



Action Plan for the Economic
Development of the Territory

Building Montréal

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Introduction

A city's territory is its main asset. It controls it through regulations and can help shape it according to its vision of development.

With its many partners, the City of Montréal is aiming for integrated and sustainable territorial development to maintain Montrealers' quality of life while boosting its economy.

Like other metropolises in North America, Montréal's economy is changing, and this process creates certain opportunities, which make up the basis of this action plan for the territory's economic development. To allow for more targeted actions, the island has been divided into three economic centres based on the special features of each territory.

There was a time when the city used to wait for projects before taking steps to find a place for them on its territory. Such an approach has shown its limitations, particularly in terms of social acceptability. The city is therefore being proactive from now on, developing an integrated, sustainable vision of these areas of employment upstream. Building on its strategic assets and opportunities for synergy, this global vision, broken down by economic centres, will identify certain areas of activity to focus on, in accordance with existing regulations.

Montréal's competitiveness and attractiveness also depend on improved access to economic centres, the mobility of people, and the flow of freight transport. In this regard, the action plan will support projects involving the latest sustainable mobility technology.

Our vision of a greener, more sustainable territorial economic development requires acceptance from the businesspeople who will become our partners. In addition to supporting the implementation of structure-enhancing projects such as centres of excellence, the City will be establishing a new program to support sustainable investment.

The City of Montréal is using all available means to make its territory more attractive and carry out exemplary projects that will improve quality of life for workers and citizens.

**With this action plan,
the City is calling on the
business community to
work together to build the
Montréal of tomorrow.**



Valérie Plante
Mayor



Robert Beaudry
Executive Committee Member responsible for
Economic and Commercial Development
and Government Relations



Vision



Montréal, a hub of
innovation, talent,
and economic,
entrepreneurial,
international,
sustainable and
social development.



The 2018–2022 Economic Development Strategy in Brief

This strategy coincides with a promising economic climate for the city

Montréal's economy has never been so vibrant, dynamic and progressive. Employment has reached record levels, and the city is attracting more and more talent, investment and innovative businesses.

The city has unmistakable assets when it comes to quality of life, innovation, talent, in an array of promising sectors. This economic development strategy builds on Montréal's strengths to fully take advantage of the opportunities afforded by environmental, social, and economic trends such as changing demographics and climate change.

Moreover, with its newly recognized status as the metropolis of Québec, Montréal has been granted new powers enabling it to better fulfil its role as an economic driver and integrate more economic development initiatives locally.

Montréal faces a number of economic challenges, however, which it must overcome in order to keep up its momentum:

- Access to and matching of the available labour force with companies' current and future requirements;
- Strengthening entrepreneurship to support business creation, growth, and succession planning;
- Commercialization of discoveries and innovation;
- Improving the economic reach and influence of Montréal and the international development of its businesses;
- Stimulation of economic centres and support for the integrated approach to territorial economic development;
- Consistency and co-ordination of all economic development initiatives;
- Increasing the client focus as part of the city's economic development.

Five Guidelines to Accelerate Montréal's Economic Development

Focus on know-how and talent

Objectives:

- Reinforce work skills to improve economic productivity;
- Ensure the attraction and retention of talent;
- Improve the match between the needs of businesses and available workers.

Stimulate entrepreneurship

Objectives:

- Stimulate business creation;
- Support the growth of small and medium-sized businesses;
- Increase the rate of survival among businesses and support succession planning.

Rejuvenate economic centres

Objectives:

- Transform and densify industrial zones by favouring quality amenities and attractive settings;
- Improve the accessibility and the mobility of people and goods to centres of employment;
- Ensure industrial complementarity and synergy, and highlight the territory's economic advantages;
- Boost retail and local business.

Boost Montréal's international reputation

Objectives:

- Reinforce the City of Montréal's reputation as a place of business;
- Ensure the development of Montréal businesses on international markets;
- Draw foreign investment to the city.

Ensure a powerful economic development network

Objectives:

- Ensure a client-focused approach;
- Enhance the City of Montréal's internal processes to boost the productivity of economic development programs and services;
- Reinforce Montréal's economic development ecosystem.

Five High-Potential Sectors to Uphold the Guidelines of the Economic Development Strategy

The aim of the economic development strategy is to ensure ideal conditions for growth across all sectors of Montréal's economy. It prioritizes five high-potential sectors that will allow Montréal's economy to be more forward-looking and competitive, and make more productive use of city resources.

Because these five sectors are cross-cutting, supporting them will strengthen other sectors as well as future niches.

Cultural and Creative Industries

As a mainstay of Montréal's distinctive identity and character, the cultural and creative industries are a meeting point for creativity, culture, technology, and innovation. These industries include architecture and design, fashion, multimedia and video games, digital arts as well as traditional visual and live arts:

- Close to 92,000 jobs and \$8.6 billion in annual economic benefits to the Greater Montréal Area.¹

Life Sciences and Health Technologies

The life sciences and health technology sector encompasses activities ranging from research to product and service development, including medical equipment manufacturing, research and development (R&D) services, and pharmaceutical distribution.

- In Montréal, this sector represents 40,000 jobs, or 80% of direct jobs in life sciences, along with 65% of Québec GDP in the sector.²

Digital Industry

The digital industry, at the root of innovation sectors, provides leverage for attracting both domestic and foreign investment. Increasingly widespread, it has proliferated through all other activity sectors, allowing new business models to emerge. Its primary sub-sectors are artificial intelligence and deep learning, virtual augmented reality, big data, advanced manufacturing, software and IT services, as well as telecommunications services:

- More than 100,000 jobs in the city, or 8% of Montréal jobs overall, and 72% of jobs in information and communication technologies (ICT) across Québec³;
- \$12 billion of Québec's GDP is generated by the ICT sector.⁴

¹ Chamber of Commerce of Metropolitan Montréal (CCMM), *The creative industries: Catalysts of wealth and influence for Metropolitan Montréal*, 2013.

² Montréal InVivo, *Window on the life sciences in Greater Montréal*, 2013.

³ Techno Montréal, *Profil des TIC*, 2014.

⁴ Ibid..

Mobility and Transport

Serving most economic sectors, including public transport, manufactured goods, distribution centres, wholesale and retail trade, e-commerce, and last-mile delivery, this key industry combines all modes of transport and their disparate logistics. The development of new sustainable and intelligent transport systems is an opportunity to strengthen Montréal's place within the industry:

- 63,000 jobs in the Montréal agglomeration in 2015⁵;
- \$6.1 billion of the agglomeration's GDP in 2014.

Cleantech Sector

An emerging and fast-growing sector, cleantech reconciles economic growth with environmental performance. Ensuring the transition to a low-carbon economy, this sector promotes innovation through the creation of products and services that impact other sectors of economic activity, while fostering the creation of innovative companies. The cleantech sector consists primarily of green chemistry, energy efficiency, renewable energy, sustainable mobility, waste management, water management, remediation of contaminated sites, treatment of ambient air, etc.:

- 120 foreign subsidiaries employing more than 15,300 people;
- 60% of jobs in the cleantech sector are based in Montréal.

⁵ Montréal en statistiques, *Profil sectoriel : Transport et entreposage* (SCIAN 48-49), juillet 2017.

Five Overall Indicators targeted by the Economic Development Strategy for 2018–2022:

Achieve an **employment rate** in the Montréal agglomeration of 65% of the population aged 15 and over by 2022
(2017: 61%)

Achieve a **university graduation** rate among the population aged 15 and over in the CMA of at least 32% by 2022
(2017: 29%)

Increase the share of **full-time employment** in total employment for the agglomeration to 82%
(2017: 81%)

Increase the **employment rate of immigrants** aged 25 to 54 in the agglomeration to at least 80%, thereby reducing the gap between the employment rate of immigrant populations and those born in Canada
(2017: 78%)

Reduce the share of the population aged 15 and over without a **high school diploma** in the Montréal census metropolitan area (CMA) to no more than 12% by 2022
(2017: 15%)

8 Action Plans to Achieve the Vision and Objectives of the Economic Development Strategy

Action Plan for Entrepreneurship

Action Plan for an Efficient Network

Action Plan for Design

Action Plan for Knowledge and Talent

Action Plan for International Economic Affairs

Action Plan for Social Innovation

Action Plan for Commerce

Action Plan for the Economic Development of the Territory

Economic development of the territory is a priority of the Economic Development Strategy:

- The Direction de la mise en valeur des pôles économiques (economic centre development directorate) was created within the Service du développement économique (economic development department) to develop the key geographical areas within the three economic centres (East, Centre and West);
- An integrated approach to territorial development is crucial to maximize the scope of economic development actions with a focus on sustainable development;
- Revitalization of the economic centres will improve the attractiveness of the territory.

A photograph of a modern building with a glass and wood facade. The building features a large glass wall reflecting the sky and surrounding trees. A wooden structure with a slanted roof is visible on the right. A wide set of concrete stairs with metal railings leads up to the building. The sky is a mix of blue and orange, suggesting sunset or sunrise.

Action Plan for the Economic Development of the Territory

Summary of the plan

Area		Strategies
1	Establish a vision of development and ensure the reach and influence of the economic centres, both locally and internationally	<ul style="list-style-type: none"> • Position the economic centres and their key geographical areas based on strategic assets and existing areas of activity • Establish a communications plan to promote the economic centres and development opportunities • Align and ensure consistency between approaches to economic development and approaches to land-use planning and infrastructure development
2	Support sustainable investment projects in the centres by focusing on high-potential sectors	<ul style="list-style-type: none"> • Provide assistance for sustainable real-estate investment projects • Support the implementation of structure-enhancing projects in high-potential sectors • Support initiatives that promote corporate social responsibility and the adoption of best practices in sustainable development
3	Improve access to the employment centres, mobility of people, and flow of freight transport	<ul style="list-style-type: none"> • Support projects, initiatives and organizations that promote the sustainable mobility of workers • Support adoption of new technologies and best practices to improve freight transport and urban logistics

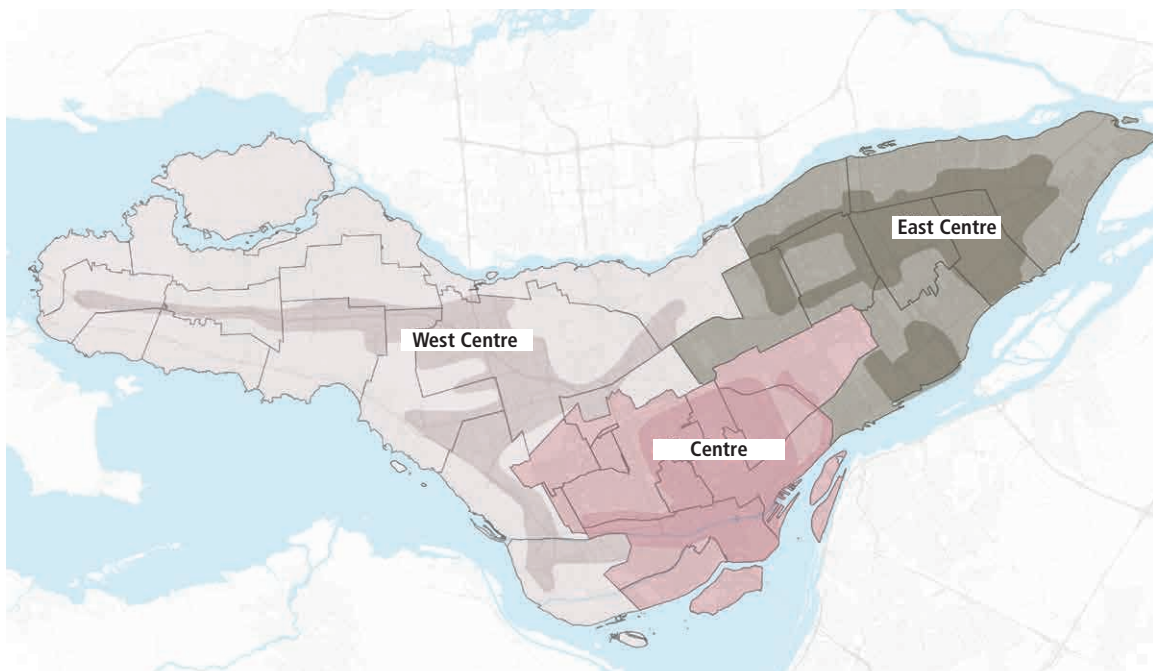
An Economy Structured Around Three Economic Centres

The economic structure of the Montréal agglomeration is organized around three economic centres: West, Centre and East. The centres are made up of key geographic areas that represent territories with specific economic and physical characteristics.

With a large employment base of some 1,214,600 workers, the centres have been built around strategic transport infrastructure (highways and expressways, railways, the airport, the seaport, mass-transit routes) and zones in which certain areas of activity with a power to attract are concentrated.

Each centre embodies distinct territorial realities as well as significant potential for growth and value creation. To maximize this potential, the city must meet challenges that are common to all three:

- Development of the economic centres is largely based on the repurposing of extensive, changing territories that are often located in sensitive areas such as the St. Lawrence River, the downtown core and major transportation routes. Adapting existing or former industrial buildings to the current needs of innovative companies is at the heart of this strategy. Mobility remains an issue for the three territories, whether related to the road network, construction sites, or mass transit. This has implications for the movement of people and goods. Fortunately, major projects such as the extension of the blue métro line and construction of the Réseau express métropolitain (REM) light-rail network will improve the situation.
- Establishment of multi-sectoral partnerships and innovative financing tools is essential to support developers interested in investing.



Toward an integrated, concerted vision of development

Development of the economic centres must be based on a global vision of economic development as well as an individual vision of each centre.

The City also intends to develop the key geographical areas of each centre to make them attractive to workers in a sustainable and innovative way. This involves diversification of activities as well as the addition of green infrastructure, sustainable transport, street furniture, and local businesses, for example.

Consequently, a deep understanding of the situation both at the scale of the centres and of the key geographical areas, will help position each of the territories according to their specific strengths while promoting their economic complementarity.

Linking the various development perspectives (economic, social, environmental) and establishing formal partnerships between the various players are essential to achieving the objectives of the Action Plan for the Economic Development of the Territory.

Portrait of the centres

Overview of the West

The West economic centre has a strong identity based on the reputations of its economic assets. It is home to the largest industrial park in Québec, is the second largest employment centre in Greater Montréal, and is the leader in manufacturing jobs on the Island of Montréal. To strengthen this manufacturing hub, it is important to support companies in their technology upgrading (Industry 4.0). Focusing on the promotion and attractiveness of this area to continue its development is a priority.

Taking into account the challenges of transporting people and goods, structure-enhancing projects to ensure sustainable mobility and the competitiveness of logistics zones will form the core of the economic development actions for the West centre.



Population: 610,842

Jobs: 378,500

Number of companies: 19,632

Main employment areas:

- Manufacturing: transportation equipment (aerospace), machinery, chemicals, food, etc.;
- Retail and wholesale trade;
- Transportation and warehousing.

Overview of the Centre

The Centre economic hub groups together several booming sectors both in the downtown area and peripheral central neighbourhoods. The attractiveness of the centre's downtown core and surrounding neighbourhoods is attributable to multiple factors, including their international reputation, accessibility, exemplary development of the public domain, cultural vitality, the health of businesses, and the quality, adaptability and diversity of retail offerings.

The action plan essentially aims to create an attractive, lively and dynamic economic centre where people want to live, work, study and be entertained.



Population: 735,397

Jobs: 619,600

Number of companies: 28,654

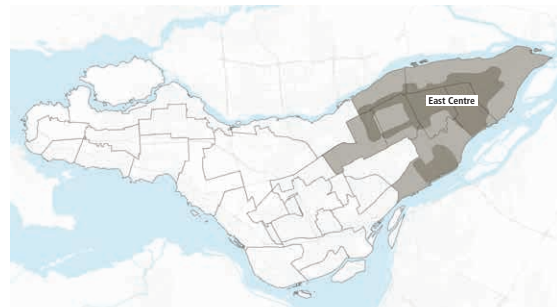
Main employment areas:

- Professional services, health and education;
- Finance, insurance and public administration;
- Arts & culture, retail trade.

Overview of the East

The East territory boasts substantial capacity to host new businesses, but remains relatively unknown. The area is also struggling to dissociate itself from its industrial past, synonymous mainly with nuisance and pollution, even though the industries that are there now have managed to adopt sustainable development practices in recent years.

The territory is therefore in search of a new identity to develop its positioning and promote its assets. Ultimately, the objective is to attract new companies in certain choice sectors, including the innovative urban manufacturing sector, by completing the road network, building out very-high-speed fibre-optic networks, as well as repurposing and greening industrial spaces in transition. This repurposing will proceed from a perspective of developing complete neighbourhoods.



Population: 595,805

Jobs: 216,500

Number of companies: 12,289

Main employment areas:

- Manufacturing: food, printing, metal products, clothing, etc.;
- Retail and wholesale trade;
- Transportation and warehousing.

Foundations of the Action Plan for the Economic Development of the Territory

Principles underlying the City's action

The Direction de la mise en valeur des pôles économiques is responsible for developing and implementing measures that promote the economic development of the territory. One of its objectives is to better support projects for enhancing the built environment and building on vacant land with development potential. Fulfilment of this mandate is supported by the following principles:

- **Reorienting the business model for economic development of the territory** to make it more agile, dynamic and efficient;
- **Working in close collaboration with City departments**, the boroughs and the linked municipalities to ensure consistency in the actions taken;
- **Using an integrated and innovative approach** for the complete development of neighbourhoods and to ensure harmonious coexistence of different land uses;
- **Seizing opportunities** (e.g., the REM) to accelerate development of the economic centres;
- **Developing partnerships** that will rally the strengths of the public and private sectors.

Main challenges identified in the action plan

Complementarity and synergy of the territories

To optimize the use of the land and existing infrastructures, strengthening the integrated approach to territorial development is essential.

Levers of development:

- Develop a vision for each of the centres and support implementation of structure-enhancing projects that are in line with the visions;
- Develop the key geographical areas based on their strengths and specific potential;
- Promote the circular economy when identifying development opportunities.

Increasing the attractiveness of territories for companies and workers

Currently, some areas are less attractive due to various development constraints.

Levers of action:

- Promote the assets and development visions of the various sectors;
- Improve accessibility and flow of transportation of people and goods;
- Beautify industrial lots;
- Provide incentives for real estate investment and decontamination of vacant lots.

Adapting municipal practices

Economic activities are changing because of new technology and therefore require an adapted municipal approach.

Levers of action:

- Improve support and guidance mechanisms for investment projects;
- Review zoning and municipal financial incentives;
- Incorporate economic development issues into land-use planning tools.

SWOT Analysis of the Environment and Markets

Strengths

- Availability of industrial space, land and buildings
- Several vibrant employment sectors integrating innovation ecosystems in high-potential niches
- Presence of a large pool of skilled labour
- Several growth niches, particularly in the tech and creative sectors
- High-performance infrastructure and services in transport and logistics

Weaknesses

- Development constraints on certain spaces, requiring public investment
- Need to better incorporate the concept of sustainable development into the economic development of the territory
- Some geographical areas less well served by public transit and active transport
- Negative perception of some employment areas because of their industrial past

Opportunities

- Rebound of the manufacturing sector, in a more innovative form (Industry 4.0)
- Federal and provincial investments in several economic sectors
- Major investments in transportation: REM commissioning, extension of the blue métro line, purchase of STM buses, expansion of Montréal–Trudeau airport, extension of Souigny Avenue, etc.

Threats

- Strong residential pressure on the employment sectors
- Competition from industrial territories near Montréal (in terms of space and cost)
- Negative perception of accessibility of employment centres due to certain constraints
- Proximity between residential and industrial areas

A \$106.4 million
budget over
four years.

3 areas of
action.

35 actions

Establishing a Development Vision and Ensuring the Reach and Influence of the Economic Centres, both Locally and Internationally

The Action Plan for Economic Development of the Territory aims primarily to establish a clear positioning for each strategic key sector in the city. The diversity of the sectors, their strengths and their development opportunities are a guarantee of sustainable economic vitality across the Montréal territory. These sectors also define the personality, the DNA, of the neighbourhoods that make Montréal an attractive city. Stakeholder engagement and alignment with territorial-development planning tools will be a priority to ensure the success of this undertaking.

AREA 1

Strategies	Actions	Performance indicators
Position the economic centres and their key geographical areas based on strategic assets and existing areas of activity	<ul style="list-style-type: none"> • Define the vision and positioning of the economic centres from a perspective of sustainable development and innovation • Prepare and adopt development planning documents for the key geographic areas • Rally stakeholders around common goals, such as improving the quality of spatial planning and innovation in architectural design • Periodically conduct a census of businesses throughout the territory 	<ul style="list-style-type: none"> • Vision and positioning documents • Number of planning documents • Multidisciplinary teams (e.g., economic development, urban planning, design) involved in producing planning documents • Census completed
Establish a communications plan to promote the economic centres and development opportunities	<ul style="list-style-type: none"> • Define an investment attraction strategy • Establish formal partnerships with organizations to better position Montréal's supply of office, commercial and industrial space • Develop promotional tools for the economic centres and their key geographical areas 	<ul style="list-style-type: none"> • Number and quality of promotional tools • Strategy signed • Partnership agreements signed
Align and ensure consistency between approaches to economic development and approaches to land-use planning and infrastructure development	<ul style="list-style-type: none"> • Continue to develop the expertise task force for the economic development of the territory • Incorporate economic development issues into the updating of land-use planning documents (e.g., development plan, master plan) • Identify the public infrastructures required to accelerate development of the employment centres • Participate in conducting cost-benefit analyses of infrastructure projects ahead of public investments, and incorporate sustainable development criteria • Identify priority lots for development and decontamination • In collaboration with the other municipal departments, manage the \$75-million government appropriation for soil decontamination 	<ul style="list-style-type: none"> • Expertise task force • Inclusion of the key economic sectors in planning documents • State of infrastructure in the employment zones • List of priority lots for development and decontamination • Number of studies conducted • Number of landowners benefiting from the \$75 million appropriation

Supporting Sustainable Investment Projects in the Centres by Focusing on High-Potential Sectors

The City of Montréal's Sustainable Development Plan stresses that the city must be a model of sustainability. This is also one of the five pillars of the 2018–2022 Economic Development Strategy vision. This focus of the action plan provides the City with investment tools for innovative and sustainable initiatives. These economic projects, both public and private, will aim to protect and enhance the environment while promoting quality in design and architecture. Montréal will therefore be poised to become a leader in implementing creative solutions on its territory, balancing economic benefits with the quality of life of its residents.

AREA 2

Strategies	Actions	Performance indicators
Provide assistance for sustainable real-estate investment projects	<ul style="list-style-type: none"> • Establish a new sustainable real-estate investment support program • Follow through on the commitments and projects of the PRAM-Industry incentive program • Establish a program to bring arts & culture facilities up to standard • Take the lead in creation of a private-sector fund for economic development of the territory • Have the necessary amounts included in the Three-Year Capital Works Program (TCWP) according to development potential and priorities identified • Conduct a review of best practices in the boroughs and linked municipalities • Implement a new process for receiving and supporting real-estate investment projects 	<ul style="list-style-type: none"> • Funding support program operational • PRAM-Industry commitments followed through on • Private-sector fund created • Number of projects listed in the TCWP • Best practices report • Process established and team put together
Support the implementation of structure-enhancing projects in high-potential sectors	<ul style="list-style-type: none"> • Identify the areas of activity to prioritize in each of the three centres • Conduct studies prior to implementation of structure-enhancing projects • Contribute to structure-enhancing projects whose implementation will support the positioning of the centres and revitalize local economic ecosystems • Support calls for projects and/or competitions for the redevelopment of private or municipal land in one of the key geographical areas 	<ul style="list-style-type: none"> • Association of high-potential sectors with geographical areas • Number of studies conducted on structure-enhancing projects) • Number of structure-enhancing projects implemented • Number of calls for projects and/or competitions
Support initiatives that promote corporate social responsibility and the adoption of best practices in sustainable development	<ul style="list-style-type: none"> • Establish partnerships to actively support the circular economy • Implement a certification process for sustainable economic development of the territory • Support initiatives that promote sustainable development (Synergie Montréal, Parcours Développement durable, Défi Énergie en immobilier, Reconnaissance) • Support improvement of sustainable industrial practices through the PME MTL network 	<ul style="list-style-type: none"> • Number of partnerships in the circular economy • Number of key geographical areas to be certified • Number of initiatives supported • Number of companies supported (consulting services and financing)

Improving Access to the Employment Centres, Mobility of People, and Flow of Freight Transport

Mobility of workers and goods is a key contributing factor to the city's economic performance and to productivity of many of its industries. Accessibility to employment zones must be facilitated, and recent technological advances are creating never-before-seen opportunities. The resources deployed will enable the various key sectors of the territory to become more attractive, to both companies and employees.

AREA 3

Strategies	Actions	Performance indicators
Support projects, initiatives and organizations that promote the sustainable mobility of workers	<ul style="list-style-type: none"> • Encourage the adoption of a policy in the boroughs and linked municipalities to incite businesses to institute smart-commute plans for their employees • Contribute to carrying out initiatives and structure-enhancing projects aimed at promoting the mobility of workers • Provide financial support to the commuter management centres supported by the Ministry of Transport, Sustainable Mobility and Transportation Electrification (MTMDET) • Set up pilot projects for self-driving electric shuttle buses 	<ul style="list-style-type: none"> • Number of boroughs and linked municipalities that have adopted a policy • Number of structure-enhancing projects • Number of initiatives and organizations supported • Number of pilot projects in the various environments
Support the adoption of new technologies and best practices to improve freight transport and urban logistics	<ul style="list-style-type: none"> • Collaborate on development of circuits to enhance freight transport efficiency • Conduct studies to identify alternatives for last-mile and urban delivery • Contribute to carrying out structure-enhancing projects that promote the competitiveness and efficiency of logistics zones 	<ul style="list-style-type: none"> • Number of circuits optimized • Number of studies conducted • Number and scale of structure-enhancing projects



Conclusion

The Action Plan for the Economic Development of the Territory aims to revitalize and enhance the economic centres and their key geographical areas, and strengthen the integrated and innovative approach to territorial development.

To assist the Direction de la mise en valeur des pôles économiques, an advisory committee will be created and tasked with guiding the strategic projects, which will increase the vitality, agility and performance of the territory's development. This committee will also enable the City to draw on the skills and knowledge of experts and benefit from the experience of people from various business sectors, in particular when it comes to sustainable urban development and real estate.



Glossary of terms

Circular economy

A production, exchange and consumption system that aims at optimizing the use of resources at all stages of the life cycle of a product or service, based on a circular design, while reducing the carbon footprint and contributing to the well-being of individuals and communities (source: *Pôle québécois de concertation sur l'économie circulaire*).

**Economic
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Mobilization Forum**

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