

Report

Date June 22, 2023
Subject Draft Workplan for Economic Development Committee

File:

PURPOSE

To consider past and current North Cowichan economic development activities to develop the work plan for the Economic Development Committee. A staff presentation will be provided at the meeting.

BACKGROUND

The Mayor established the Economic Development Committee in the fall of 2022 to facilitate socially and environmentally responsible community economic development in North Cowichan and provide Council with advice and recommendations on economic development. Previous economic development activities were guided by a 2011 work plan overseen by Council's Economic Development Advisory Committee. This Committee last met in 2014.

Council's Strategic Plan (2019-2022) set strategic direction for the economy while recognizing the resources required to sustain programs and infrastructure in core service areas. Action areas for the economy include attracting light industry and provincial services, planning for North Cowichan owned real estate and forestry timber, and support for small-scale agriculture and sports tourism.

DISCUSSION

The Province of B.C. defines economic development as "programs, policies or actions that seek to improve the economic well-being and quality of life for a community" and acknowledges that each community has opportunities, challenges, and priorities that help define why it would be a place for investment. With different groups working on economic development, community support and partnerships are critical to economic development planning and implementation success.

Regional Partners

Partnerships are critical to the success of economic development. Partnering North Cowichan's strategies with Cowichan Tribes (Khowutzun Nation), Cowichan Valley Regional District, the Duncan Cowichan Chamber of Commerce and the Chemainus and District Chamber of Commerce are necessary to build regional strength for our collective economic development.

The Khowutzen Development Corporation is the primary economic development arm of Cowichan Tribes with the primary mission "to build partnerships to develop and support enterprises, create opportunities for Cowichan Tribes citizens to succeed in employment and business ventures, and to support Cowichan Tribes programs."

Economic Development Cowichan (EDC) is a department in the Cowichan Valley Regional District and sets a vision "connects business, community and local government to position the region for success

and shared prosperity. We respect and communicate the uniqueness of our communities and create value by acting on sustainable opportunities for partnership, collaboration, resource development and investment." Work is guided by EDC's Strategic Plan (2019-2022) and associated strategies. An update to the Strategic Plan will take place in 2023-2024. Relevant additional strategies include Cowichan Industrial Land Use Strategy, Cowichan Tech Strategy, Cowichan Internet and Cellular Connectivity Strategy and Cowichan Workforce Housing Strategy (in progress).

The Duncan Cowichan Chamber of Commerce and Chemainus and District Chamber of Commerce provide business development and connectivity opportunities. The Duncan Chamber's mission is to "Engage the business community through membership to provide advocacy, service, education, support and opportunity," and they also operate the Visitor Center. The Chemainus and District Chamber's vision is "Engage all business in creating a thriving community."

Tourism Cowichan Society delivers destination marketing services to the region and is guided through the destination marketing plan. They aim to "build tourism campaigns that benefit all our local businesses."

The Committee Terms of Reference articulates the importance of seeking input and recommendations from stakeholders across all sectors, including First Nations, existing business, agriculture, industry, and labour, on aspects of economic development, through presentations at Committee meetings.

2011 Economic Development Work Plan

In November 2010, Council approved North Cowichan's Economic Development Work Plan. The eight focus areas of this work plan were:

1. Providing infrastructure and Zoning for development
2. Marketing, business development and promotion
3. Create attractive waterfronts/downtown(s)
4. Enhance/protect resource sector
5. Tourism infrastructure and packaging
6. High-tech and knowledge sector
7. Waste conversion opportunities
8. Infrastructure for development

Implementation of this work plan can be captured in the following theme areas:

Regional strategy. Tourism, marketing and promotion of the Cowichan Valley are resourced by Tourism Cowichan and EDC and offer critical support for business retention. Business retention is also a primary goal of EDC's Strategic Plan, and has undertaken business walks to collect input. EDC has undertaken regional strategy development for industrial lands, tech, internal and cellular connectivity, workforce housing (in progress), and State of the Economy reports. Continued partnership and a focus on implementation will realize greater alignment.

Infrastructure for industrial site development. With development permitting and industrial site servicing under North Cowichan's purview, core service delivery is critical for this sector's expansion and attraction. With declines in the forestry sector, traditional activities that contribute tax revenue and economic benefits are threatened. The need to diversify in other sectors is vital. Barriers to this are the significant capital investment required by local government and landowners to service industrial land.

Revitalization Activities. Local area plans (LAPs) were developed for Chemainus (2011), Crofton (2015), University Village (2015) and Bell McKinnon (2018). Implementing the LAPs and refreshing local area revitalization plans (e.g. Chemainus) remains a priority. The Bell McKinnon Local Area Plan highlights the construction of the new hospital and the creation of new opportunities in the commercial, service and housing sectors.

Nature-based destination marketing. Cowichan's forests, orchards and coastline are marketed for tourism opportunities and business recruitment. Residents value nature (31% most frequent response in the 2022 Citizen Satisfaction Survey), and the Parks and Trails Master Plan (2016) identified opportunities for the expansion of outdoor experiences and networks. The Municipality launched a review of the long-term purpose of the Municipal Forest Reserve (2019).

Climate action. Creation of the Climate Action and Energy Plan (2013 and 2022 update) introduced eco-industrial development and circular economy are opportunity areas offering benefits for both climate and economic implementation.

2023 Economic Development Committee Workplan priorities

There are a number of economic initiatives identified in the Strategic Plan. This draft work plan identifies the economic initiatives for this year's work plan, reflecting priorities set out in the 2023 Business Plan and items already referred to the Committee by Council. Additional incremental items would require a review of staffing resource implications.

Economic Development Action Plan and Regional Strategy Input

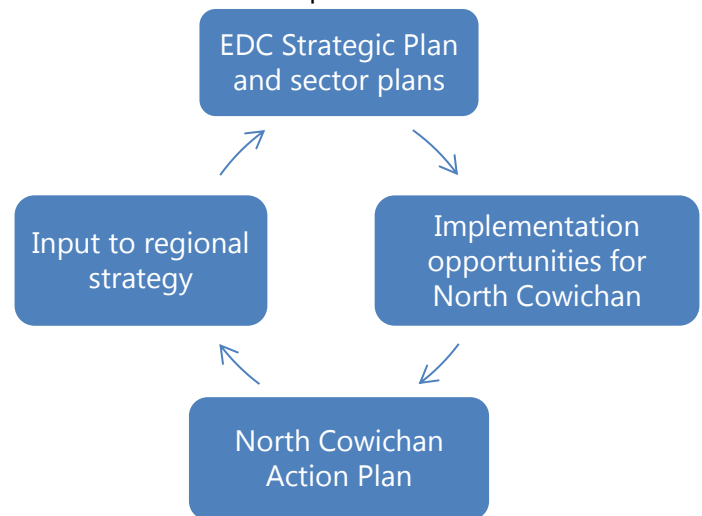
The Economic Development Committee is guided by a Terms of Reference that speaks to preparing an economic development strategy.

A consultant will be retained to guide the Committee in preparing an Economic Development Action Plan that will include the Official Community Plan (OCP) aims and objectives specific to economic development, which includes advancing the principles of a regenerative economy. The consultant will consider inputs from regional strategies, federal and provincial programs, local stakeholders and additional analysis to develop prioritized strategies that consider partnerships, level of impact, implementation timelines and resources. The Plan will be funded through grant funding from the Rural Economic Diversification and Infrastructure Program (REDIP) (in place) and Island Coastal Economic Trust (pending).

Engagement with regional partners in the development of the action plan is a necessary input. The consultant will be asked to identify a work plan that considers input from regional stakeholders, First Nations, existing businesses, agriculture, industry and labour. Staff suggest that a parallel engagement with First Nations occur, commencing with a letter from the Mayor requesting a meeting to discuss how they see themselves involved in the process. Stakeholders will also be invited to present at Committee meetings. The consultant will consider these various inputs in forming the Action Plan.

The Committee will provide input in the development of this Action Plan. The Committee will be asked to review elements of the consultant's work plan, guide stakeholder input provided during Committee meetings, provide input into articulating North Cowichan's strengths and opportunities, review proposed actions and prioritization, and provide input into the drafted action plan.

With updates to EDC's Strategic Plan advancing in parallel with North Cowichan's Action Plan timelines, this offers an opportunity to collaborate on actions of shared regional interest (i.e. tourism marketing). The consultant will look at the current Strategic Plan and associated strategies to identify local implementation actions. New opportunities that emerge during this process will be filtered through North Cowichan's Action Plan or provided as input to the EDC's Strategic Plan update.



Development processing times

Through the 2023 Business Plan, the Planning and Building Department reviews development application processes and addresses backlog and resourcing. The multi-year backlog was driven by increased and sustained development applications, bigger and more complex applications, and a resource shift to accommodate recent policy work supporting the adoption of the OCP. Staff have been working towards streamlining application reviews, updating development regulations and policy, and hiring additional staff in 2023 to process development applications. Staff are reviewing existing business processes to address the caseload backlog, which will lead to projects advancing sooner.

Industrial servicing

The Cowichan Industrial Land Use Strategy (2019) demonstrated an acute regional shortage of serviced industrial land, significantly constraining existing business expansion, investment, and job creation. For example, North Cowichan failed to secure a major green tech (housing) investment (200 jobs) in 2022 due to a lack of water servicing the Highway 18 industrial area.

The 2023 Engineering Business Plan identified work to update the water and sanitary sewer models to adjust load distributions to help make better decisions when developments come along and help in triggering what areas and developments may require infrastructure upgrades. North Cowichan was successful in securing provincial grant funding through the REDIP, which will be used to review the existing potable water distribution system for capacity and upgrades to provide improved service to industrial lands in South End and Chemainus. The project will also examine how to provide new infrastructure to bring potable water to these industrial lands. In turn, this would lead to the construction of new infrastructure to service these lots and eliminate barriers to investment and job creation on under-serviced industrial land, opening up industrial sector development opportunities.

Official Community Plan Implementation

The adoption of the Official Community Plan (OCP) (2022) supports new business models and economic sectors that are more sustainable, notably, Cleantech, value-added industries, and the circular economy. To make this transition, North Cowichan must act strategically to create the investment conditions to deliver the economic impact it desires. Staff are working on an OCP Implementation Plan that will allow Council to prioritize OCP implementation actions.

Updates to existing local plans (e.g. Chemainus) and the development of a new local area plan for Berkey's Corner are potential actions that will be identified in the OCP Implementation Plan. Creating and implementing local area plans can lead to capital investment projects in communities, offering recreational, commercial and environmental benefits. Recent examples include the reconstruction and beautification of Chemainus Road and the Crofton Seawalk project.

Sports Tourism:

Access to nature is one of the attractants of the Cowichan Valley for employer recruitment and tourism potential. Parks and trails, cycling, lakes and protected ocean channels and bays offer a multitude of recreational opportunities, including:

- In 2019, North Cowichan was announced as the new home for Rowing Canada Aviron's national training facility on Quamichan Lake and hosted the National Rowing Championships in 2022.
- North Cowichan is home to world-class mountain biking and hiking trails on Maple Mountain, Mount Tzouhalem and Mount Prevost.

The Cowichan Trails Stewardship Society submitted a proposal requesting that Mount Richards be developed for mixed-use outdoor recreation encompassing cycling. Council has referred this trail sanctioning request to the Economic Development Committee for a response that considers the economic, social, and environmental impacts cycling may pose to Mount Richards and other user groups.

Climate Action and Energy Plan Implementation: Circular Economy

Circular Economy investment attraction is a key focus area for the Vancouver Island Coastal Economic Developers Association. North Cowichan directly participates in the pilot year of a Circular Economy Accelerator Program funded by the Climate Action and Energy Plan Reserve Fund. The program supports Vancouver Island businesses seeking to adopt circular principles, reduce waste and emissions and develop innovative practices. Two North Cowichan businesses participated in the program's inaugural year: Duncan Paving and WestCoast Prefab. These companies received hands-on support from a circular advisor, an opportunities report, and an action plan. Phase 2 of this program is currently in development.

OPTIONS

1. **(Recommended Option)** That the Economic Development Committee recommend that Council adopt the 2023 Workplan.
 - This option reflects priorities Council has resourced in the 2023 Business Plan.
2. That the Economic Development Committee recommend that Council adopt the 2023 Workplan [as amended].
 - Increased projects may not be adequately resourced and may slow down the implementation of core service projects foundational for other economic development activities.

IMPLICATIONS

The 2023 work plan reflects actions already identified in the 2023 Business Plan. Current work is staffed internally and requires no incremental financial obligation. It is assumed that consulting support for the Economic Development Action Plan will be cost-neutral by pursuing grant funding from the Province (in place) and Islands Trust. Additional work to the items identified in the draft work plan will be incremental to the business plan and require prioritization, delay of other projects, or additional implementation funding.

Coordination of activities between North Cowichan's Economic Development Committee and EDC will offer alignment on vision, efficient use of staff and financial resources and enable North Cowichan to focus on implementation.

RECOMMENDATION

That the Economic Development Committee recommend that Council adopt the 2023 Workplan.

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Attachment: 2023 Economic Development Committee Workplan