



FROM: Suzi Pegg, Economic Development Director

DATE: 18th February 2021

SUBJECT: March 2021 Economic Development Report

Recommendation

Accept this report.

On the local front

CATCH's Village Street Development – Have commenced construction on their project.

Outdoor dining- will open up again in April. Feedback is very favorable both from the public and the restaurants

Measures:

Economic Development Director Target Visits/Leads for FY2021: 150

Note: this number has been surpassed

Social Media/ Marketing

Continuing to use various platforms to push out information on the City and investment opportunities.

City of Concord Podcast:

The podcast has taken a short break due to COVID but will be back in March with a podcast on the Rock and Race scheduled to take place in May.

Discussion



Economic Development Trends for 2021

As we reach a key milestone of the COVID crisis, so many things have changed possibly for the long term, others hopefully, for only the duration of the crisis. As we hopefully begin to pull out of this, many economic developers have been having numerous conversations on where this will leave economic development. In this report I would like to share some of the trends which have risen from these discussions.

1. Out-migration from city/built up urban areas to rural was a trend which started to rise as people had to work from home and were able to school children from home too. Location no longer became a key factor but more to the point, people wanted to be in a location where they could enjoy the outdoors and other amenities which were not directly impacted by COVID. Concord is seen to be a beneficiary of this trend.
2. Growth of e-commerce – if you could no longer visit a retail outlet in person for any reason, turning to e-commerce to buy not only essentials online grew at a very quick rate. Here in Concord, we were encouraging our retailers to adopt an e-commerce aspect to their business to enable them to survive the change. Those who had adopted this are, so far, keeping their head above water. Concord has also seen a minimal turnover of retailers compared to some other parts of the country.
3. States are seeing fewer multinational opportunities as COVID shut down many markets. The trends in trade and foreign direct investment are substantially down. As a result there is a growth in regional investment. This has been slow at first as companies had to initially triage keeping their head above water, but the PPP program has allowed them to keep key workers and start to recruit and look to grow locally rather than grow in any international markets.
4. Increase in "insourcing" – as many international markets were closed to companies, the trend has been to see where they could get the same goods/services locally.
5. Virtual facilitation – the expansive use of zoom and other virtual platforms, has enabled business meetings to continue to happen without the need for travel.
6. Talent attraction- jobs now chase people. The ability to work from home has opened up a whole new avenue for workers to stay, work and play right in their backyard. Talent attraction alongside of the need for housing in desirable

locations will, for the foreseeable future, be the top two needs for the community and its investments. The workforce is looking for a location for work which ideally balances wages vs housing costs.

7. Quality of life – Companies and the workforce are monitoring locations which are more robust and keeping ahead of COVID by providing essential services, in addition to having access to broadband connectivity. An increase in the importance of high quality healthcare services on their doorstep is also a critical component.
8. Resilient sectors – the following sectors are just some that have been identified by the profession as growing in this ‘new’ economy and have potential impact on the development of the Concord economy: medical services, localized distribution, advanced manufacturing and IT.

At this moment in time, economic development agencies are focusing on local businesses and main street services rather than new business attraction. By pivoting around to be a key resource for the local business community and helping guide them to accessibility to money in short term. In the longer term, helping smaller companies make money in the future with access to data and market research. The Invest Concord website has such data under the resources tab. Entrepreneurship is experiencing a rebirth as people are finding other ways of working whilst at home. The access to digital resources, online support and an incubator support is growing. These resources are available in the Concord region.