms of employment distribution:

- 22 Utilities (LQ 2.55)
- 62 Health care and social assistance (LQ 1.65)
- 72 Accommodation and food (LQ 1.34)
- 56 Waste management and remediation (LQ 1.33)
- 54 Professional; scientific and technical (LQ 1.32)
- 44-45 Retail trade (LQ 1.31)

These findings indicate that once Canadian Forces and other public administration-affiliated industries are removed from the analysis, Petawawa is identified as being a leader in employment in six industries relative to the Province. In terms of overall employment, these sectors represent Petawawa's economic drivers in addition to military service or other public administration. Notably professional, scientific and technical services represent a significant component of most knowledge economies, and as considerations such as automation begin to affect other industries such as manufacturing, roles in professional, scientific and technical services can be expected to be in demand. Indeed, in comparison to Renfrew County and Pembroke, Petawawa is alone in being an industry leader in this sector (though Ottawa does have a strong showing as well).

Figure 20: Location Quotient Analysis of Petawawa and Comparators, Controlling for Public Administration



Source: Statistics Canada, Census Profile, 2016. Only significant LQ values are shown (1.25 or greater).

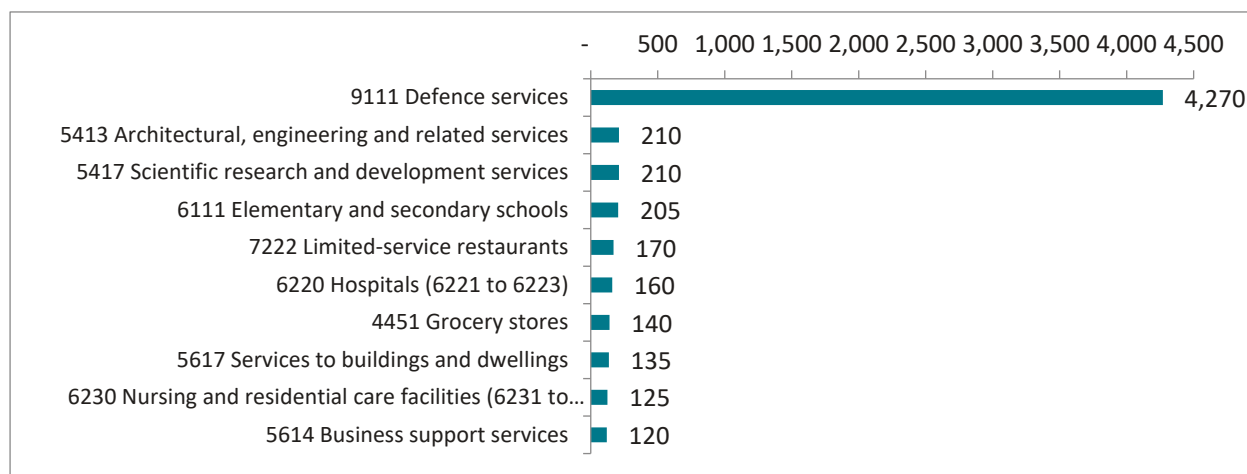


Employed Labour Force by Top Industry Sub-Sectors

As shown below, top industry subsectors for people living in Petawawa relate to Garrison Petawawa and the Chalk River's Canadian Nuclear Laboratories facility; as is evidenced by the number of people working in architectural, engineering and related services or scientific research and development services. Another possibility, though there is no way to account for this via Statistics Canada's data, is that some are affiliated with private sector research and development associated with the Garrison.

No matter the cause, there is a strong presence of technically skilled people, but relative to the overall population size and in consideration of the military presence in the area, they are still dwarfed considerably.

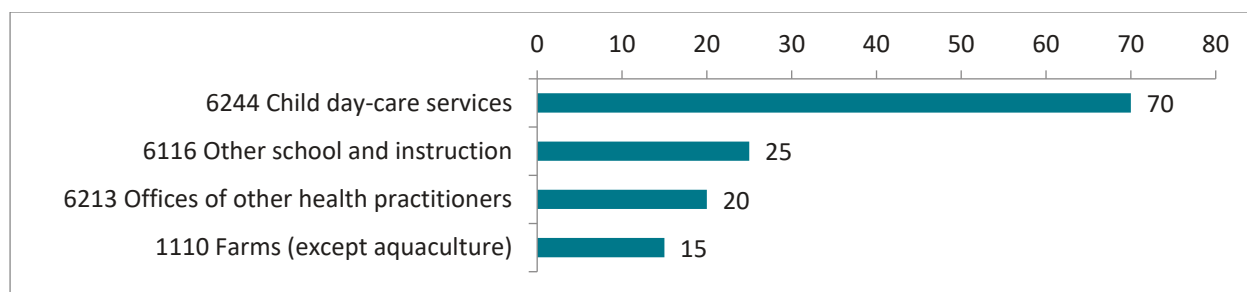
Figure 21: Top 10 Industry Subsectors by Employment



Source: Statistics Canada. 2011 National Household Survey, Statistics Canada catalogue no. 99-012-x2011034.

The top sectors were also tracked according to self-employment, and results for Petawawa indicate that there were only four categories that had a self-employed presence in the area, which totalled 130 people. Child day care services is the top self-employed sector (70 people), followed distantly by Other school and instruction (25 people).

Figure 22: Self-Employed by top industry sub-sectors in Petawawa, 2011



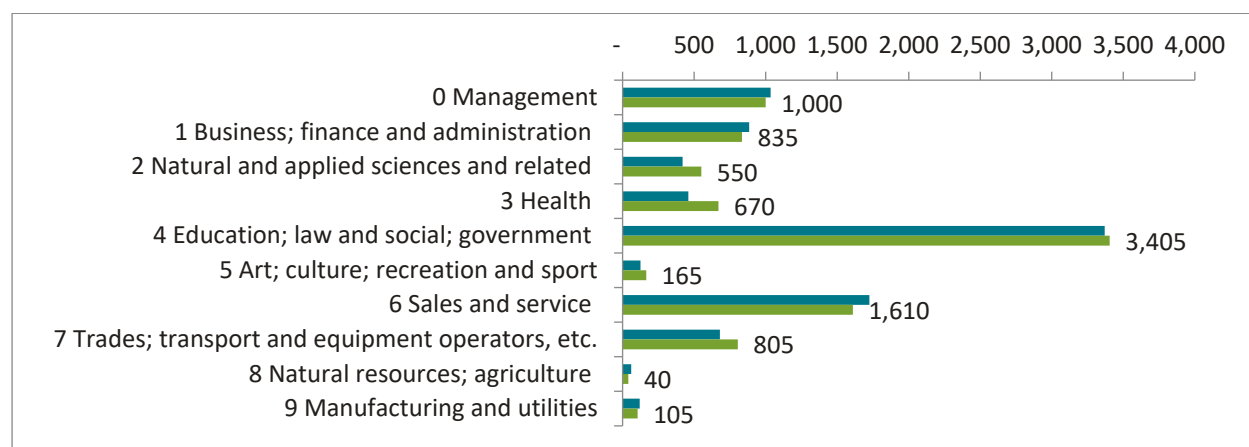
Source: Statistics Canada. 2011 National Household Survey, Statistics Canada catalogue no. 99-012-x2011034



Labour Force by Occupational Classification

Figure 23 shows the occupation category distributions according to National Occupation Classification (NOC). Most half of the occupations have seen moderate declines of fewer than 50 people, however in the sales and service sector, there was a decline of 115 people. Meanwhile, occupations that saw growth typically added at least 100 new people.

Figure 23: Total labour force population aged 15 years and over by occupation in Petawawa, 2011 + 2016



Source: Statistics Canada. National Household Survey, 2011; Census Profile, 2016. Catalogue Number 99-012-x2011051

When studying the top specific occupations, the following emerge as top roles⁵:

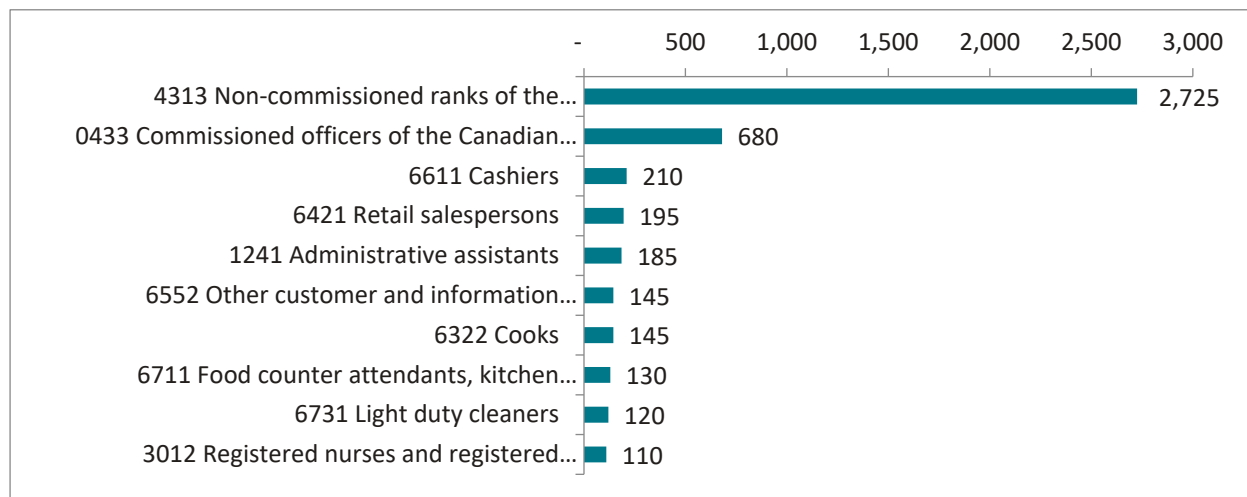
- 4313 Non-commissioned ranks of the Canadian Forces (2,725 people)
- 0433 Commissioned officers of the Canadian Forces (680 people)
- 6611 Cashiers (210 people)
- 6421 Retail salespersons (195 people)

⁵ At this time, 2011 data are all that are available via the National Household Survey, 2011.



These again illustrate the critical role the military plays in the local economic composition.

Figure 24: Top Employment Occupations in Petawawa, 2011

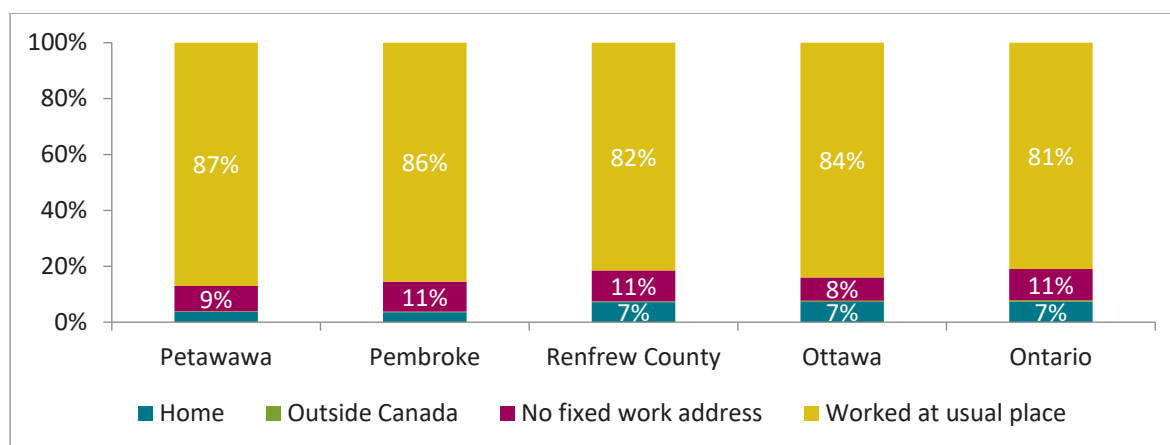


Source: Statistics Canada. National Household Survey, 2011, Catalogue Number 99-012-x2011051.

Place of Work Status

In looking at place of work status for Petawawa and comparator residents, results indicate there is considerable uniformity between comparators, with 87% of Petawawa residents working at their usual place of work compared to a range of 82% to 85% among comparators. Notably, less than 5% of residents of Petawawa and Pembroke work from home.

Figure 25: Total employed population aged 15 years and over by place of work status, 2016



Source: Statistics Canada. Census Profile, 2016.

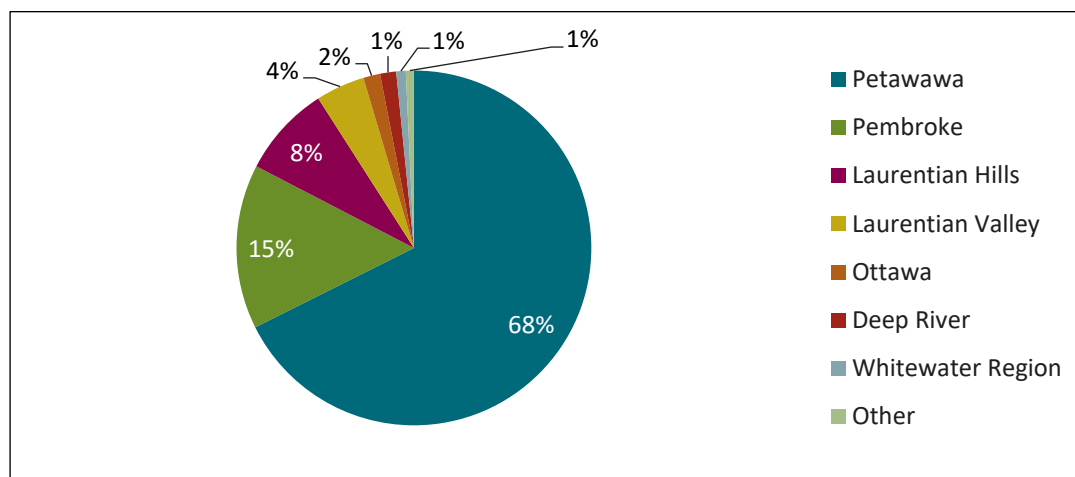


Commuting Patterns

The following two figures display the commuting patterns for workers that reside in Petawawa, and for individuals that work within Petawawa.

Figure 26 highlights the locations where Petawawa residents commute to for work. Due in part to the Garrison, 68% of Petawawa residents (5,075 people) also commute to work within Petawawa's municipal boundaries, followed very distantly by 15% that commute to Pembroke (1,125 people), and a variety of other rural communities commuted to by small proportions of Petawawans.

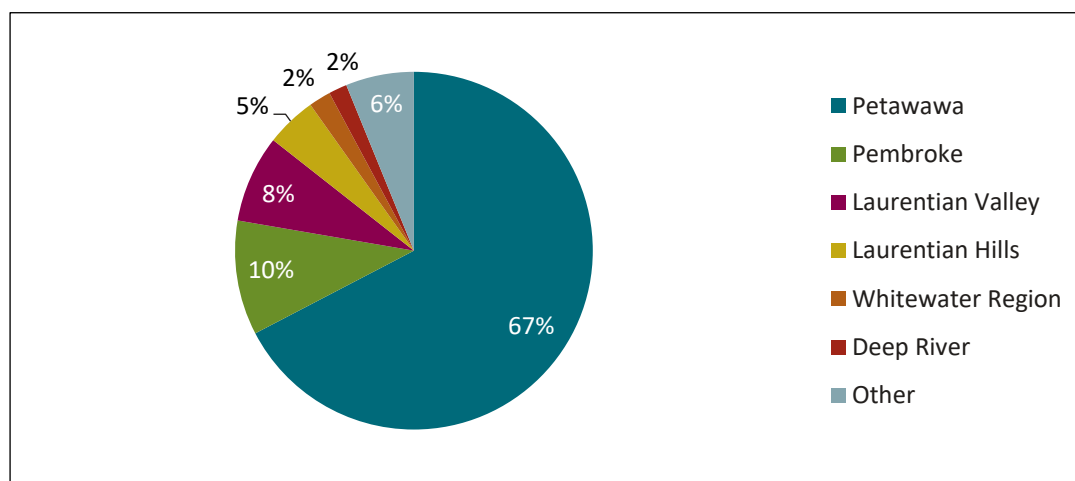
Figure 26: Commuting Patterns where Petawawa is Place of Residence, 2016



Source: Statistics Canada - 2016 Census. Catalogue Number 98-400-X2016325.

Figure 27, on the other hand, illustrates the commuting patterns of those who work in Petawawa and shows that 67% people commuting to Petawawa for work are already from Petawawa. Pembroke and Laurentian Valley round-out the top three places of origin, at 10% and 8% respectively.

Figure 27: Commuting Patterns where Petawawa is Place of Work, 2016



Source: Statistics Canada - 2016 Census. Catalogue Number 98-400-X2016325.



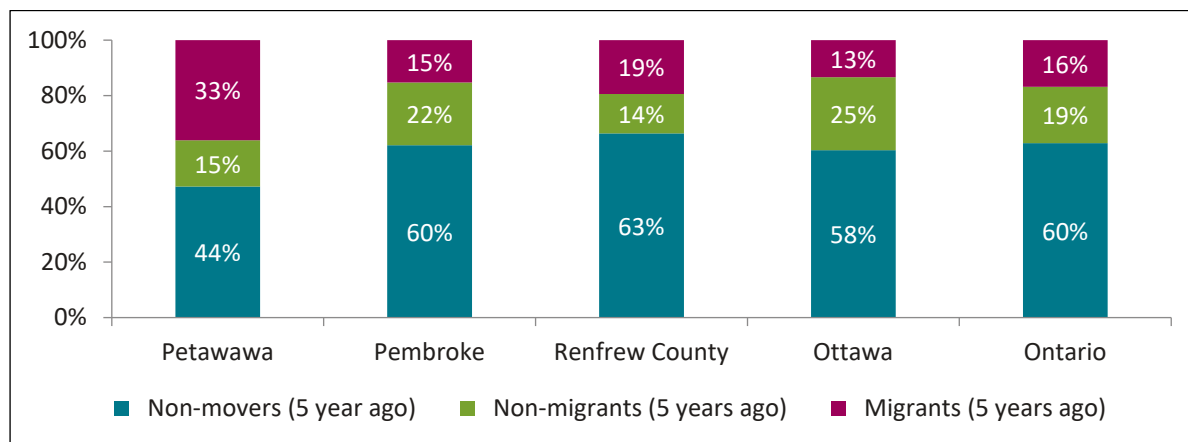
In comparing those that leave Petawawa to those that come to Petawawa, 2,460 people commute to Petawawa for work, relative to 2,375 that leave Petawawa for work somewhere else, for a net difference of 85 more people coming to Petawawa for work than leaving. This does not include the 4,935 that already live in Petawawa and work there. The findings indicate that the Canadian Forces Garrison is likely a key pull to Petawawa, but even with that strong pull, because most people that work at the Garrison already live within the municipal boundaries of Petawawa, only about 85 more people come to the area than leave it for work.

Mobility Status

The mobility status of residents was examined in order to determine the level of new residents that Petawawa was able to attract in Pembroke, Renfrew County, Ottawa, and Ontario. Figure 28 shows the proportion of non-movers (those who have not moved since the last census), non-migrants (those who have moved but remained in the same municipality since the last census), and migrants (those who have moved to a different municipality since the last census).

In 2016, Petawawa had a lower proportion of non-movers than any other comparator (44%). With 44% of its workforce indicating it has moved from another municipality within the last five years. It is clear that a larger determining factor of this is the military apparatus. No other comparator approximates this distribution, and, moreover, all others display minimal variation at approximately 60%.

Figure 28: Mobility Status over the Last Five Years, 2016



Source: Statistics Canada, Census Profile, 2011.

Before proceeding to the Canadian Business Patterns analysis of the local business climate, a quick review of key findings is in order. Comparatively high population growth, low unemployment, high median household income, and tight employment clustering all appear to be influenced directly by the presence of Garrison Petawawa. In the same way that a dominant resource extraction industry such as mining or forestry may be the key reason for economic resilience in some other communities across Canada, the Garrison remains the key driver of local employment. This is made clear by the fact that approximately



half the resident working population works in the Defence category of the public administration industry and the area also attracts an over 2,000 additional people from outside Petawawa for work.

Garrison Petawawa holds strong economic benefits for Petawawa and other nearby communities, but it must be understood that if the Garrison were ever to undergo a downsizing process, the shock would be no less than devastating. Future growth of Petawawa will be dependent on decisions being made about the allocation of military resources toward or away from Garrison Petawawa. While in the foreseeable future there is stability in the military, as has already been evidenced by its low unemployment rate, if for one reason or another policy decisions are made that lead to a reduction in the number of military personnel in Petawawa, the remainder of the town's economic prosperity would also likely wane, unless alternative industry growth takes form.

The next section on Canadian Business Patterns will look at private sector activity in Petawawa in order to help identify other leading industries and opportunities for economic growth in addition to the Canadian Forces.

Business Patterns Assessment

Statistics Canada's Canadian Business Patterns Data provides a record of business establishments by industry sector and size. This data is collected from the Canadian Revenue Agency (CRA). The business data collected for Petawawa includes all local businesses that meet at least one of the three following criteria:

- Have an employee workforce for which they submit payroll remittances to CRA; or
- Have a minimum of \$30,000 in annual sales revenue; or
- Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years

The Canadian Business Patterns Data records business counts by "Total" businesses, businesses "Without Employees," and businesses "With Employees."

Key Business Characteristics

A detailed review of the business patterns data for the period between 2014 and 2016 for Petawawa provides an understanding of the growth or decline of businesses over the last couple of years. Because there was a methodological change in the way data were collected and presented in 2014, there is no means of direct comparison with CBP datasets from before that year.

Understanding the trends in business growth in the community provides valuable insight into the direction that future growth and investment within Petawawa might take. It also provides an indication of where the priorities of the municipality should lie, especially with regards to program development and delivery and strategic planning.

Figure 29 shows the composition of businesses in Petawawa as of December 2016. Of the 474 private enterprises identified, 295 represent businesses without employees, with the remaining 179 having at least one employee. The largest employment sector is in the Retail sector, employing 100 to 200 people (this is likely a grocer). Other large employers are found in Retail services, health care and social assistance, Manufacturing, and Public administration (most likely the Corporation of the Town of



Petawawa), all of which employ more than 50 people.

Looking collectively at businesses with employees, the following sectors have high concentrations of enterprises Retail trade (35), Construction (29), Other services (except public administration) (27), Health care and social assistance (20), and Accommodation and food services (20). What these sectors all have in common is that they typically respond to economic drivers occurring in other sectors. Because the Garrison Petawawa is such a large employer, most of these businesses have grown in response to the growing needs of the corresponding demographic; military personnel and their families.



Figure 29: Canadian Business Patterns Distribution for Petawawa, 2016

NAICS	Total	Without Employees	With Employees	1-4	5-9	10-19	20-49	50-99	100 +
Total	474	295	179	81	52	24	17	4	1
44-45 - Retail trade	57	22	35	7	14	6	7	1	0
23 - Construction	58	29	29	16	8	3	1	0	1
81 - Other services (except public administration)	49	22	27	19	7	1	0	0	0
62 - Health care and social assistance	57	37	20	10	6	2	1	1	0
72 - Accommodation and food services	24	4	20	4	5	6	5	0	0
53 - Real estate and rental and leasing	109	100	9	7	2	0	0	0	0
31-33 - Manufacturing	17	8	9	4	3	0	1	1	0
54 - Professional, scientific and technical services	21	14	7	4	2	1	0	0	0
56 - Administrative and support, waste management and remediation services	11	6	5	3	1	1	0	0	0
52 - Finance and insurance	24	20	4	1	2	1	0	0	0
48-49 - Transportation and warehousing	16	13	3	2	0	0	1	0	0
41 - Wholesale trade	10	7	3	2	0	1	0	0	0
71 - Arts, entertainment and recreation	4	1	3	0	1	1	1	0	0
51 - Information and cultural industries	5	3	2	1	0	1	0	0	0
11 - Agriculture, forestry, fishing and hunting	5	4	1	0	1	0	0	0	0
22 - Utilities	2	1	1	1	0	0	0	0	0
91 - Public administration	1	0	1	0	0	0	0	1	0
55 - Management of companies and enterprises	2	2	0	0	0	0	0	0	0
61 - Educational services	2	2	0	0	0	0	0	0	0
21 - Mining and oil and gas extraction	0	0	0	0	0	0	0	0	0

Source: Statistics Canada. Canadian Business Patterns, December 2016.



In comparing 2014 to 2016, CBP data show that there was a net increase of 3 businesses with employees, but that net gain is actually the result of several industries undergoing notable changes:

- Growth in Construction (+6), Accommodation and food services (+5), Health care and social assistance (+4), and Transportation and warehousing (+2).
- Declines in Other services (-6), Retail trade (-5), Real estate and rental and leasing (-3), and several others declining by one (agriculture, manufacturing, finance and insurance, etc.).

Figure 30: Petawawa Enterprises, With Employees, Net Change 2014 to 2016

	2014	2016	Net Difference
11 - Agriculture, forestry, fishing and hunting	2	1	-1
21 - Mining and oil and gas extraction	0	0	0
22 - Utilities	1	1	0
23 - Construction	23	29	6
31-33 - Manufacturing	10	9	-1
41 - Wholesale trade	3	3	0
44-45 - Retail trade	40	35	-5
48-49 - Transportation and warehousing	1	3	2
51 - Information and cultural industries	1	2	1
52 - Finance and insurance	5	4	-1
53 - Real estate and rental and leasing	12	9	-3
54 - Professional, scientific and technical services	6	7	1
55 - Management of companies and enterprises	1	0	-1
56 - Administrative and support, waste management and remediation services	4	5	1
61 - Educational services	0	0	0
62 - Health care and social assistance	16	20	4
71 - Arts, entertainment and recreation	2	3	1
72 - Accommodation and food services	15	20	5
81 - Other services (except public administration)	33	27	-6
91 - Public administration	1	1	0
Total	176	179	3

Source: Statistics Canada, Canadian Business Patterns, December 2014 and December 2016. Adapted by MDB Insight.

Location Quotients of Businesses with Employees

Location quotients were used earlier to demonstrate strengths in different industries based on employment in Petawawa and its comparators relative to Ontario. Here LQs are used to illustrate strength based on the concentration of businesses in a given industry relative to the province. An LQ of 1.25 or higher represents an area of strength, relative to the province, an LQ of 0.75 to 1.24 approximates the provincial distribution, and an LQ below 0.75 represents an area of competitiveness. It is important to note that a shift can be either a result of the actual number of businesses, or caused by a change in the provincial distribution. Figure 31 represents Petawawa's LQ competitiveness for Canadian Business Patterns data for 2014 and 2016 for businesses with employees.



Figure 31: Local Concentration of Business Enterprises by Location Quotients (for Businesses with Employees), 2016

NAICS	Petawawa			Pembroke			Renfrew County			Ottawa		
	2014	2016	2014-2016	2014	2016	2014-2016	2014	2016	2014-2016	2014	2016	2014-2016
11 - Agriculture, forestry, fishing and hunting	0.29	0.27	-0.01	0.36	0.41	0.05	2.50	2.43	-0.07	0.32	0.31	-0.01
21 - Mining and oil and gas extraction	0.63	0.00	-0.63	0.95	1.13	0.17	0.72	0.62	-0.10	0.58	0.57	-0.01
22 - Utilities	0.46	4.56	4.10	1.63	1.73	0.10	2.45	2.22	-0.23	0.66	0.54	-0.11
23 - Construction	0.85	1.48	0.63	0.52	0.56	0.05	1.37	1.35	-0.02	0.94	0.91	-0.02
31-33 - Manufacturing	0.54	1.06	0.52	0.33	0.36	0.03	0.90	0.99	0.09	0.53	0.53	0.00
41 - Wholesale trade	0.61	0.32	-0.29	0.74	0.69	-0.05	0.62	0.62	-0.01	0.68	0.68	0.01
44-45 - Retail trade	0.90	1.60	0.70	1.71	1.68	-0.03	1.36	1.36	0.00	1.04	1.05	0.02
48-49 - Transportation and warehousing	0.47	0.26	-0.21	0.39	0.30	-0.10	0.49	0.45	-0.04	0.30	0.27	-0.03
51 - Information and cultural industries	1.04	0.76	-0.28	0.67	0.87	0.20	0.96	0.95	-0.01	1.14	1.12	-0.01
52 - Finance and insurance	0.93	0.57	-0.37	1.69	1.40	-0.29	0.98	0.90	-0.08	0.85	0.86	0.01
53 - Real estate and rental and leasing	1.06	1.15	0.09	0.84	0.87	0.03	0.74	0.74	0.00	0.95	0.93	-0.02
54 - Professional, scientific and technical services	1.47	0.28	-1.19	0.49	0.51	0.03	0.42	0.45	0.03	1.53	1.50	-0.04
55 - Management of companies and enterprises	0.84	0.00	-0.84	0.38	0.79	0.42	0.46	0.65	0.19	0.78	0.70	-0.08
56 - Administrative and support, waste management and remediation services	0.93	0.60	-0.33	0.78	0.87	0.09	0.81	0.80	-0.01	1.05	1.04	-0.01
61 - Educational services	1.39	0.00	-1.39	0.66	0.68	0.02	0.53	0.50	-0.03	1.25	1.25	0.00
62 - Health care and social assistance	1.44	1.12	-0.32	1.61	1.62	0.01	0.98	1.02	0.04	1.14	1.16	0.02
71 - Arts, entertainment and recreation	1.01	1.20	0.19	0.60	0.45	-0.15	1.04	0.97	-0.07	1.06	1.11	0.05
72 - Accommodation and food services	1.02	1.60	0.59	1.49	1.40	-0.09	1.26	1.22	-0.03	1.12	1.14	0.02
81 - Other services (except public administration)	1.01	1.65	0.64	1.45	1.60	0.16	1.24	1.33	0.09	1.06	1.08	0.02
91 - Public administration	2.01	1.77	-0.24	0.67	1.34	0.68	3.38	3.32	-0.06	2.14	2.03	-0.10

Source: Statistics Canada. Canadian Business Patterns, December 2015. Adapted by MDB Insight Inc.



According to Figure 31, in five different sectors Petawawa has either grown from a position of weakness or parity with the Province to an area of economic strength. These include:

- Utilities (LQ 0.46 to 4.56)
- Retail trade (LQ 0.90 to 1.60)
- Other services (LQ 1.01 to 1.65)
- Arts, entertainment and recreation (LQ 1.02 to 1.60)
- Construction (LQ 0.85 to 1.48)

During the same two-year period, there have also been some notable declines from positions of strength to areas of less competitiveness, including:

- Professional, scientific and technical services (LQ 1.47 to 0.28)
- Health care and social assistance (LQ 1.44 to 1.12)
- Educational services (LQ 1.39 to 0.00)
- Public Administration (LQ 2.01 to 1.77)

These areas represent areas of potential economic slippage. Even if the absolute number of businesses has not changed locally, there is still the possibility that there have been increases in other parts of the province, which have driven down Petawawa's competitiveness.

Taking together the results of the competitiveness analysis applied to industry by labour force and those resulting from an analysis of businesses with employees, the following observations emerge:

- Professional, scientific and technical services are strong employers, driving employment and affecting economic spin-offs, but in regard to the concentration of enterprises reveals slipping competitiveness due to changes occurring at the provincial level (this despite increases in the actual number of enterprises in the category)
- Utilities is both a strong local employer and strong concentration of companies (even though there is only one company)
- Retail trade continues to be a strong employer and to grow in competitiveness based on the number of businesses.
- While health and social assistance continue to be strong employment drivers, competitiveness in terms of business concentration is slipping
- "Other services (except public administration)" is in a position of relatively strong leadership in employment generation as well as business generation. Further growth may be possible in business-to-business services.
- It should be noted that strong performance is not necessarily indicative of strong quality.
- Accommodation and food services is both strong from an employment standpoint as well as from a business enterprise growth standpoint



Tax Competitiveness

Petawawa was also compared to some other key competitors regarding tax rates. The results are summarized in the figure below.

Notably, only Ottawa has a more competitive tax structure in any of the structure types. In all three key categories, Petawawa is more competitive than Pembroke and Renfrew. Ottawa's competitiveness is attributed to the volume and density of existing assessment, which is already significant.

Figure 32: Tax Competitiveness for Residential and Industrial New Builds (2016)

Structure	Petawawa	Pembroke	Renfrew	Ottawa
Single-Residential	0.851277%	1.611147%	1.413393%	0.667442%
Multi-Residential	1.477147%	2.948615%	2.569675%	0.870986%
Industrial	3.395512%	6.388292%	4.993930%	2.776492%

Source: Ontario Ministry of Municipal Affairs FIR 2016 Data:

<https://efis.fma.csc.gov.on.ca/fir/ViewFIR2016.htm#4796>



Quality of Life Considerations

Quality of life attributes are components of a community that create a cumulative value for the population and visitors which goes beyond any individual component or monetary value. They represent the combination of different factors such as health care facilities, recreation amenities, parks and playgrounds, retail options, service clubs and charities, and others that make up the potpourri that comes to represent a unique community or set of communities.

For Petawawa, quality of life attributes are what keep residents in the community and attract new ones. They also help attract and retain tourists. The figure below presents a summary of some of Petawawa's key quality of life assets and amenities.

Figure 33: Summary of Quality of Life Assets

Quality of Life Attribute	Key Findings & Examples
Health Care Facilities	12 offices of physicians, including Petawawa Centennial Family Health Centre and its doctor's offices, CANEX Plaza Chiropractic Clinic, and 10 offices of dentists
Recreation Facilities	Petawawa Civic Centre (includes arena, rental hall, library, and meeting rooms), Garrison Petawawa Recreation Complex, and Dundonald Hall Fitness, Sports & Aquatic Centre (Garrison Petawawa)
Outdoor Amenities	The Construction Yard (bike track and skills park), ball diamonds and playing fields (various), 17 park locations (various), and two beaches. 3.7 hectares of developed parkland per 1000 residents. Three camping areas or campgrounds.
Trail Systems	A mix of easy, intermediate or moderate trails or walking routes in Petawawa, the Petawawa Trail System, Petawawa Terrace Provincial Park and Barron Canyon Trail, and close proximity to Algonquin Park (eastern entrance) and its trails systems
Schools (primary, public, & high school)	Valour High School, Valour Elementary School, Herman Street Public School, Pine View Public School, St. Francis of Assisi Catholic, Our Lady of Sorrows
Museums / Cultural Centres	Garrison Petawawa Military Museum and Petawawa Heritage Village
Community Service Resources or Clubs	Alzheimer's, Civitan Club, Palliative Care, Caregiver Support Group, Canadian Red Cross, Canadian Cancer Society, Family and Children Services, Canadian Mental Health Services, Community Care Access Centre, Royal Canadian Legion, Women's Shelters and Support Services, Big Brothers and Sisters, Scouts Canada, the United Way, Knights of Columbus, Rotary Club



Appendix B – Deep Investigations

Defence Sector Investigation

The defence sector is Petawawa's single largest employer, employing more than 4,000, of which 500 are civilians. Petawawa is situated within 1.5 hours of Ottawa, where the National Defence Headquarters (NDHQ) is located, and within three hours of Kingston, where the Royal Military College (RMC) is located.

Given the large active military population in Petawawa and the tendency of the Canadian Forces to deploy personnel to postings for longer periods of time than historically has been the norm, there is interest in determining what the opportunities are for enticing soldiers to remain in Petawawa once they have completed their military careers. At the same time, given the Garrison is home to several highly specialized regiments, squadrons, or operations, these resources sometimes require private sector services. It is the transitioning soldier as well as the incoming private sector, which represent an opportunity for the Town to facilitate, nurture and grow. Finally, there may be opportunities to attract businesses to the area so that they can become part of the local economy, while also producing defence-related goods or services.

National Trends in Private Sector Defence

The most recent reports in the private sector defence industry is from 2014, from Innovation, Science and Economic Development Canada⁶. Those numbers reported that the Canadian defence industry had sales of almost \$10 billion in 2014 across some 640 firms.

The defence sector is a difficult one to define because it overlaps with numerous other traditional manufacturing and knowledge-based industries, of which defence related products or services may be a part of. In practical terms, the sector is defined broadly across a spectrum that ranges from firms that conduct some business related to the defence sector to firms that specialize in defence specifically.

In 2014, 72% of total defence sales resulted from defence-focused firms. The same report found that while 90% of firms had fewer than 250 employees (i.e. small and medium sized companies), 80% of sales and 90% of exports are driven by defence-focussed businesses employing more than 250 people. That translates to approximately 60 large firms that dominate most of the sales and export market.

A critical value of defence industry is the broader supply-chain and consumer spending impacts that result from defence-oriented businesses. In 2014, while, defence specific sales contributed approximately \$3.1 billion in direct economic impact to the Canadian economy, they generated an additional \$2 billion in indirect impact through supply-chain spending, and a further \$1.6 billion in induced consumer spending. Geographically, Ontario accounts for 44% of total private sector defence industry employment.

The sector itself is broken into seven categories:

- Aircraft fabrication, structures, components and maintenance, repair and overhaul (*aircraft fabrication, etc.*)
- Combat vehicles and related maintenance, repair and overhaul, and other defence (*combat vehicles, etc.*)

⁶ Innovation, Science and Economic Development Canada (2014) "State of Canada's Defence Industry 2014".



- Naval ship fabrication, structures & components & maintenance, repair & overhaul (*naval ship, etc.*)
- Command, control, communications, computers, intelligence, surveillance & reconnaissance (C4ISR), avionics, simulation systems, and other electronics (air, space, land & naval) (*C4ISR, etc.*)
- Firearms, ammunition, missiles, rockets, and other munitions and weapons (*firearms, etc.*)
- Troop support
- Live personnel and combat training services (*live personnel, etc.*)

Ontario is strongest in combat vehicles, etc., C4ISR, etc., and aircraft fabrication, etc. Moreover, combat vehicles etc. represents the strongest overall sector across Canada, constituting over 70% of firms. Given Petawawa's existing proximity to the Garrison, the Town's synergies with opportunities most likely resonate within combat vehicles etc., C4ISR etc., firearms etc., troop support, and live personnel; however, there are also strong synergies with aircraft fabrication under its maintenance, repair and overhaul components, given the Griffin and Chinook squadrons. Moreover, given the Pembroke and Area Airport's location within the town, the asset may represent an ideal location for potential future businesses developing products or services for the military.

In addition to the above trends, there have also been efforts to usher-in stronger policy signals that would benefit the defence sector. CADSI released a document outlining an opportunity to drive innovation and growth in Canadian defence industries through the recapitalization (i.e. updating and improving) of equipment and associated spending⁷. It is estimated that the Federal government will invest some \$200 billion in national defence updates over the next 15-20 years. The CADSI has identified three key considerations underpinning the opening of broader industry opportunities:

- The Defence industry is exempt from most international trade agreements, including NAFTA and WTO
- Governments are primarily the sole customer of defence markets
- Most foreign governments actively intervene in their defence sectors through formal and informal industry policies

As such, CADSI makes the claim that the Federal Government is in a position to affect the sector through its policy and spending decisions. That is, since the Federal Government is already expected to invest in the sector over the coming decade or more, it can direct that investment at domestic firms. These policy decisions, if brought forward, may open up new market opportunities for entrepreneurs in Petawawa.

Procurement of private sector goods and services functions in three different ways⁸:

- Standing Offer – A standing offer allows a company to submit a package to any branch of the Government with pricing for a specific product/service that must be valid for a period of time
- Supply Arrangement – Task Based: A Task-Based Supply Arrangement is one where any branch of Government has a position to fill for a period of time and is looking for a resource.
- Supply Arrangement – Solution-Based: A Solution-Based Supply Arrangement is one where any branch of the Government has identified an area that requires a solution and is looking to a company to identify a solution to resolve the issue.

⁷ Canadian Association of Defence and Security Industries (2016) "The Innovation Agenda and Canada's Defence Industry: Realizing the Opportunity of a Generation."

⁸ Canadian Association of Defence and Security Industries (2015) "The SME Roadmap to Defence."



In addition to these considerations, different military needs have different kinds of sourcing options. Local sourcing can apply to needs that are exclusive to a local unit or the Garrison more broadly because they are not things required on a predictably large scale and through a single supplier. An example is outhouses. Meanwhile, other things that are more generally required and which can be accommodated by a national-scale company, such as linen cleaning, must be tendered nationally, with specific amounts earmarked for different users. Still, further, there are also competitions for goods or services that are open to national and international suppliers, such as ammunition, weapons, vehicles, and such.

The Built-in Canada Innovation Program has recently been expanded to include a military component, which has opened the door for funding of pre-commercial product development with the intent of developing potential new tools or solutions to issues. The other way to become involved with procurement is through gaining access under a larger umbrella “prime contractor”, who relies on additional businesses as supply-chain contributors. For a community such as Petawawa, understanding the key external service providers already working with Garrison Petawawa may reveal supply-chain opportunities for new local businesses.

Another consideration is the application of defence businesses to international markets or applications⁹. For example, exporting goods or services to other countries or for international military collaborations, such as NATO programs or missions, could be a destination for innovative entrepreneurs. For NATO specific applications, specific security clearances are required in addition to traditional security clearances associated with the Department of National Defence. Looking beyond Canada’s military can therefore expose opportunities for business solutions that may be addressed by local businesses.

Finally, one last consideration relates to resources available through the National Morale and Welfare Services’ Military Family Resource Centre, which among other things, provides support for military spouses in becoming entrepreneurs. The organization also provides support to personnel preparing to transition out of the military. It is capable of organizing information sessions and may be able to assist the Town with providing information about entrepreneurship opportunities and support after retirement. Not only does the program allow for people to become business owners in areas external to the military, but it also provides an avenue for developing potential businesses that fit Petawawa’s desire to grow defence-related industry. A recent opportunity that has developed in Petawawa is the willingness of retiring personnel to take over existing local businesses in need of succession. There may be other local businesses in similar positions that would be interested in succession planning in coordination with retiring personnel.

Overview of Existing Assets and Competitiveness

Certainly, Garrison Petawawa represents an important local asset for private sector growth and development related to defence. A key consideration will be the ability to get small or even independent entrepreneurs established in Petawawa that have a strong knowledge base rooted in the military. Ensuring competitiveness in attracting and retaining entrepreneurs affiliated with defence will depend on several key considerations:

- Number of Defence-Related Employees: Having a large pool of potential entrepreneurs that are currently in the Military is important because it represents the potential for local business growth

⁹ Ibid.



based on spin-off enterprises. From the 2011 National Household Survey, the number of Defence employees identified as residents in each community was noted.

- **Distance to Key Military Locations:** Proximity to Ottawa’s National Defence Head Quarters (NDHQ) and potentially Kingston’s Royal Military College (RMC) may be important factors affecting the decision of where to locate the business. The distance was calculated via Google Maps from each municipality to the respective location, including distance to Garrison Petawawa.
- **Fibre Internet:** Modern businesses rely on high-quality internet service with strong upload and download potential. Verifications were done for the availability of fibre internet service and the maximum upload and download speeds.
- **Small Business Centre –** A small business centre is a single location that specializes in providing individual office spaces to small businesses and shared additional services, such as reception, washrooms, meeting rooms, and potentially other services (e.g. printing, kitchenette, hot-desks, etc.). A search was conducted online using keywords “small business centre” and “business co-location”.
- **Office Rental Costs:** As small businesses look to scale-up they may require larger office space. Competitive pricing for office may influence expansion decisions. Online listings were studied for all recent postings for commercial office leases based on square footage (sq. ft.) costs. An average was taken of all listings for each municipality.
- **Average Cost of Dwelling:** Since many independent entrepreneurs start their businesses in their own homes, housing costs may be a consideration for expanding the pool of entrepreneurs. Average Dwelling Cost has been identified for each community based on 2016 Census data.
- **Residential Property Tax Rate:** Related to dwelling cost competitiveness, is the tax structure in the community and its overall competitiveness. Tax rates have been obtained from the Ministry of Municipal Affairs’ annual reporting program, in which each municipality in Ontario participates. Numbers presented are from 2016 tax year for single and multi-residential structures.

Proximity to Petawawa is certainly an important influencer, but other consideration such as the ability to offer affordable cost of living expenses (e.g. housing and taxes) may also determine whether someone starts their business in Petawawa versus somewhere else, such as Pembroke or Deep River.

Figure 34: Competitive Benchmarking of Entrepreneur Considerations Associated with Defence

Indicator	Petawawa	Pembroke	Deep River	Ottawa
Number of Defence-related Employees (NAICS)	4,270	595	310	13,480
Distance to Key Military Locations	Petawawa	Petawawa	Petawawa	Petawawa
	0	16	30	163
	RMC Kingston	RMC Kingston	RMC Kingston	RMC Kingston
	261	250	294	193
	NDHQ Ottawa	NDHQ Ottawa	NDHQ Ottawa	NDHQ Ottawa
	165	149	194	0
Fiber Internet (max upload/ max download)	10mbps / 50mbps	0.93 / 10mbps	Not available	50mbps / 150mbps
Small Business Centre	No	Yes	No	Yes



Indicator	Petawawa	Pembroke	Deep River	Ottawa
Office Rental Costs (sq.ft.)	\$14.00	\$12.33	\$12.00	\$10.50
Average value of dwelling (\$)	288,567	221,994	250,443	444,589
Residential property tax rate	Single: 0.851277%	Single: 1.611147%	Single: 1.459297%	Single: 0.667442%
	Multi:	Multi:	Multi:	Multi:
	1.477147%	2.948615%	2.658894%	0.870986%

From the above figure the following observations emerge relevant to Petawawa's Competitiveness:

- The town has over 4,000 existing residents that are military personnel on the Garrison, resulting in a potential pool of future entrepreneurs, service providers, or supply chain links. While the majority of this population are comparatively younger, those nearing key career milestones may be ready to transition out of the military into the private sector if the opportunities exist. In comparison to other communities, Petawawa has the largest existing military resident population, with the exception of Ottawa.
- Petawawa's location and proximity to NDHQ in Ottawa and RMC in Kingston is only marginally farther than Pembroke and is closer than Deep River and surrounding communities (e.g. Laurentian Hills).
- Petawawa lacks a small business centre, which would offer affordable office space for smaller businesses, while also providing facilities for other sectors that require such amenities (e.g. information technology businesses, designers, consultants, etc.). Pembroke has such a facility, as does Ottawa in several locations. An additional benefit of such environments is that they create an ecosystem for networking, knowledge sharing, and business development. Missing such an asset may affect long-term opportunities for small home-based businesses that are looking to transition to larger operations and other businesses that are non-defence related.
- Office space rates are comparable across the region, but Petawawa's are slightly higher than all others, which may be a result of insufficient existing space (i.e. supply and demand considerations). Since, aside from defence-related industry, Petawawa's leading sectors are in retail, personal services, and restaurants, moderately higher office costs and a lack of options may be a limiting factor in both attracting new businesses (defence-related or not) and growing local ones.
- Average dwelling costs are higher in Petawawa than Pembroke and Deep River, but these differences are balanced by competitive tax rates. Overall, Petawawa can be viewed as being on par with its comparators, but proximity to the Garrison adds value to being locally situated.

The results indicate that Petawawa is generally well positioned to cultivate business start-up opportunities related to defence start-ups, particularly nascent ones which are likely to be homebased. Where challenges arise is for available and affordable space for growing businesses once they grow beyond a single employee.

Additional considerations which have not been factored into the above analysis include the availability of workshop space or small-sized industrial buildings. Communities have found solutions to such barriers for growing local businesses through repurposing older buildings into business-hubs, incubators, co-location spaces, maker-spaces, or small business centres to meet these needs. Because some defence-related



businesses will likely require facilities that are different than offices, having a working directory of available industrial buildings would help those requiring such space find what they are searching for.

Aerospace Sector Investigation

The aerospace sector, though in some ways related to defence, is a more civilian-oriented industry. Given that the Pembroke and Area Airport is located in Petawawa, the sector is considered to be an area of untapped potential, generally. The sector is not always tied to an airport; however, having an airport does bring a substantial contribution to Petawawa's value proposition for the sector.

There are generally two main components associated with the aerospace industry. On the one hand there is the design and creation of aircraft or their parts, while on the other there is the maintenance, repair & overhaul of aircraft or related aerospace equipment. The latter typically occurs on or around airport properties, with some minor exceptions (e.g. drone repair may happen in a workshop far away from airports), while the former varies depending on the good being produced and its place in the aerospace supply chain. The sector will be explored in this section following a short overview of global and national trends.

Global and National Trends in Aerospace

The global commercial aerospace sector is predicted to see continued growth in revenue and operating earnings for 2017. Passenger and freight traffic are estimated to grow at an average annual growth rate of 4.8% and 4.2%, respectively, over the next 20 years, contributing to higher aircraft production¹⁰. The number of people flying per year continued to rise, with a greater than four times increase over 1981 to 2016, driven by affordable ticket pricing and route availability. Revenues are expected to surpass \$750 billion (USD) for 2017¹¹. The total demand for new aircraft production is estimated to be 35,155 aircraft (excluding regional jets) over the next 20 years¹².

In 2017, Canada's aerospace industry contributed more than \$27.7 billion to the Canadian Gross Domestic Product (GDP) and more than 207,000 jobs (direct, indirect and induced) in the Canadian economy¹³. As Figure 35 below shows, the aerospace manufacturing sector had a total impact of over \$18.4 billion in GDP, of which over \$8.9 billion was directly contributed to from aerospace manufacturing, with an additional \$5.2 and \$4.2 billion respectively for indirect and induced GDP spending. The support services in the aerospace maintenance, repair and overhaul services (MRO) sector had a total impact of just over \$9B in GDP contributions to the Canadian economy, of which \$3.9 billion was directly tied to the sector.

¹⁰ International Air Transportation Authority (2017) Fact Sheet: Industry Statistics 2017: http://www.iata.org/pressroom/facts_figures/fact_sheets/Documents/fact-sheet-industry-facts.pdf

¹¹ Ibid.

¹² Deloitte (2017) "Global Aerospace and Defense Outlook 2017": <file:///C:/Users/Erle/Downloads/2017-global-ad-outlook-january.pdf>

¹³ Innovation, Science and Economic Development Canada and Aerospace Industries Association of Canada (2017) "State of Canada's Aerospace Industry 2017": <http://aiac.ca/wp-content/uploads/2017/06/State-of-Canadas-Aerospace-Industry-2017-Report.pdf>



Figure 35: Impacts of Canadian Aerospace Product and Parts Manufacturing Measured through Direct, Indirect, and Induced Gross Domestic Product (\$ millions) Dollars and Full Time Jobs, 2017.

Sub-Sector	Direct (\$)	Indirect (\$)	Induced (\$)	Total (\$)	Direct (jobs)	Indirect (jobs)	Induced (jobs)	Total (jobs)
Aerospace Manufacturing	8,995	5,222	4,216	18,433	55,724	41,694	32,971	130,389
Aerospace MRO**	3,897	3,269	2,134	9,300	31,448	28,895	16,912	77,255
Aerospace Total	12,892	8,491	6,350	27,733	87,172	70,589	49,883	207,644

Source: Innovation, Science and Economic Development Canada and Aerospace Industries Association of Canada (2017) "State of Canada's Aerospace Industry 2017": <http://aiac.ca/wp-content/uploads/2017/06/State-of-Canadas-Aerospace-Industry-2017-Report.pdf>. Note MRO= maintenance, repair, and overhaul.

In terms of employment, the aerospace manufacturing sector produced a total of 134,927 jobs in the Canadian economy, of which over 55,700 were directly employed in the sector aerospace manufacturing with the remainder being indirect or induced employment. Meanwhile the aerospace MRO sector had a total impact of 77,255 people being employment in the Canadian economy, of which over 31,000 workers were directly employed.

The following figure shows aerospace employment in manufacturing is primarily located in Quebec (55%) and Ontario (25%), compared to Western Canada's strength in MRO (44%), followed by Ontario (24%). Of note is that Ontario constitutes approximately one quarter of each sub-sector's labour market share.

Figure 36: Aerospace Employment Share by region, 2015

Region	Aerospace Manufacturing Employment Share (%)	Aerospace MRO Employment Share (%)
Atlantic	5%	14%
Quebec	55%	18%
Ontario	25%	24%
Western Canada	15%	44%

Source: Innovation, Science and Economic Development Canada and Aerospace Industries Association of Canada (2017) "State of Canada's Aerospace Industry 2017": <http://aiac.ca/wp-content/uploads/2017/06/State-of-Canadas-Aerospace-Industry-2017-Report.pdf> ; Note MRO= maintenance, repair, and overhaul.

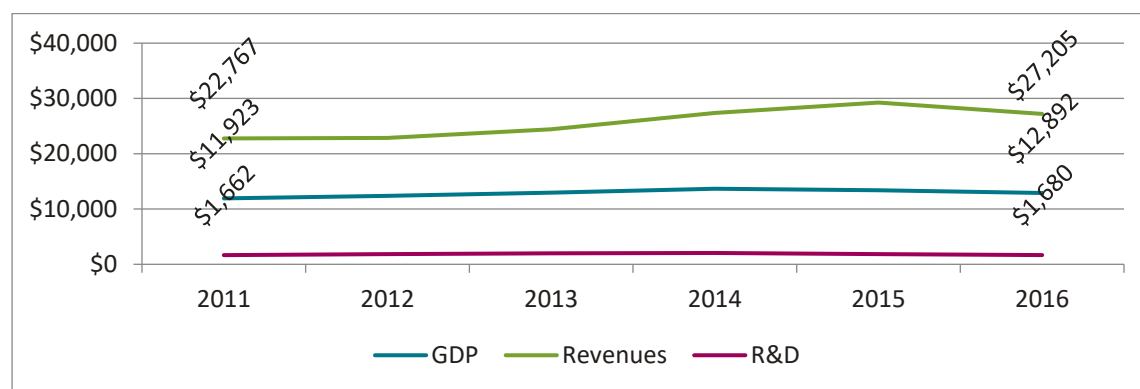
As Figure 37 illustrates, direct GDP contributions from aerospace manufacturing and MRO has grown from \$11.9 billion in 2011 to nearly \$12.9 by 2016. Meanwhile, profits of enterprises in the sector grew from over \$22.7 billion to \$27.2 over the same period. Growth in GDP represents approximately 8% since 2011, while revenue growth has been approximately 19%. As for research and development (R&D) spending, the Canadian aerospace industry spent approximately \$1.6 in 2011, peaking in 2014 at just over \$2.0 billion, and declining to nearly the same as the 2011 rate by 2016 at just under \$1.7 billion, or an overall



growth rate of 1.1%. Comparing share of R&D to revenue, spending on R&D has declined from approximately 7.3% in 2011 to 5.6% in 2016. Similarly, as share of GDP, R&D constituted 13.9% in 2011 and 13.3% in 2016.

The results indicate that the industry's investment into R&D has potentially stagnated, while industry revenues continue to climb overall. The trend may translate to reluctance among established aerospace businesses to increase funding amounts to R&D, which would limit their willingness to seek alternative locations for facilities. Potential stimulus by the Federal Government into innovation and R&D funding may shore-up innovation.

Figure 37: Canadian Aerospace Industry Change (\$ Millions), 2011-2016



Source: "State of Canada's Aerospace Industry: 2016 Report". Innovation, Science and Economic Development Canada (ISED) and Aerospace Industries Association of Canada (AIAC), 2016

Defining the Aerospace Value Chain

The Canadian aerospace industry is broken down into two main activities: manufacturing (70% of GDP), and maintenance, repair and overhaul (MRO, 30% of GDP), but also includes private sector contributions to the federally administered space and defence industries¹⁴. Traditionally the sector does not include the scheduled and non-scheduled flights associated with travel, though the broader value chain does include these aspects.

The sector value chain is articulated according to a series of North American Industry Classification System (NAICS) codes. A summary of the NAICS codes applicable to the aerospace is provided in Figure 38, with each component further elaborated below.

¹⁴ Innovation, Science and Economic Development Canada and Aerospace Industries Association of Canada (2017) "State of Canada's Aerospace Industry 2017": <http://aiac.ca/wp-content/uploads/2017/06/State-of-Canadas-Aerospace-Industry-2017-Report.pdf>



Figure 38: Aerospace Industry Overview According to North American Industry Classification System (NAICS)

Sector and Industry	NAICS
Aerospace product and parts manufacturing	3364
Motor vehicle electrical and electronic equipment manufacturing	33632
Commercial and service industry machinery manufacturing	33339
Communications equipment manufacturing	3342
Other chemical product manufacturing	3259
Other transportation equipment manufacturing	3369
Support activities for transportation (maintenance, repair and overhaul)	4880

Aerospace product and parts manufacturing

This industry group comprises establishments primarily engaged in manufacturing aircraft, missiles, space vehicles and their engines, propulsion units, auxiliary equipment, and parts thereof. The development and production of prototypes is classified in this industry, as is the factory overhaul and conversion of aircraft and propulsion systems. This includes manufacturing or major modifications of air planes, rockets, jets, helicopters, drones, gliders, and other aircraft.

Motor vehicle electrical and electronic equipment manufacturing

This industry comprises establishments primarily engaged in manufacturing and rebuilding electrical and electronic equipment for motor vehicles and internal combustion engines.

Commercial and service industry machinery manufacturing

This industry comprises establishments primarily engaged in manufacturing commercial and service industry equipment (except optical instruments and lenses, and photographic and photocopying equipment), and in particular teaching machines (e.g., flight simulators) manufacturing.

Communications equipment manufacturing

This industry group comprises establishments primarily engaged in manufacturing equipment used to move signals electronically over wires or through the air, such as telephone apparatus, radio and television broadcast equipment, and satellite communications equipment.

Other chemical product manufacturing

This industry group comprises establishments, not classified to any other industry group, primarily engaged in manufacturing chemical products. For the purposes of this project, attention is paid to fuel or other aircraft-specific chemicals.

Other transportation equipment manufacturing



This Canadian industry comprises establishments, not classified to any other Canadian industry, primarily engaged in manufacturing transportation equipment and parts. Specifically, this applies to self-propelled weapons.

Support activities for transportation

This subsector comprises establishments primarily engaged in providing services to other transportation establishments. These services may be specific to a mode of transportation, or they may be multi-modal, but in the case of aerospace they include activities affiliated with maintenance, repair and overhaul (MRO) operations for aircraft.

Aerospace Industry Benchmarking

Industry

Figure 39 presents an overview of businesses in industry subsectors associated with aerospace and air travel for Petawawa and other comparators in Arnprior, Renfrew (town), Ottawa, and Ontario. Notably, several sectors (identified in the figure with an asterisk) represent industries that include businesses that may not be involved in aerospace at all, but produce goods which may be used in aerospace such as fuel, chemicals, electronic equipment or others.

The results indicate that as of December 2016, Petawawa had one schedule air transport business operating at its airport (most likely Bearskin Airline's semi-regular service), and one company providing support activities for air transport (most likely the Pembroke and Area Airport Corporation). Meanwhile, comparator communities have several manufacturing businesses which produce products that could be used for the aerospace sector. Notably, Renfrew has three aerospace products and parts manufacturers, all of which have existed for over 10 years (one dating to 1977), while Ottawa has 10 aerospace products and parts manufacturers.

Given the location of the airport within Petawawa's municipal boundary, the Town is in a position to encourage and support business growth that would align with the maintenance, repair and overhaul component of the sector, as manufacturing is likely to be a more challenging draw.



Figure 39: Subsectors Associated with Aerospace and Air Travel by North American Industry Classification System (NAICS), 2016

NAICS	Industry	Petawawa	Arnprior	Renfrew	Ottawa	Ontario
3259	Other chemical product manufacturing*	0	0	1	9	329
3342	Communications equipment manufacturing*	0	0	0	27	244
3363	Motor vehicle parts manufacturing*	0	1	1	13	642
3364	Aerospace product and parts manufacturing	0	0	3	10	246
3333	Commercial and service industry machinery manufacturing*	0	3	0	12	341
3369	Other transportation equipment manufacturing*	0	1	2	8	148
4811	Scheduled air transportation		0	1	10	193
4812	Non-scheduled air transportation	0	2	5	35	483
4881	Support activities for air transportation	1	8	13	43	667
(blank)	Total	2	15	26	167	3,293

Source: Statistics Canada, Canadian Business Patterns, 2016. *NAICS code is not exclusive to aerospace or air travel and may include businesses operating in other capacities

Skill Talent

There is a lack of data about the kinds of occupations and skills most commonly associated with aerospace industries; however, from a higher level, the demands are likely to mirror those of advanced manufacturing more broadly. That is, the labour force is likely to consist largely of specialty trades and skills from college-level and advanced-education, as well as trades or apprenticeships. There is likely to be low demand for unskilled labour.

The figure below shows the highest education attainment levels for Petawawa and comparators, with Petawawa showing a stronger share of people with a university degree or higher, but average levels of secondary school completion, apprenticeships/trades, or college/CEGEP to Arnprior and Renfrew. These distributions also contrast against Ottawa and the Province's overall distribution, which are notably lower for high school completion, and higher for college-level education.

The results indicate that Petawawa is generally populated by people with either strong post-secondary education levels or people that only have a high school education. This distribution makes intuitive sense given the large number of non-commissioned and commissioned military ranks, which make up approximately half of Petawawa's total labour force. People that are commissioned tend to have a university degree while, non-commissioned ranks typically only require a high school diploma, with the



remainder of their training being military-trade specific.

Existing military personnel will not easily trade their job security or full pension to work in the aerospace manufacturing sector, but there is a chance that some may be interested in starting their own business upon retiring, and those people may one day require a skilled labour force. The long-term plan for Petawawa has to be growing the skilled civilian labour base so that aerospace manufacturers and manufacturers more broadly will have a local resource to tap into.

Figure 40: Distribution of Highest Education Attainment Ages 15 and up (2016)

Highest Education Attainment	Petawawa	Arnprior	Renfrew (town)	Ottawa	Ontario
No certificate; diploma or degree	7%	11%	12%	6%	20%
Secondary (high) school diploma or equivalency certificate	35%	33%	35%	19%	13%
Apprenticeship or trades certificate or diploma	9%	9%	8%	4%	1%
College; CEGEP or other non-university certificate or diploma	30%	32%	32%	23%	49%
University certificate or diploma below bachelor level	1%	1%	1%	2%	5%
University certificate; diploma or degree at bachelor level or above	19%	14%	12%	45%	12%

Source: Statistics Canada Census Profile 2016.

Looking at areas of specific training relevant to aerospace, computer and information sciences and support services, are becoming increasingly important for advanced manufacturing, as machinery and instruments become more automated or connected to computers for other purposes such as measurement or communications. Petawawa has a strong number of people trained in computer-related areas. In fact, Petawawa has higher numbers of people than Arnprior and Renfrew in all five technical backgrounds profiled in Figure 41/Figure 42 below. Meanwhile, Ottawa, given its size stands above the others.

Figure 41: People with Specific Training Backgrounds Affiliated with Advanced Manufacturing and Aerospace

Education Specialty	Petawawa	Arnprior	Renfrew (town)	Ottawa
Computer and information sciences and support services	125	115	40	25670
Engineering	240	140	35	35330
Engineering technologies and engineering-related fields	285	190	140	16755
Mechanic and repair technologies/technicians	455	185	175	9425
Precision production	100	70	100	3330

Source: Statistics Canada Census Profile 2016.



In regard to military-specific skills acquired through education, Figure 42 shows that Petawawa has 65 people with military science, leadership and operational art training, and 90 people with military technologies and applied sciences training. These skills may be relatable to aerospace, but it cannot be confirmed.

Figure 42: People with Specific Military Skills Acquired Through Education

	Petawawa	Arnprior	Renfrew (town)	Ottawa
Military science; leadership and operational art	65	0	0	755
Military technologies and applied sciences	90	10	15	430

Source: Statistics Canada Census Profile 2016.

Key Aerospace Asset Considerations

Airports

As already noted, Pembroke and Area Airport is a key asset at the centre of a potential future aerospace cluster. The Airport is administered by an independent corporation that is funded by a group of municipal partners from across the region, including Petawawa, Pembroke, Deep River, Laurentian Hills, Laurentian Valley, and Whitewater Region. The Airport is “the only Transport Canada certified airport between Carp and North Bay with a 5,000 ft. (1,524 metres) runway capable of accommodating regional commuter aircraft and business jets.”¹⁵ The Airport has recently published a new strategic plan, and while it identifies that there is a dire need for infrastructure improvements including resurfacing of the airstrip, lighting upgrades, and fuel tank and fuel station upgrades among, other things, there is division among the municipal funders as to the extent to which municipalities should finance the upgrades. Some areas of concern related to a lack of clarity of accountability and board functions and insufficient consideration of revenue diversification through business development opportunities.

According to an economic impact assessment conducted in 2015, the airport supports a range of activities, most notably Garrison Petawawa, but also medevac services and law enforcement activities, in addition to general aviation traffic. According to a marketing document called Project Runway, the airport also has 300 acres of developable land, which can accommodate low-build structures. The development potential of the land is notable, and has generally been untapped, save for some minor developments; none of which are aerospace-related.

Colleges and Universities

Securing a talent pipeline for aerospace will rely on specifically skilled labour that has had the appropriate education. While some aspects of the sector may be relatable to general trades education, such as electricians or computer programming, which can be provided by community colleges, others need specialized trades unique to aircraft manufacturing, maintenance, and repair.

The closest college to Petawawa is located in Pembroke (Algonquin College), but its programming is centred on social sciences, nursing, business, environment/forestry, automotive repair, and police

¹⁵ Loomex Group (2015) “Economic Impact and Infrastructure Review for the Pembroke and Area Airport”



foundations. Unfortunately, there are no programs that relate to aerospace, including millwright training, electricians, computer programming, or tool and die making. Consequently, it is not likely that people with these trade backgrounds will be in large supply in the region to fulfill potential aerospace needs. On a positive note, a small-scale aerospace business is not likely to require a large workforce, but the lack of available talent may influence the ability to attract aerospace businesses from outside the community.

Universities are located in Ottawa, Kingston, North Bay and Peterborough, with Ottawa being the closest of all.

Garrison Petawawa

The Garrison currently uses the Airport for troop transportation via C130 Hercules aircraft and other small military aircraft. The Garrison also occupies a small facility adjacent to the airport. The Garrison's Chinook and Griffon helicopter squadrons do not generally rely on the Pembroke and Area Airport.

Former military personnel represent one of the primary opportunity areas for entrepreneurship development in association with aerospace. Though not directly related to aerospace, a veteran has started a parachute school, which has already resulted in additional employment and a spin-off business by another veteran. The examples illustrate the ingenuity that may result in aerospace businesses growing in Petawawa. The Canadian Forces have recently approved an increase in the annual payout to the airport to approximately \$60,000, which is estimated to be market value.

Case Studies in Airport Spin-off Industry & Aerospace

While the Pembroke & Area Airport represents a resource for potential aerospace enterprise development, it also has 300 acres of developable land that can potentially be leveraged into business development opportunities for Petawawa.

Community airports have traditionally focused their revenue generation on what they excel at: providing hanger rentals, aircraft fuel, and aircraft maintenance; however, there are growing examples of airports expanding their focus to include new industry demands, which help to revitalize them as well as diversify their revenue base.

Kamloops Airport is currently looking into a variety of new opportunities for the 36.2 hectares of land it has available for development. Ideas include using the land for an airport hotel, a training campus, a museum, a community park space, a solar farm, or a cannabis plant¹⁶.

Kamloops would not be the first to delve into cannabis as an option for airport land development. For example, Aurora Cannabis Inc. is currently constructing its newest facility of 800,000 sq. ft. at the Edmonton International Airport¹⁷. This will be the largest cannabis facility planned in Canada.

Kamloops also would not be the first to look at solar as an option. Thunder Bay and Windsor have both installed solar farms at their community airports. The 8.5-megawatt solar farm at the Thunder Bay International Airport, which is owned by SkyPower, was built in 2011, making it "one of the first solar

¹⁶ <http://cfjctoday.com/article/595166/cannabis-plant-solar-farm-among-airport-development-options>

¹⁷ Mosley, Omar (2017) "'I've never seen anything like this' Aurora Cannabis weeding out global competition," Metro, September 4: <http://www.metronews.ca/news/edmonton/2017/09/04/aurora-cannabis-weeding-out-global-competition.html>



projects on airport lands”¹⁸. More recently, in late 2016, Samsung completed its 50-megawatt solar farm on over 300 acres of land at the Windsor International Airport. Samsung is leasing the land from the city at \$20 million over 20 years and will be an additional \$200,000 a year in property taxes¹⁹. Given that there is already a small scale solar project on the western-end of the airport property which borders on Petawawa’s industrial park, it seems plausible that developing a solar expansion could serve as a revenue diversification tool for the airport. Airports make for good solar locations because of the large expansive space, and height restrictions that prevent other larger structures from being located closer to airports.

The use of airports as technology testing hubs has also been experimented with in recent years. For example, the Edmonton International Airport is home to the Alberta Aerospace and Technology Centre (AATC), which includes a flight simulator and an incubator for start-up companies working in aerospace and transportation technology²⁰. Firms based at the AATC lease space in the main terminal building of the Edmonton International Airport and test their technology on site. For example, the Advanced Systems for Transportation (AST) Consortium working with the AATC and the Edmonton International Airport to develop and test autonomous transportation (vehicle) technology. Another example includes the company Aerium Analytics, creators of an unmanned aerial vehicle (drone) shaped like a falcon. They use their technology to keep wildlife from flight paths at the airport but also use the airspace to test their drone technology for other applications such as forestry and oil and gas. This is not to say that examples from Edmonton International Airport need to be at the same scale as that airport, but instead to emphasize the possibilities for diversifying activities that happen on airport lands.

In a similar vein, Foremost, a small community in southern Alberta, has developed an unmanned aircraft systems (UAS) testing field called the Canadian Centre for Unmanned Vehicle Systems at their local airport. Previously, universities and businesses were experimenting with drone UAS technology at the nearby Canadian Forces Base in Suffield; however, when the frequency of use by military aircraft made UAS testing difficult and impractical at that location, testing groups looked for a new location and landed in Foremost, with the help of an ex-military member leading the project. The UAS testing field in Foremost is an idea that brings together the potential of new technology with the talent potential of ex-military personnel.

Recreational Trails Development & Tourism Investigation

In 2013, through a destination development plan, Petawawa learned that the region’s trail system and outdoor recreation opportunities are among its most attractive tourism assets. Since that time, efforts were redoubled on further developing the local trail network; improve the quality of place for residents and having potential to draw attention to the town for from outside the community.

Petawawa’s trail assets tie into broader potential tourism experience, complemented by other amenities, events, and nearby assets. This section looks at trails and tourism for Petawawa, including its assets and some best practice considerations.

¹⁸ <http://www.skypower.com/projects/thunder-bay-airport/>

¹⁹ <http://www.cbc.ca/news/canada/windsor/samsung-solar-farm-said-to-be-coming-to-windsor-airport-1.2579746>

²⁰ <http://corporate.flyeia.com/node/672857#sm.0007itf8910eae90t5r2e8l5djpjh>



Trends in Tourism and Trails

The tourism sector in Ontario generated \$23 billion in GDP in 2015 and employed some over 200,000 people directly, of which an additional 100,000 were employed indirectly or through consumer spending of employees in the sector²¹. Ontario's largest tourism customers are from the United States, who between January and September of 2017 totalled over 10 million visitors, and represented more than 80% of total visitors. More than half of visitors stay for at least one night.

Petawawa is a partner in the Ottawa Valley Tourist Association (OVTA), which represents regional tourism businesses, communities, and stakeholders, and serves as a destination marketing organization for the region. The OVTA identifies that Renfrew County had approximately 1.5 million visitors in 2015, who contributed some \$165 million in economic impact to the region.

Trails development in Ontario had seen a boom in interest since around 2010 when the Province released a trails strategy, which outlined strategic directions relating to:

- Improving collaboration among stakeholders (which includes communities, users, and interest groups)
- Enhancing the sustainability of Ontario's trails (through removing roadblocks to sustainability, stabilizing resources, and stabilizing trail routes)
- Enhancing the trail experience (through allowing for multiple uses, managing user impacts and improving accessibility)
- Educating Ontarians about trails
- Fostering better health and a prosperous economy through trails (which relies on building tourism around assets)

Since that time, developments have occurred in the Petawawa area, thanks in part to a local desire to build trails within the community, as well as broader developments, such as the conversion of a former CP Rail line into the newly minted Algonquin Trail. The trail is expected to open up a new artery for recreational trail users reaching the outskirts of the Ottawa-region, accommodating both motorized and non-motorized users²². The prospect is a positive one for a place like Petawawa that has already been developing its own internal trails network, which converges with the CP Rail Line at several junctures.

Competitiveness Benchmarking in Tourism

Petawawa has numerous tourism assets, of which many have been categorized into a master list by the Municipality. The Tourism Asset Inventory has been studied with a purpose of understanding what assets currently exist and where there may be gaps. Where data are available, comparator communities are also included.

Garrison Petawawa: Garrison Petawawa has a diverse set of recreation and fitness amenities that can accommodate almost any type of sport or activity. This includes an indoor sports arena, an indoor running track, an indoor rock wall, a swimming pool, squash courts, tennis courts, soccer pitches, and more. In

²¹ Ontario Ministry of Tourism, Culture and Sport (2015) The Economic Impact of Tourism in Ontario – 215: Mississauga Cleantech Cluster: Preliminary Findings

²² Prichard, Trevor (Jul 7, 2017), CBC News: <http://www.cbc.ca/news/canada/ottawa/trail-smiths-falls-mattawa-snowmobiles-atvs-1.4192695>



addition, the Garrison has assets that are attractive to tourists such as their splash pad for young children and the Black Bear Beach, Kiska Beach, and Home Fires Park. Special rates are available for non-military families to access these amenities.

Civic Centre, Parks, Trails: Petawawa has six walking loops within the town as well as a leash-free dog park, the construction yard bike park, and sports-related assets such as soccer fields, batting cages, softball fields, tennis courts, beach volleyball, mini putt, and more. Centennial Park and Petawawa Point are two major scenic centres in the town.

Accommodation and Meeting: Petawawa currently has five establishments that can be booked for accommodations - two inns, one motel, and two campgrounds (Black Bear and Pine Ridge). There are five establishments that can be booked for meetings, the smallest being the meeting room at the Petawawa Quality Inn & Suites (capacity 40 guests) and the largest being the Riverview Room at the Petawawa Golf Club (capacity 250 guests). A new Marriott TownePlace Suites hotel is also currently in development, which will be a benefit for the town.

Restaurants: Petawawa currently has 25 restaurants and or food service places, the majority of which are fast food and or chain restaurants such as Subway, Wendy's, and Tim Hortons, while there are also a few sit-down independent restaurants such as Danny's Steak House and the Petawawa Golf Club, which holds seasonal hours.

Attractions: According to Trip Advisor, the most popular attractions in Petawawa include the CFB Petawawa Military Museum, Petawawa Heritage Village, and the Petawawa Golf Club. The majority of additional attractions in Petawawa are outdoor attractions such as the Ottawa and Petawawa River, Algonquin Park, the Petawawa Trail System, and Petawawa Point Beach.

Outfitters: Currently Petawawa has four outfitters for recreation activities. Two are water-related outfitters, one bike/skiing-related outfitter, one horse riding outfitter. All four outfitters provide rentals and guided activities for locals and visitors.

Museums and Cultural Assets: Petawawa has two major cultural assets – the Military Museum and the Heritage Village. There are a total of approximately 24 other museum and cultural assets when taking into consideration the surrounding communities.

Shops and Services: Petawawa has four specialty shops selling gifts and or home décor, one specialty shop selling camping and outdoor gear, and one specializing in cycling and skiing gear. Petawawa used to have a Community Market that ran on Fridays during warmer seasons but has recently been discontinued. The community has five vehicle service providers dealing with the sale, service, repair and or maintenance on recreational vehicles.

Golf Course: Petawawa has two 18-hole golf courses, the Petawawa Golf Club and the Roanoke Golf Club, and a driving range at the airport. There are an additional 15 golf-related assets in the surrounding communities.

Programs and Events: The majority of programs and events in Petawawa are concentrated in the summer months of June, July, and August. The majority of these are recreational, including runs, yoga, mountain biking, paddling, and more; however, there are also arts and heritage events, and larger community events such as Civic Centre Days. Programs run along fall/winter and spring/summer schedules. Cabin Fever is an annual winter festival, and a recent summer event started in 2015 in partnership with Pembroke called Paddle Fest, which has proven to be an increasingly popular annual draw.

Community Groups: Petawawa has 17 community groups listed in their asset inventory, all of which are



recreation or sport-related clubs, such as the Archery Club, the Fencing Club, the Shooting Club, the Paddling Club, and various walking groups.

Overview of Identified Asset Gaps

Based on the above section, the following areas represent gaps that could look to be addressed by the Petawawa and others (e.g. private sector):

- **Trails Development:** Outside of the community's website, Petawawa does not have a lot of online marketing towards its Emerald Necklace Trails System and, when searched online, the trail system can easily be confused with the Emerald Necklace parks system in Boston and Brookline Massachusetts. Also the name of the community is not integrated into the trail system. That is why in this Strategy the system is referred to as the Petawawa Trail System, and a rebranding initiative is advocated. In addition to marketing, the trails listed in Petawawa's asset inventory are all considered intermediate walking trails. This could be considered a gap since diversity in trail assets (such as having more rigorous trails) could attract different levels of outdoor enthusiasts to Petawawa's trail system. On the positive side, there are several trails in the region which suit all skill levels, including advanced and expert. There is an opportunity to consider marketing a broader package of trails experiences centred in Petawawa, but inclusive of regional assets as well.
- **Restaurants:** A high proportion of establishments in Petawawa's food service industry are focused on fast food, and many are also international chains. This food service category is indeed important, however from a tourism perspective, it does not differentiate the community from its neighbours (which likely also have the same offerings) nor does it necessarily attract visitors who are looking to experience something unique when visiting new places. Eateries that have unique food offerings are often considered a highlight in tourists' experiences with a place.
- **Shops & Services:** Currently there are only a few specialty shops within Petawawa that sell unique goods. From a tourism perspective, this is an identified gap as part of any visitor's experience in a place will include local shopping.

Benchmarking Petawawa Tourism Indicators

In addition to the tourism asset inventory, a series of indicators associated with the tourism sector were studied in comparison to some other regional comparators that are also growing their tourism agendas.

Some key considerations studied in the figure below include the population and size of labour force, temperatures, traffic counts at the nearest highway junction to the community, and distance to major markets of different size categories.

In addition, the top TripAdvisor "things to do" and restaurants have been listed for each community.

Figure 43: Tourism Competitiveness Criteria for Petawawa and Comparators



Indicator	Petawawa	Pembroke	Renfrew (Town)	Arnprior
Population (2016)	17,187	13,882	8,223	8,795
Size of total Labour force (2016)	7,315	7,190	3,525	5,095
Traffic Counts - Annual Average Daily Traffic Volume (2009)	7,650; Highway 17; Murphy Road to Petawawa Buchanan Boundary	8,150; Highway 17; Paul Martin Drive (Hwy 41) to Round Lake Road	13,900; Highway 17; Anderson Road to O'Brien Road (Highway 60)	16,700; Highway 17; End Highway 417 to Calabogie Road
Number of rooms available	86 (plus a new hotel under construction)	400	86	91
Accommodation/Food Service	2 Accommodations 22 Food	12 Accommodations 53 Food	9 Accommodations 27 Food	4 Accommodations 27 Food
Average daily high of (°C) in the cool season	0	0.6	0.6	1.1
Average daily high of (°C) in the warm season	19.4	19.4	20	20.6
Distance to urban centre with 50,000-100,000 people (km)	196 (North Bay)	214 (North Bay)	268 (North Bay)	294 (North Bay)
Distance to urban centre with over 100,000 people (km)	256 (Kingston)	244 (Kingston)	177 (Kingston)	163 (Kingston)
Distance to urban centre with over 500,000 people (km)	162 (Ottawa)	146 (Ottawa)	94 (Ottawa)	67 (Ottawa)
	386 (Toronto)	387 (Toronto)	372 (Toronto)	393 (Toronto)
Distance to Nearest US Border	234 (Ogdensburg)	217 (Ogdensburg)	164 (Ogdensburg)	137 (Ogdensburg)
Number of Trip Advisor "Things to Do"	7	10	7	14
Top 3 Trip Advisor "Things to Do"	CFB Petawawa Military Museum	Hugli's Blueberry Ranch & Country Gift Store	McDougall Mill Museum	Gilles Grove and House National Historic Site
	Petawawa Heritage Village	Champlain Trail Museum and Pioneer Village	Bonnechere Falls	Arnprior & District Museum
	Petawawa Golf Club	Pembroke Heritage Murals	(none)	Antiques, Treasures, & Treats
Top 3 Trip Advisor "Restaurants"	Madameek (Lebanese)	The Nook Creperie (European)	Bonnechere Bakery and Bistro Find Food (Soups, Café)	Krave Bistro (American)
	Petawawa Pizzeria (Pizza)	Ullrich's on Main (German)	Blackbird Café (Canadian)	Lumbertown Ale House (GastroPub)
	Danny's Restaurant & Steakhouse (American)	Anthony's Italian Grill (Italian)	Tracey's Ice Cream (Canadian)	Antrim Truck Stop (American)

Key findings from the above include the following:



- In terms of accommodation, Petawawa lags behind comparators with only 2 hotels/motels, and it also lags in number of restaurants, despite having a larger population than them. The effect is a lack of diversity in options that may pique the interest of local visitors. Also, visitors are most likely interested in authentic and unique experiences, so retail and restaurant options should balance both local needs for brands, with visitor's general desires to experience something memorable (locals like this too!).
- In terms of ability to tap into tourism markets, Petawawa is closer to North Bay than Arnprior, Pembroke, and Renfrew, but farther from Kingston and Ottawa. The distance to Toronto is similar for all comparators, while Petawawa and Pembroke are nearly at the same disadvantage to Arnprior and Renfrew, which are both closer to the United States border (at Ogdensburg).
- The top three TripAdvisor "Things to Do" in Petawawa are its CFB Petawawa Museum, the Petawawa Heritage Museum, and Petawawa Golf Club. A search of TripAdvisor did not find any postings about trails for Petawawa, illustrating an area for easy opportunity. Each community has unique assets in their top three, but a common theme is that they all have at least one museum. Pembroke's murals are a notable point of interest, that helps establish a sense of place.
- A new hotel is currently being developed in Petawawa, which will add to the overall room count for accommodations, and also increase floor space for options such as fine-dining and reception/meeting space.

Case Studies in Trails Asset Development and Marketing

With the growth of community tourism across Canada, positioning (branding) and advertising are becoming more essential when it comes to building awareness, interest, and differentiating a specific community's tourism elements.

Positioning, specifically, has helped communities differentiate themselves and their tourism assets from other communities. It also helps in targeting specific demographics of visitors.

For example, Manitouwadge, a remote community in Northwestern Ontario, has positioned itself as an outdoor extreme/adventure hub with the catch phrase "Play in the Extreme"²³. The community promotes the area for camping, canoeing/kayaking, fishing, hiking/waterfalls, hunting, mountain biking, off-roading, and snowmobiling. Tourism and recreation continue to be key economic drivers for the township of approximately 2,000 people²⁴.

The Eastern Ontario Trails Alliance (EOTA) has taken a more holistic approach to its tourism positioning. It has packaged its various trail systems and activities into themes to target a variety of tourist interests. Their four packages include: Action & Adventure, Tour & Discover, Arts & Heritage, and Wellness & Escape²⁵. The effort caters to a variety of demographics that can relate to the various narratives and assets associated with each category. Moreover, given Petawawa's connection to EOTA through trail links that run through Renfrew County, Petawawa may be in a position to capitalize on similar demographics by growing into part of a broader regional brand of outdoor activity.

In addition to how a community decides to position and sell its tourism assets, it also has to focus on what

²³ <http://www.playintheextreme.ca/play/>

²⁴ <https://www.northernontariobusiness.com/regional-news/elliott-lake-north-shore/manitouwadge-reassesses-development-strategy-368622>

²⁵ <https://www.thetrail.ca/index.php/package-deals/eota-package-deals>



channels it will use for advertising. According to Nielsen's 2015 Global Trust in Advertising Report, 83% of consumers around the world say they trust recommendations from friends and family, above all other forms of advertising. Other trusted sources of brand information and messaging include brand websites (70%), online consumer reviews/opinions (66%), and editorial content (66%).²⁶ Another growing area for advertising is influencer marketing²⁷ – using people with large social media followings to share a company's products. Some communities have conducted this type of marketing for their tourism with promising results. For example, the Maine Office of Tourism recently conducted a social media campaign using five Instagrammers with large followings of very different audiences. The tourism office developed an individual itinerary for each Instagrammer – one that spoke to each Instagrammer and their audience's interests. The Instagrammers were encouraged to post photos while at a destination as well as take a variety of photos that would later be used for a digital magazine published by the office of tourism. It was found that because social channels rank highly as top sources for travel ideas, with approximately 33% of consumers say they get inspired about vacation ideas from social media channels such as Instagram²⁸.

Lake Wanaka Tourism in New Zealand did something similar by inviting influencers with large online followings to take photos in the area. Tourism authorities now attribute the large boom in tourism, which has broken tourism records in the area, in part to this strategy. According to the general manager of Lake Wanaka Tourism, "[Influencers] come across as very credible and authentic, as opposed to looking at an advert you know is being paid for by a company or a region."²⁹

Finally, the International Mountain Bicycling Association (Canada) has created a list of best practices when developing and marketing trails systems.³⁰ Although the article is speaking directly to trails for mountain biking, these best practices are relevant to all trail types, and may also apply to broader tourism applications. Some of the more vital practices include:

- **Provide Supporting Facilities:** Facilities of convenience, such as clean washrooms, benches, garbage cans, and picnic tables can make or break a public trail system. Of course, you won't necessarily need these facilities for the more rugged, backcountry trail, but they should be considered essential for any trail system oriented towards families or casual outdoor enthusiasts.
- **Install Effective Signs:** Road signs are a cost-effective method of marketing – they not only build awareness, but also make it easy for visitors to find your trails.
- **Get Local Businesses Involved:** Visitors often stop at local businesses to eat, sleep, and shop. Therefore, teaming up with these businesses to help promote your trails can be beneficial to growing awareness of the trails as well as other local tourist sites. Training local staff to be hospitality experts can help visitors navigate the best aspects of your community.
- **Create a Website:** A dedicated website that supplies maps, trail difficulty levels, trail length, trail conditions, weather, trip planning tips, photos, video, and user-submitted content does not only build

²⁶ http://www.nielsen.com/content/dam/nielsen-global/apac/docs/reports/2015/nielsen-global-trust-in-advertising-report-september-2015.pdf?lipi=urn%3Ali%3Apage%3Ad_flagship3_pulse_read%3Br3k4DFk%2BTXSqUaPv6%2BZCYQ%3D%3D

²⁷ <https://www.forbes.com/sites/quora/2017/05/02/influencer-marketing-is-growing-faster-than-digital-ads/#25f4e0677b39>

²⁸ <http://www.travelweekly.com/Travel-News/Travel-Technology/Case-study-Maine-Office-of-Tourism>

²⁹ <http://www.stuff.co.nz/travel/news/78274433/instagram-thanked-for-south-island-tourism-boom>

³⁰ <http://www.imbacanada.com/resources/research/economics/marketing-trails>



awareness for your trails, but helps potential visitors know what to expect and how to plan accordingly.

- **Tell Great Stories:** Offer expense-paid trips for journalists of nearby community newspapers and niche magazines. Since many communities have trails, develop a creative "pitch" to make your story interesting and highlight why your trails are different.
- **Photograph your Trails Professionally:** In the era of social media, pictures can be worth a thousand words to visitors (see case study above). Commission professional photographers and Instagrammers that fit your niche to capture your trails, showing visitors what your destination has to offer.

In sum, creating a brand (or building on an existing one), marketing to a variety of audiences by leveraging different assets to different tastes, using influencers to steer attention to an area, and making sure trails and related asset marketing are consistent, accessible, supported by cross-over facilities/amenities, etc. are methods that have been shown to generate results.

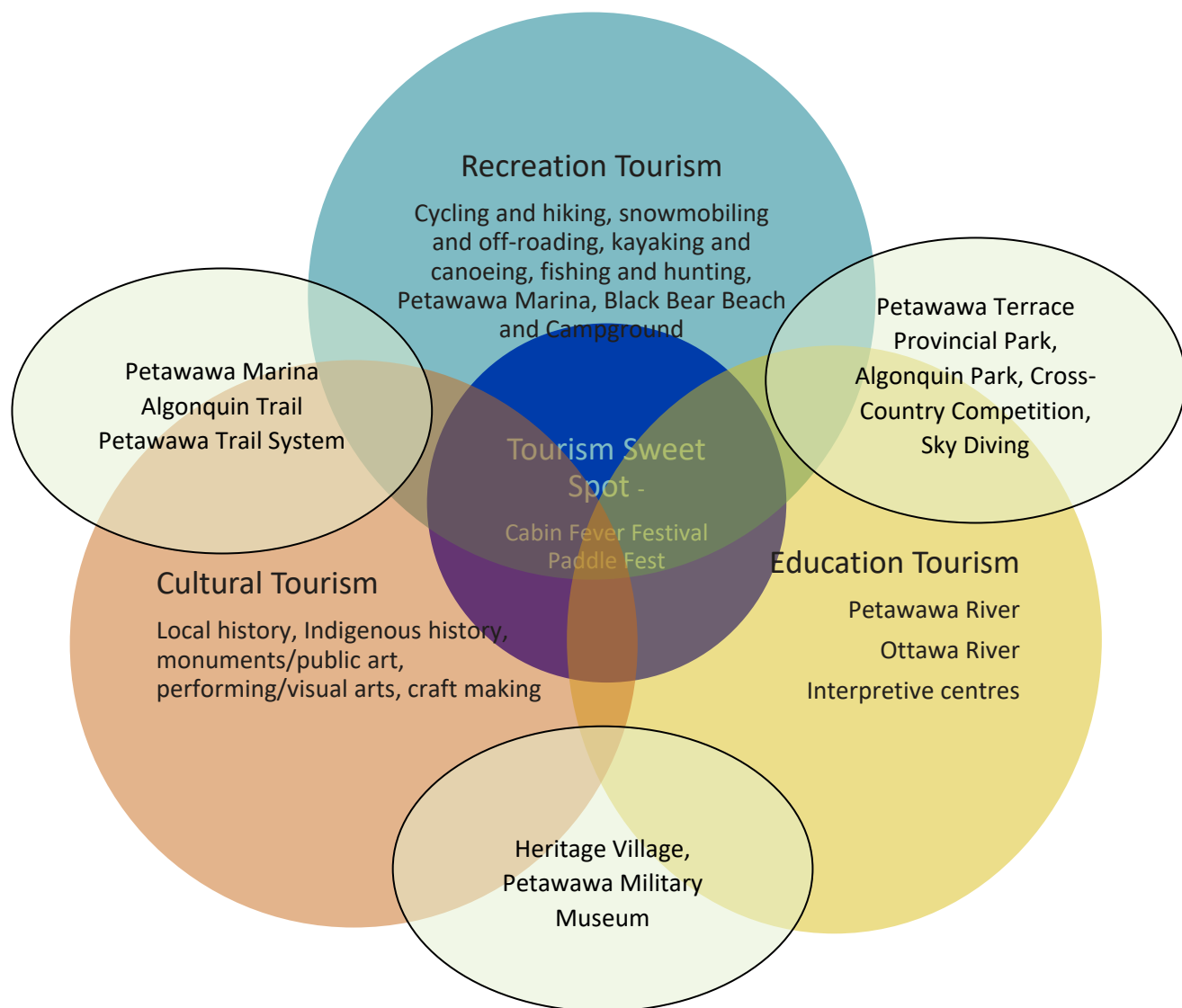
Understanding Intersecting Tourism Components

Central to laying a foundation for tourism development is an understanding of ways that people experience tourism, of which there are three broad categories: recreational tourism, educational tourism, and cultural tourism (see Figure 44). Within each of these categories, Petawawa already has some assets, and where the assets straddle more than one category, they represent an added value. When all three sectors overlap, a "sweet spot" is created which speaks to the uniqueness of the tourism experience in the Petawawa area. Importantly, assets do not need to be exclusively located within Petawawa, but instead, it is important to locate those that can be part of a larger experience. For example, Algonquin Park is not located in Petawawa, but its proximity to Petawawa makes it a good nearby asset,

Some examples of local assets are outlined in the Venn diagram below. By focusing Petawawa's tourism growth in overlapping areas, the Town is expanding the potential pool of interest. If Petawawa is looking to develop new a tourism investment or assets, it should focus on those that are most likely to be in the sweet spot. Meanwhile, from a marketing perspective, being aware of the way different assets appeal to different people can help in targeting the right audience with the right messaging. Different experiences can be grouped together by areas of commonality within various spheres.



Figure 44: Tourism Experience Venn Diagram Demonstrating Recreation, Education, and Cultural Tourism Assets/Activities



Note: The Venn Diagram represents an overview of select local assets and activities, and is not a comprehensive overview. It illustrates areas for future asset development in convergent spaces.



Retail Gap Assessment Detailed Findings

Methodology

A retail gap analysis was conducted for Petawawa to identify areas of retail and personal commercial services that hold the potential to support additional growth based on the size of each population, as well as commuter populations flowing into the community. By comparing the actual number of businesses in Petawawa relative to the theoretical amount that the population can statistically support, sub-sectors were flagged if they were either under-served or over-served.

The gap analysis works on a positive/negative scale system, where a low negative value represents under-served, and a high positive value represents over-served. The numerical values represent the number of businesses that are either in over-supply or under-supply. For example, for full-service restaurants below, there is a score of -8.3 for 2016, indicating that for the size of Petawawa's population and commuter-shed, it should be able to accommodate approximately eight more businesses in that category (-8.3).

Since people are willing to travel to nearby communities for their retail needs, it is important to understand Petawawa's potential opportunities in the context of its neighbours. Therefore, the capacity results and opportunities for Petawawa have also been compared to Pembroke, Arnprior, Renfrew (Town), and Laurentian Valley in this analysis.

Figure 45: Population Growth and Commuters to Municipalities for Petawawa and Comparators (2014-2016)

Municipality	Population 2014	Commuters 2014	Total 2014	Population 2016	Commuters 2016	Total 2016
Petawawa	16,707	2,422	19,129	17,187	2,460	19,647
Pembroke	14,076	4,439	18,515	13,882	4,685	18,567
Arnprior	8,523	2,703	11,226	8,795	2,545	11,340
Renfrew (Town)	8,223	2,392	10,615	8,223	2,390	10,613
Laurentian Valley	9,495	1,356	10,851	9,387	1,460	10,847

Source: Statistics Canada: Census 2016, Catalogue No. 98-400-X2016325, NHS 2011, Catalogue No. 99-012-X2011032.

Key Gap Findings

Food Service & Restaurants

Retail Sector – Food Service & Restaurants	Gap		2014-2016
	2014	2016	
722310 - Food service contractors	-1.30	-1.28	0.02
722320 - Caterers	-1.17	-1.25	-0.09
722330 - Mobile food services	-0.25	-0.27	-0.02
722410 - Drinking places (alcoholic beverages)	-0.17	-1.11	-0.95
722511 - Full-service restaurants	-9.36	-8.30	1.06
722512 - Limited-service eating places	-9.95	-8.12	1.83

Source: Statistics Canada, Canadian Business Patterns, 2014, 2016.



The largest gap for Petawawa is in the food service and restaurants retail sector. Even though Petawawa has improved since 2014, the town is still significantly below capacity in full-service restaurants and limited-service eating places (fast food). According to the analysis, there is also room to grow in the categories of food service contractors, caterers, and drinking places. The opportunities in this category are even more relevant if tourism is a focus area of expansion for the community, as these types of establishments are essential for building a vibrant place for people to visit. When analysing comparator communities, Pembroke, Arnprior, and Renfrew are all over capacity in limited-service eating places, whereas Petawawa and Laurentian Valley are under capacity. Populations from Petawawa and Laurentian Valley likely commute to the other nearby communities for their needs in this retail sector.

In terms of full-service restaurants, there are no comparator communities that are over capacity; however many are under – such as Pembroke, Arnprior, and Laurentian Valley. This means there is a great opportunity here for Petawawa to capture not only the local market, but also the surrounding market in this retail sector.

Clothing & Accessories

Retail Sector – Clothing & Accessories	Gap		2014-2016
	2014	2016	
448110 - Men's clothing stores	-0.70	-0.71	-0.01
448120 - Women's clothing stores	-2.09	-2.91	-0.82
448130 - Children's and infants' clothing stores	-0.57	-0.58	-0.01
448140 - Family clothing stores	-2.48	-2.36	0.12
448150 - Clothing accessories stores	0.44	-0.60	-1.04
448191 - Fur stores	-0.04	-0.03	0.01
448199 - All other clothing stores	-0.26	-0.19	0.08
448210 - Shoe stores	-1.78	-1.86	-0.09
448310 - Jewellery stores	-1.73	-1.71	0.02
448320 - Luggage and leather goods stores	-0.27	-0.22	0.06

Source: Statistics Canada, Canadian Business Patterns, 2014, 2016.

Another gap for Petawawa lies in the clothing and accessories retail sector. The community is under capacity for woman's clothing stores, family clothing stores, shoe stores, and jewellery stores. With a growing population and the desire to create a downtown core that will entice the local population, there is an opportunity for more clothing and accessory stores to open up in Petawawa.

When analysing comparator communities, Pembroke and Renfrew stand out as being over capacity in this retail sector. Specifically, Pembroke is overcapacity in men's clothing, woman's clothing, jewellery, and luggage and leather goods stores, while Renfrew is overcapacity in woman's clothing, family clothing, and shoe stores.

Overall, there seems to be a lack of shoe stores in the area, with Petawawa, Arnprior, and Laurentian Valley all showing as under capacity. This could present an opportunity for Petawawa to service its own population as well as the surrounding area.

However, it should be noted that online shopping may pose a threat to stores in this retail sector. This means stores that specialize in unique items and can draw from surrounding communities for reasons of uniqueness and quality may fulfil local niches in market demand for original goods.



Pharmacy, Health, & Beauty

Retail Sector – Pharmacy, Health, & Beauty	Gap		2014-2016
	2014	2016	
446110 - Pharmacies and drug stores	-2.08	-2.37	-0.29
446120 - Cosmetics, beauty supplies and perfume stores	-0.87	-1.01	-0.13
446130 - Optical goods stores	-1.42	-1.43	-0.01
446191 - Food (health) supplement stores	0.04	0.99	0.95
446199 - All other health and personal care stores	-1.36	-1.52	-0.15

Source: Statistics Canada, Canadian Business Patterns, 2014, 2016.

According to the analysis, Petawawa has a gap in almost all the sections of the pharmacy, health, and beauty retail sector. These gaps have all grown in the community since 2014, albeit, slightly. The growing need for these retail establishments likely comes from the growing population of the community.

When analysing comparator communities, both Pembroke and Renfrew are overcapacity in some sub-sectors. Specifically, Pembroke is overcapacity in pharmacies and drug stores, while Renfrew is overcapacity in optical good stores, food (health) supplement stores, and all other health and personal care stores. Other than Petawawa, only Laurentian Valley is under-serviced in this retail sector, specifically in pharmacies and drug stores.

Since many of these sub-sectors could be considered essential needs for some residents (e.g., pharmaceuticals, eyeglasses), it is likely residents of Petawawa commute out for their needs in this retail sector. Therefore, there could be room for Petawawa to grow in this area as well as serving other surrounding communities that also need these retail establishments, such as Laurentian Valley.

Other (Unspecified Categories)

Retail Sector – Unspecified	Gap		2014-2016
	2014	2016	
811111 - General automotive repair	0.02	-2.33	-2.34
445110 - Supermarkets and other grocery (except convenience) stores	0.38	-1.52	-1.90
812115 - Beauty salons	-2.93	-4.09	-1.16

Source: Statistics Canada, Canadian Business Patterns, 2014, 2016.

Although not part of a larger trend in their over-arching sectors, there are a few sub-sectors that seem to have noteworthy gaps – gaps that have grown since 2014 – in Petawawa. These sub-sectors include general automotive repair, supermarkets and other grocery stores, and beauty salons.

When analyzing comparator communities:

- Pembroke also has a substantial gap in general automotive repair, whereas both Renfrew and Laurentian Valley are over capacity in this sub-sector;



- Pembroke also has a gap in supermarkets and other grocery stores and no community is over-capacity in this sub-sector;
- Laurentian Valley also has a gap in beauty salons, whereas Renfrew is overcapacity in this sub-sector.

Overall, there appears to be opportunity for Petawawa in all three of these areas, since there are significant gaps as well as gaps in surrounding communities.

Appendix C – Consultation Results

Various consultation exercises were conducted to inform the Economic Action Strategy. The results of each method are provided in this section.

Online Community Survey Findings

A community survey was launched for residents of Petawawa to complete and provide feedback on a series of open-ended questions. In total, 48 people participated. Because the survey was voluntary and because there was not a large number of participants (for example, more than 100), the results are not statistically representative of the overall population. Their value is nonetheless important when taken in combination with other engagement activities, so as to contribute to a broader understanding of local perspectives. The results were analyzed by theme, and the following observations emerge from the results:

Strengths

Respondents identified several assets and considerations that represent important strengths for the community and potential for economic development. One of the dominant themes relates to Petawawa's quality of place in terms of natural, scenic, and peaceful beauty. Assets such as the Ottawa River and Petawawa River, beach areas, Petawawa Point, and "natural" setting were noted by many people. Words such as "clean" and "scenic" were also common.

Relating closely to natural amenities and assets are the built assets that compliment them, such as trails, parks, and places for outdoor activities. Trails in particular resonated with a number of respondents. Recreation programs, facilities, and assets such as the arena and library were also noted. Also relating to the quality of place were ideas about things to do, such as festivals (e.g., Canada Day celebrations, etc.) and community events.

Petawawa's location was also listed as an asset, as several respondents indicated that Ottawa is not far away, and Algonquin Park is right next door.

Garrison Petawawa was also noted as an asset, including its many amenities, which are open to civilians to partake in for reasonable fees. Relatedly, ideas about a generally high income, housing prices, and low taxes speak to the competitiveness of the community.

Finally, there are considerations related to infrastructure that were noted, including the Pembroke and Area Airport, availability of High-Speed Internet, Natural Gas, and a generally well-maintained and "well-manicured town."

Vision for Petawawa's Economy



Key themes that emerge from peoples' vision statements relate to a desire for "more" options for dining, shopping, and related amenities, including entertainment and things to do. Options and shopping themselves were listed several times each. "Less boring," which was indicated by several people, implies that currently there is a lack of things to do in Petawawa. Concepts relating to variety and diversity indicate a desire for alternatives to existing local options; restaurants and shopping in particular. Jobs and tourism were also indicated more than once. Community connections and pride were values identified in peoples' visions.

Opportunities for Economic Development

People identified numerous interrelated opportunities relating to Petawawa's economy. They are addressed by theme here:

- **Developing beauty and assets:** Respondents indicated notions relating to the beautification of the town, making it prettier, and developing a "town square" to serve as a focal point and place of interaction. They want to see a "developed downtown", with a boulevard that is "more inviting" with scenic properties.
- **Shopping, dining, and entertainment:** It is clear that people desire a greater variety of shopping, dining, and entertainment. People noted that name brand stores are lacking, as well as the potential to accommodate a large retailer such as Walmart Canadian Tire, or Costco. For restaurants, people want alternative family dining and pub/nightlife options. Fast food is over-represented. Entertainment such as movie theatres, an amusement park, and outdoor play facilities was listed. There was also a balance of "small" or "locally-owned" shops identified by some people. Finally, an additional grocery store was suggested by a couple of people.
- **Tourism:** Tourism development was noted by several people, including an amusement park, leveraging the waterfront, eco-tourism, and developing more arts and culture.
- **Quality of life:** Ideas relating to the quality of life include ensuring there are more doctors, clinics, and potentially a hospital. Also noted were programs for low-income families, and more parks and recreation.
- **Hostility toward monopoly:** There are some people that have expressed that competition is not open enough and that existing businesses hold a "monopoly."
- **Municipal Involvement and Planning:** Several comments related to the municipality, including becoming more active in investment attraction of missing businesses, a desire for a more "innovative council" that and a willingness to accept or take risks.

Barriers to Economic Development

There was hostility expressed toward a perceived "monopoly" among a core group of business owners. Ten respondents specifically identified challenges associated with either Council's unwillingness to allow new competition or existing business owners' predominant control of the local economy.

Other barriers identified relate to development permit processes, which were indicated as difficult, a lack of vision or innovation among existing council, including risk-averse thinking through claims such as, "Old ideas can no longer slow down progress. The residents are demanding more."



Lack of space for development was also identified as a challenge. Relatedly, a lack of investment opportunities or “vision of an investor” was also noted. Non-government related jobs were also listed as a challenge, as was the transient nature of military employment.

Online Business Community Survey Findings

As only 14 respondents participated in the survey, the results have been suppressed over a concern that the identities of the business owners may be inferred. Appropriate findings have been integrated into the SOAR analysis where they have resonated with other key findings that emerged from other consultation methods.

Local Business and Tourism Stakeholder Focus Group

A focus group was held with local business and tourism leaders from the community. This section presents an overview of the discussion results.

What positive news has Petawawa experienced in the last five years?

- Tourism Development Committee started in 2013 (very inclusive of stakeholder groups)
- Kelly Williams was identified as a municipal employee who helped get things moving forward; strong trails interest and community partners (Gear Heads, etc.) have strong local presence; Upper Ottawa River Race and Paddle Festival; Greater Petawawa Area Trails Association; tactical/promotional/visitor information centre; Ask a Local (frontline staff at local businesses learn to be able to help people with tourism info)
- Whenever there's new regiments or units move to the base, they're always good for the community (several really areas of growth); has led to great growth in businesses; businesses existing in Pembroke starting to arrive in Petawawa; good potential to become more of a regional hub
- Development in the town is propelling people to go; more people coming to the area; great visitors from the area and Quebec (from Pontiac); how do we handle capacity issues with growth? (tourism sector; retail sector); becoming a strong destination; trend of people coming up the Ottawa Valley more and more; cottage people increases; people that live in Petawawa have not always lived here and are demanding a higher level of quality for some things

What do you consider to be Petawawa's most important assets? What do you see as the major economic drivers?

- People that live in Petawawa have not always lived here and are demanding a higher level of quality for some things. **The old stigma about being posted to Petawawa has given-way.** Lot of military family members open businesses in Petawawa, and there are lots of military spouses as labour force for local businesses. Petawawa is an easy sell for residents (four season recreation, river, etc.)
- There are people staying in the area during holidays instead of going elsewhere. Families and extended families are coming to the area for holidays (maybe keep growing that).
- Community events like Canada day are able to retain and draw people from the area



- Could do better at partnering with other businesses (cross-promoting)
- Recent CP Rail trail conversion will become a huge asset for the community. How do we get people to get off the trails (especially snowmobiles) to support more local businesses and spend locally? Maybe more signage, wayfinding signage would be helpful.
- We need to sell the Municipality for what we are and keep focusing on diversifying. We can't have all our nuts in one basket.

What will be the major CHALLENGES facing the local economy over the next 3 – 5 years? What challenges affect potential growth in defence, aerospace, or trails?

- Commercial growth is challenging to get locals to want to buy into franchises or larger chains. Military families are more and more able to get opportunities. It can be overwhelming for a military spouse who does not have experience. Supports are needed to help newcomers open businesses if they are interested.
- Convincing people to buy-into franchises is challenging. Franchise Expo was positive, but we could do more, and maybe try it again.
- If local businesses hear of opportunities they should share them with local EDO. People want nice restaurants. There may be an opportunity to focus on local, grass-roots, “boutique” style amenities that are “customized” and “homey.”
- We don't have downtown. We lack a sense of downtown atmosphere.
- Supporting existing businesses and assisting with their business needs through business development. The County has a toolkit to support businesses, and there are also Provincial and Federal programs. We need to know what resources are available. The Upper Ottawa Valley Chamber does education sessions, etc. and Renfrew County hosts Business Bistros. People need easy access to them all; the social network is huge, but knowing the network is important.

What will be the major OPPORTUNITIES for growth and development over the next 3 – 5 years? Can we convert some of the previously mentioned challenges into opportunities?

- A lot of people are looking for something to get into for the long-term, but they don't know how or what it can be. Some of them have degrees and are professional women and men. We need to tap into the Military base. From a professional or contract basis, getting in touch with large corporations to connect with certain industries, such as CNL, etc., where they can connect small local people into the supply chain could be a benefit. The Same thing goes for technical equipment suppliers and related technicians.
- There's also an opportunity for remote working as an opportunity for professional roles.
- PMFRC partner about military employment and business opportunities.
- We need referral service to help land businesses or point people to opportunities for starting businesses. We need to know what economic development is willing to do.
- Get those 55 years and older to stay and start businesses related to military or their spouses.
- We need to build awareness about the events and get businesses to be aware about them and cross-



promote or participate in the big picture. In general, there needs to be more collaboration and cross-promotion; learning about tools for communication. A lot of local businesses are willing to cross-promote via social media and use it to get people together.

- We need to build a city square. The Civic Centre is not necessarily a true town-centre. A better location may be near farmer's market area.

What is your vision for economic development in Petawawa for the next 5 years?

- A stronger business partnership.
- A stronger tourism destination (4 season)
- Develop a town centre or meeting place; branding our strip; wayfinding signage; continuity and vision for main street; a standard for beautification, look and appeal; Look to other towns' examples
- Coordinate infrastructure management with economic goals and vision; comes back to downtown vision, and local owners need to be involved in creating that vision; twinning the bridge, improving the flow; etc.

Staff and Administration Focus Group Discussion

A focus group discussion was also held with Petawawa's senior staff and administration. The following are results from that consultation:

What positive news has Petawawa experienced in the last five years?

- A lot of new retail growth opportunities; it's nice to not have to commute into Pembroke; favorable to most residents
- New parks and stuff; bike park; the civic centre with its waterpark
- We are evolving; "we're growing up"; service offerings much more geared toward the community/age group we have; building boom; now commercial size is catching up; (positive comment to the staff); Parks and recreation; active tourism, a good sense of local strengths; Kelly's contribution; asset management has been a strong approach; etc.
- A leader that other communities look toward; a place to look to for best practices (trails; tourism; DD process; collaboration with Pembroke on Paddle Fest – a big deal in terms of cooperation)
- Strong area-waste management plan; organics and waste management

What do you consider to be Petawawa's most important assets? What do you see as the major economic drivers?

- Trails and new CP Rail Trail and broader access
- Hub of medical centre, ambulance, heritage village, and two schools, and Civic Centre complex; Partnership between Petawawa and school track, adjacent to the town centre



- Very fortunate to have strong infrastructure (roads, water, sewer, fire department, top notch assets); good sidewalks and active transportation infrastructure
- Desire for a town square
- Natural assets: Petawawa Terrace Provincial Park; Algonquin next door; Petawawa River; Ottawa River; marina; beaches; municipal beach; home to a number of bass master tournaments. We have nice river front assets, but we may have outgrown them, and it may be time to enhance them. The Ottawa River designation as National Heritage
- Other assets at Garrison: Golf Course; Fitness Facilities; Black Bear Beach; Cross-County Ski, etc. through community access card
- Garrison Petawawa and CNL
- A lot of our businesses flourish because of the types of people that live here, because of the Garrison; e.g. Gear Heads; military spouses and their kinship with one another
- There's a push for federal structures to start offload all things that aren't in their core of business, which has led to opportunities for the private sector to become involved
- Home builders and construction, and builders buying up houses in the area
- Companies coming up here that never touched this area before (e.g. Starbucks)

What will be the major CHALLENGES facing the local economy over the next 3 – 5 years? What challenges affect potential growth in defence, aerospace, or trails?

- It is difficult to get a number of franchises to come to the community because there is not much interest of being a franchisee locally. How do we tap the potential of military family investments, and challenge of investing in something for only a few years, when they will eventually get transferred?
- Having a business-ready sales pitch is missing, and we can't become site certified (no sewage hook-up)
- Defense: No other communities have ever really attempted to make a run at building a private sector defence cluster. The Military is a moving target, and can it be difficult to get in contact with the right people. Figuring out the structure and network is key. CNL procurement opportunities may be easier.
- Aerospace: Airport facilities; they're challenged for available appropriate space (on site, but there is room to develop). Is there room for incubator companies or temporary space? Spin-offs related to CNL or other kinds of ideas? How can the private sector be involved? Can the airport be private? (look at examples). There are currently challenges with its Governance. There needs to be more collaboration with the owners and the economic developers from municipal partners. The recent Draft Strategic Plan/Business Case has been challenged.
- Trails: Parking availability for trails is a challenge. The development of Algonquin Trails needs to be able to jive together with local trails. The Town needs to think about parking and linkages to Algonquin trail, including staging areas, etc.

What will be the major OPPORTUNITIES for growth and development over the next 3 – 5 years? Can we convert some of the previous mentioned challenges into opportunities?



- Opportunities with the new Algonquin Trail; Where it's located is perfect for where all the growth is happening; but we need to be sure that access is safe, need a certain level of control; work with building the "park setting" rather than rail setting; Need to remember that we can be part of it, but County owns the Petawawa Boul.
- What do we do if there is a cut in funding for the base? The recent changes to the Garrison have put it in a good spot, so that it is not expected to grow any more, but is expected to be sustained as one of Canada's key military assets for a long time
- [Question] What about amalgamation with other municipalities? Don't know if we need to erase boundaries. But certainly, more collaboration may be an easier thing to work toward. Collaboration is being supported more and more.

What is your vision for economic development in Petawawa for the next 5 years?

- Diversified – economically
- Have the vision to be established, agreed-upon, communicating our vision and goals to the community; re-examine corporate communications to ensure it is shared and promoted;
- A Corporate Strategy needs to come along with next Council
- To be able to provide residents with the services they need without having to leave town; a full-service community; meet the needs of the community
- Understanding what businesses need

What activities do you think the Town should focus on over the next three years in order to move toward that vision? How will we know we're making progress?

- A forum for local businesses to engage with local staff and get information they need. Communications facilitation, should we be out there asking "what do you need?"
- Word of mouth is still the key way that people find out about what's going on. We still have a small-town feel, so how do we engage that and work it to our advantage? New and modern will not always work. A communications plan is needed.
- River opportunities (marinas, repair shops, boat manufacturing, etc.)
- Pushing media to celebrate our good news
- Could you not take a baseline survey now and then ask again down the road? How do we measure something that may not seem measurable?

Council One-on-One Interview Themes

Interviews were conducted with Council and Mayor Sweet. In total seven interviews were conducted on broad discussion categories such as: local strengths/assets, opportunities, vision for the future, and priorities.

Strengths



Petawawa provides a small town feel and a good quality of life for its residents. As a bedroom community with assets that include the Petawawa Trail System, parks, Ottawa River and Petawawa River and the Rock Wall along the Petawawa River, the town is considered one of the safest communities in Canada. The town is primarily made up of young, educated military families with a great sense of community spirit and a penchant for an active lifestyle.

Economic growth in the region is attributed to the federal government institutions, namely, Garrison Petawawa and the nearby Canadian Nuclear Laboratories (CNL). The garrison is the largest army base in Canada with an investment of \$1 billion, employing approximately 7,000 military personnel. The CNL employs approximately 300 residents and aims to be the premier development agency in Canada.

Overall, respondents felt that the business environment is conducive to development. The young, educated community, low tax rates, low energy costs and high median income provide a favourable environment for business attraction and retention. The Petawawa business park located close to the Trans-Canada Highway and adjacent to the Pembroke & Area Airport is central to the promotion of business and networking opportunities.

In addition to the above strengths, respondents feel that the facilitative role played by the municipality has encouraged business development and investment in the town.

Challenges

While the Garrison and CNL provide jobs to the residents and the town has a high median income, some proportion of the population still struggle. Income disparity and economic leakages have affected inclusive growth.

While respondents cite that the business environment is favourable for development, they feel the need for more proactive approaches to attract new businesses to the town. The lack of a commercial core and dearth of appropriate service and retail opportunities are significant challenges in the region. The lack of an identifiable downtown and services to complement the level of residential growth is a major concern for the town. Furthermore, the worn-down commercial plaza around the old core is an added challenge.

Although infrastructure has fairly developed to complement the growth of the economic institutions, the lack of appropriate roadways presents further challenges, as there are no connections to and from major areas.

The Pembroke Area Airport is another challenge to the town as there is no clear direction on its future use. The airport was primarily used by the Garrison and CNL in the earlier years with no other private or public air services. As the Garrison and CNL use chartered flights now, the airport has fallen into disarray. The airport provides no source of income and is seen to have a poor business plan in development which lacks opportunities for stronger revenue diversification. As per the current airport business plan, investments to upgrade its infrastructure would land it into debt.

Several mentioned the inability of the town to leverage tourism opportunities for economic, social and cultural growth as a significant setback. For some Councillors, although the trails system is a good community asset, it does not have the potential to be a tourist destination. While the Paddle-Board festival is a step in the right direction, a need for more tourism investments, asset development, and partnerships is indicated.

Other challenges mentioned include the Sandhill development, which has had several false starts, a lack of housing variety stock (e.g. condos, senior housing, etc.), and the unavailability of support systems for seniors. Currently many seniors relocate to Pembroke, representing a key loss.



Opportunities

The respondents believe that the town is going through a period of transition. The decline of primary industries such as agriculture, forestry and manufacturing present both a challenge and opportunity for diversification. The discussion offered by the respondents centred on the need for a more hands-on approach to development by focussing on three main priorities:

- Leverage existing partnerships with the Garrison and CNL to develop more jobs and opportunities for business
- Capitalize on the business park and develop strong business attraction and retention strategies, including the Airport
- Promote tourism as a driver of economic growth

Aspirations/Goals

Respondents sense that focussing on the following prospects will ensure continued development and economic growth for the town:

- Partnering with the CNL on procurement behaviour to create more offsite businesses for the town
- Continuing healthy relationships with the Garrison
- Investing in business retention and expansion (BR+E) activities and promoting the development of industrial park by ensuring adequate servicing
 - Developing succession planning for businesses, Business Improvement Areas and Business visitation schedule and plan; continuing to host workshops
- Improving transportation offerings and road infrastructure to encourage business growth
- The town should capitalize on its affordability, small-town feel and natural assets to attract families and businesses
 - Investing in the Waterfront to develop higher-end retirement properties for seniors and more tourism draws
 - Developing a health-hub
- Approximately 30% of the population is under 20 years old. The town needs to be more proactive in engaging youth
 - Partnering with universities and the Petawawa High School
- Developing Petawawa's Main Street as a commercial core and enhancing the downtown core
 - Attracting fine-dining restaurants, boutique shops, services and hardware stores
 - Encouraging microbreweries and coffee chains such as Starbucks and other larger grocery chains
- Developing the former CP Rail line to complement the active lifestyle pursued by the community
 - Promoting active transportation and linking the rail line to the trail system
- Leveraging tourism opportunities by promoting the tourist centre and 'Ask a local campaign'. Other opportunities include the:



Marketing and leveraging Algonquin Park, Paddle-Board festival, boat launches and white-water rafting along the Petawawa River Ottawa, Petawawa Terrace, improving the façade of the Rock Wall along the Petawawa River, and developing sport-tourism amenities such as a rubberized track

Capitalizing on the Montgomery Lake as it was a former WWII POW camp

Encouraging snowmobile clubs

Continuing partnerships with Marriot Hotel development and Quality Inn

- Need for a Community Improvement Plan and Destination Development Plan
- Developing the airport as a thrill-seeking tourist and recreational spot through Skydiving and parachuting or as a flying club similar to the Smith Falls airport

One-on-One Business Interview Themes

Interviews were conducted with 10 business leaders in the community. Notes from the interviews have been aggregated by theme according to identified strengths, challenges, opportunities, and measurable aspirations/goals and discussed below.

Strengths

Overall, respondents felt that the business climate in Petawawa is conducive to development and attraction of new investment; many respondents were optimistic about the future of the community based on the current growth. Respondents outlined many strengths about Petawawa including competitive tax rates, high median income, a young and growing population, and stable employment base (with the military as an anchor) to name a few. In addition, respondents saw the location of the community, with the surrounding water and nature, as one of its most important assets.

Challenges

Although respondents felt that Petawawa's business climate was ideal, they also cited many challenges for the community to overcome. One of the most mentioned challenges was that residents do not shop locally, making it difficult for current entrepreneurs as well as causing hesitation in those considering opening up a business in the community. Many cited the need for prioritization of local businesses, especially by the Town of Petawawa, when looking for the services or goods they need. In a catch-22 sort of way, the lack of selection in retail, dining, hardware/parts stores, professional services (lawyers, accountants, engineers) was cited as a challenge, making it difficult for those who want to shop locally.

Respondents also mentioned Petawawa's proximity to Pembroke as a challenge, making it difficult to attract franchises and multinational investment to the community, especially if those businesses already exist in the surrounding communities.

Respondents cited issues with lack of knowledge on business opportunities in the community as well as lack of information on how residents could start their own business. One respondent stated that they are approached often for advice by people looking to start businesses or get into franchises who are unsure



of the appropriate steps to becoming a business owner.

Although labour is available, lack of skilled labour force was mentioned as a challenge by a respondent, specifically in skilled trades which require proper certification for employment.

Lastly, respondents mentioned a slow approval process for development and saw the need for the Town to streamline this process, making it easier for those who want to invest in the community.

Opportunities

Respondents stated many different opportunities for Petawawa to promote a healthy business environment and growth of the community. One of the most mentioned opportunities was for the Town of Petawawa to support current entrepreneurs and help those who are looking to start their own businesses.

The respondents cited the need for start-up business information on the Town website – including items such as steps to starting a business (general process) as well as forms, permits, and upfront costs, key contacts, town resources, etc. – to help potential entrepreneurs who are starting from scratch and need direction. In addition, respondents cited the need for the Town to take an active role in supporting existing local businesses through staying in contact with key employers, understanding their needs, and connecting them to potential opportunities when they arise.

Another opportunity that multiple respondents mentioned was the need for advertising and exposure of the community to attract businesses and investment from outside the community.

Opportunities were cited for tourism growth in the community, specifically through the development of the waterfront, trail signage, and entertainment. Respondents felt that the waterfront was an extremely under-utilized asset in the community and has potential to be a town-centre that attracts people for shopping and dining. In addition, Petawawa's trail system was cited as a tourism growth opportunity; however, the lack of signage that connects the trail network was raised as a concern as well as the lack of public information about the greater development plan for the trails system. As one respondent said: "no one knows where the trails are that Petawawa is so proud of." Respondents felt there was an opportunity to grow entertainment and dining options, which would not only appeal to the local population, but also tourists.

One respondent stated there was an opportunity in bringing trades training to the community, which would also service the greater region. With the potential of soldiers electing to stay and retire in Petawawa, trades training and skills development was cited as essential for workforce development and something that would 'round-out' the community.

Lastly, respondents saw a need and opportunity for the growth of housing; something that young soldiers can purchase and move into instead of renting a PMQ.

Aspirations/Goals

Respondents sense that focussing on the following prospects will ensure continued development and economic growth for the town:

- The development of the waterfront with shops, restaurants, and residences to draw locals as well as tourists to the area. In a similar vein, the development of a town centre, where residents can gather;



- The development of recreational and entertainment-related assets such as zip-lining, tubing, waterpark, movie theatre, etc.;
- The development of the industrial park with manufacturing or service-related companies that can access the Garrison in their procurement;
- Attracting commercial businesses and franchise stores that do not already exist in the greater area. This would not only serve the local population, but would bring shoppers to Petawawa from the region; much like how people from Petawawa travel to Pembroke, this would incentivize shoppers from Pembroke to travel to Petawawa.