



# CENTRAL COAST REGIONAL DISTRICT

DATE: November 6, 2014

TO: Board Chair Reginald Moody and Board Members

FROM: Darla Blake, Chief Administration Officer  
 Krista Ediger, Local Government Management Intern

SUBJECT: **Economic Development Collaborative Meetings and Economic Development moving forward**

## RECOMMENDATIONS

That the Board of Directors of the Central Coast Regional District request the CCRD administration submit applications to Northern Development Initiative Trust for the 2015 and 2016 Economic Development Capacity Building grants, with a portion of the grants to be used to fund the salary of a full time Economic Development Officer over a two year period.

That the Board of Directors of the Central Coast Regional District request the CCRD administration submit an application to the Coast Sustainability Trust II for funding a portion of the salary of an Economic Development Officer over a two year period from 2015.

That the Board of Directors of the Central Coast Regional District approves the CAO advertising for an Economic Development Officer (EDO), full time for a period of two years, on the condition that both the NDIT Economic Development Capacity Building grants and the Coast Sustainability Trust II grant applications are successful to cover the bulk of the EDO salary, and further the CCRD Board agrees to commit sufficient budget over the two year contract period to cover any further costs associated with an employee.

That the Board of Directors approves the establishment of an Economic Development Advisory Committee, and requests Administration put forward for appointment at the 11<sup>th</sup> December 2014 Board meeting, the names of the individuals who indicated at the recently held Economic Development collaborative meeting they would like to serve on any Economic Development Advisory Committee, in future.

**Board Meeting**  
 NOV 13 2014  
 CCRD ITEM C(d)(i)

## **STRATEGIC PLAN**

Goal 1 - Effective Planning & Implementation of Services

Objective 3 - Our objective is to ensure we consistently pursue timely, realistic and achievable economic development programming

Strategy 10 - We will prepare and then implement a multi-year economic development strategy.

## **BACKGROUND**

Some years ago CCRD had a dedicated Economic Development Officer (EDO) and an Economic Development Commission. They developed a plan, website and other materials to assist the region in its economic development efforts. The Economic Development Officer's position has now been vacant for a number of years and the Economic Development Commission also ceased.

Economic Development cannot happen in a vacuum and requires resources (human and financial) to meet the needs of communities to implement the Economic Development Plan and to maintain/progress Economic Development in the region. CCRD has not filled the vacant EDO position as yet, leaving Economic Development to individual businesses and organizations to do what they can – and while they have done reasonably well there is significantly more that could be done to develop the region's economic capacity and sustainability.

What has become evident is the gap of not having a dedicated EDO focused on key priorities and agreed achievable action outcomes.

Adding to the gap was the loss of the BC Ferries MV Queen of Chilliwack which was replaced with the MV Nimpkish. This decision by BC Ferries and the Ministry of Transportation and Infrastructure has had a negative socio-economic impact on the region. Tourism is down significantly and things as simple as getting supplies to our communities in a timely manner, has been dealt a severe blow.

## **CONSULTATION**

Two collaborative Economic Development meetings have been held over the past two months. Attendees included Nuxalk Nation, Heiltsuk Nation, Bella Coola Valley Tourism, key business operators, representative from Vancouver Coastal Health and various government departments.

## **LEGISLATION /POLICY**

*Local Government Act* and *Community Charter* permit a wide range of potential regional economic development tools or functions

**BUDGET/FINANCIAL IMPLICATIONS**

Within current approved budget:	N/A
Requires further budget consideration	Yes, starting in 2015 and over a two year contract period, to cover employee costs not covered by grants.

**RISK MANAGEMENT**

Administration has evaluated potential risks with the proposal and assessed these as negligible with no requirements for controls.

**DISCUSSION**

To address the gaps for Economic Development the CAO and the Local Government Management Intern felt it was important to meet with key stakeholders/partners in the region to identify impact on their communities as a result of no EDO or real economic development by the CCRD and the impact of the loss of the BC Ferries Route 40.

The CAO and Local Government Management Intern initiated two collaborative meetings to discuss “where to from here” after the loss of BC Ferries Route 40 and Economic Development now and into the future.

In October two meetings were facilitated by CCRD Administration to discuss Economic Development in the region. The first meeting was held on October 8, 2014, which discussed the “next step beyond the BC Ferries issues for the CCRD Region”, included the Board of Directors, representatives from Bella Coola Valley Tourism, representatives from the Nuxalk Development Corporation and a representative from Heiltsuk Nation (Economic Development). The second meeting was held on October 22, 2014 as a “Collaborative Economic Development Meeting” with 35 invitations going out to First Nations and business owners/operators from across the region. Of those invited, 26 attended. Both meetings had excellent dialogue by the participants and many valuable suggestions are to be considered, moving forward.

The October 8 meeting focused on where to from here after the loss of Route 40 BC Ferries. Discussion was around the effects, issues and impacts facing the region and achievable solutions. Five main points arose around affects, issues and impacts, they are:

- 1) Socio-economics – food security (particularly for the Outer Coast communities); healthcare in regards to patient transport (effecting proper patient care).
- 2) Current Ferry Capacity – booking of ferry services has been unreliable for both passenger vehicles and freight; led to freight trailers being bumped; extended wait times to receive trailers; people being stranded due to insufficient space
- 3) Tourism – reduced number of passengers on the circle route; impact to this region and communities along Highway 20 and north part of Vancouver Island; starting to see loss of infrastructure and support services.

- 4) Cultural – traditional relations being hindered amongst communities.
- 5) Sustainability – sustainability of the coastal communities affected; adequate year round service needed

Three suggestions for solutions to be explored are:

- 1) Short term solutions – looking at being included on Route 10 of BC Ferries; explore the option to have the Queen of Chilliwack returning for next year (2015 season); funds for more in depth Socio-Economic Impact study for the Central Coast region
- 2) Medium term solutions – separation of services (one for freight and one for passengers); lobby to have one of the three new BC Ferries routes to be for this region (a 50 – 60 vehicle vessel); lobby for adequate year round service; more funds for in-depth study
- 3) Long term solutions – separation of services; 50 – 60 vehicle vessel put into place; private/public partnership ferry service; adequate all year round service

The second meeting held on October 22 discussed where to from here for economic development in the region. The attendees for this meeting represented a variety of economic areas from across the region. Participants were divided at random into five groups to discuss eight questions put forward to them. Questions covered the topics of where are we going, what makes this region unique (why live here, why come to this region) and what is missing (what other opportunities would they like to see here) were put to the groups. From the groups discussions, twelve themes emerged, they are:

- 1) Transportation links – development/enhancement of all three transportation links (land, water, & air)
- 2) Regional building – foster connections and relationships between Outer Coast communities and Bella Coola Valley; work as a whole moving forward
- 3) Health Services – expansion of health services in the region, focussing on senior care (senior care facilities) and maternity
- 4) Training Centre (education) – post-secondary education centre (private/public) that focuses on outdoor education;
- 5) Tourism – explore different types of tourism such as ecotourism, adventure tourism, medical tourism, cultural tourism, etc.
- 6) Agriculture – currently underdeveloped; look at expanding
- 7) Addressing Social Issues – addressing issues such as absence of rental market, adult literacy, etc.
- 8) Industry – explore options i.e. water bottling, high end wood products, etc.
- 9) Business Development – support to businesses (i.e. promotion, web presences, training) and help to establish catalyst businesses in communities
- 10) Power (Energy) – explore options for alternative power sources, currently limited power available, has impact on development
- 11) Branding - many great ideas, explore more when implementing Communication Objective 9 "Build a regional brand to improve marketability of Central Coast" from the Central Coast Communication & Engagement Plan
- 12) Recreational Centre – want a year round multiuse centre (possibility to have in one building a pool, hockey rink, gym)

Out of these twelve themes key discussion focused around transportation links, regional building, health service and a recreational center.

Another key item of discussion from both meetings was the need for an Economic Development Officer (EDO) for the CCRD. To move forward with any Economic Development, it is imperative an EDO is in place to undertake the dedicated work necessary to assist the CCRD to achieve more than just studies and website.

The final question asked of attendees was: Would anyone be prepared to sit on an Economic Development Advisory Committee? Seven people putting forward their names. The meeting discussed the difference between a Commission and an Advisory Committee.

### **Economic Advisory Committee vs Economic Development Commission**

The suggestion of having an Economic Advisory Committee was proposed rather than an Economic Development Commission, as with an Advisory Committee there are cost savings and decision making is retained by the CCRD Board of Directors.

An Advisory Committee provides "recommendations to the Board" based on the Committee's mandate. It is envisaged that an Economic Development Advisory Committee will continue with the work and discussions that has already taken place on Economic Development, and assist an EDO to review and update the Economic Development Plan.

An EDO would work closely with the Advisory Committee to ensure their recommendations are achievable and are sustainable over the long term, adding value to the economic stability and development of the region. The EDO would be accountable to the CAO, not the Advisory Committee for achieving goals, objectives and priorities within budget. The Board would remain as decision maker in the case of an Advisory Committee.

An Economic Development Commission on the other hand is typically there to oversee the regional districts' services "on behalf of the Board." They usually have delegated authority from the Board to make decisions on behalf of the regional district. A Commission would require a specific budget and can help to provide assistance with economic development to the board. Accountability of the EDO is more difficult where it could be seen the EDO was serving two masters. The CCRD would have to re-establish the Economic Development Commission bylaw, as this has been rescinded due to being outdated and non-functional, at the time.

The most recent work on Economic Development, that has the support from those attending the collaborative meetings (noting a number of the attendees have been involved in Economic Development in the past) all agree on the need to create regional development from the bottom up or "inside out". Building a solid regional foundation with what we already have here, rather than chasing industry or business to come into the region.

It is also important that at this point in time with the need for pulling everything back in to create a stable foundation for economic development work to be re-established, the CCRD administration would recommend that the Board of Directors approve the establishment of an Economic Development Advisory Committee and that recommendations for appointments be made to the new board at the December 2014 meeting.

### **Economic Development Going Forward – can this be done without an EDO?**

For a number of years now the CCRD has been without an Economic Development Officer (EDO). This has created a real gap for the region, and its ability to create economic sustainability. Particularly, now with the loss of Route 40 significantly more work needs to be done to ensure this region doesn't fall further behind, or lose businesses and ultimately more families, as a result.

With the assistance of a dedicated economic development professional, the CCRD can help the region to overcome the current negative impacts on community sustainability and capacity. The Board identified in 2014 and now 2015 Strategic Priorities that the Economic Development Plan needed to be reviewed, updated or develop a new Economic Development Plan. This work will come at a cost. We currently do not have the in-house capacity to deliver on this priority. And if CCRD were to budget for a consultant to undertake this work we could be looking at a budget in the range of up to \$100,000+.

To look at other option, the CAO investigated grant funding opportunities that would pay the majority of a dedicated Economic Development Officer's salary. The Northern Development Initiative Trust has an Economic Development Capacity Building grant of \$50,000. This would allow for \$35,000 - \$45,000 to go directly toward the salary of an EDO; \$5,000 of the \$50,000 must be used for collaborative economic development meetings and traditionally CCRD share \$10,000 between two communities toward economic development. The CAO also spoke with the Trustee for the Coast Sustainability II Trust who has informed that there is still approximately \$45,000 available for CCRD. If CCRD applies by the end of November they would consider an application for an EDO salary contribution over a 2 year period (approx. \$22,500 each year), provided the EDO had specific outcomes to achieve that would create economic sustainability and that CCRD also contribute. With a modest contribution from CCRD we could possibly consider a two year contract in the vicinity of \$60,000 to \$75,000 per year, or a base salary and other incentives. Note: the average EDO salaries based on CivicInfo BC range from \$60,000 - \$80,000 for communities with population between 2000-4000. The two year contract would have specific goals, objectives and tangible outcomes would be a good start to recovery.

As stated earlier, the CCRD currently does not have the capacity to undertake Economic Development work in a timely manner that would assist the region to maintain a level of stability from an economic aspect. If the Board wishes to support the region toward sustainability and economic growth and the development of relationship with First Nations, key businesses, tourism and other strategic partners for a sustainable economic future, and to meet the expectation for residents and businesses across the region, then the Board would be



encouraged to support a recommendation that the CAO apply to Northern Development Initiative Trust for the 2015 Economic Development Capacity Building Fund to be used towards the salary of an Economic Development Officer, which closes 28 November 2014. And, that the Board of Directors requests the CAO to submit an application to the Coast Sustainability Trust II for funding to be used towards the salary of an Economic Development Officer, by the end of November 2014 in order to meet their deadlines. On the condition that both grants and a budget sufficient to employ an EDO on a two year contract is achieved, then the CAO will advertise this position.

**CONCLUSION**

The two collaborative economic development meetings held in October helped provided community insight on where to from here.

To prevent what has occurred in the past with community meetings around economic development CCRD administration suggestions to focus on one or two achievable suggestions over the next few years. With the current human capacity of CCRD staff, hiring of an Economic Development Officer would be needed moving forward from this point.

It was agreed that an Advisory Committee for Economic Development would be preferable to an Economic Development Commission. An Advisory Committee would work with an EDO and recommendations from the Committee would be put forward to the Board for their approval. This model was preferred because it means that a small group of people are not directing the decisions on economic development for the region. An Advisory Committee will work with the Board, the EDO and collaboratively across the region to re-build the region from the philosophy of "from the inside out" in order to ensure sustainability going forward.

It is recommended that the Board of Directors of the Central Coast Regional District request the CCRD administration submit grant applications to Northern Development Initiative Trust's 2015 and 2016 Economic Development Capacity Building grant to use towards the salary of an Economic Development Officer. It is also recommended that the Board of Directors of the Central Coast Regional District request the CCRD administration submit an application to Coast Sustainability Trust Community Trust II for funding a portion of an EDO salary over a two year contract project.

Respectfully submitted



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