APPENDIX A

Part 4 Economic Development Offices and Plans

1 INTRODUCTION

This appendix provides an overview of economic development offices, plans and support in the Peace Region, including the City of St. John, District of Taylor, District of Hudson's Hope, District of Chetwynd, City of Dawson Creek, District of Tumbler Ridge, Village of Pouce Coupe, and Fort Nelson, as well as the North Peace Economic Development Commission, the South Peace Economic Development Commission, the Northern Development Initiative Trust, and Community Futures Peace Liard. Consideration is given to the current status of municipal and regional economic development, concerns and opportunities. The purpose of this appendix is to support Volume 3 Section 18 Regional Economic Development of the Site C Clean Energy Project EIS.

2 ECONOMIC DEVELOPMENT OFFICES AND PLANS

Economic development offices offer programs and services to help businesses and contractors expand their capabilities and capacity. The primary sources of funds supporting these services are presented in Table 1, while the following paragraphs outline planning direction and major activities.

Table 1 Primary funding source for economic development services

Service	Source
Municipal and regional district offices	Local
Northern Development Initiatives Trust	Provincial
Community Futures Peace Liard	Federal

2.1 North Peace Economic Development Commission

The NPEDC has a mission to "*encourage economic development projects to diversify and strengthen the economy of the North Peace*". The NPEDC mission is implemented by building regional alliances, providing leadership, information, and research as well as eliminating the barriers to economic development and participation in the North Peace (CSE Group 2010). In addition to tracking labour market trends and providing site location profiles for local communities, major research initiatives include the following:

- In November 2010, NPEDC commissioned a socio-economic, cultural impact and gap analysis study of pending energy development, including the proposed Site C Clean Energy Project (the Project), "to better understand the possible effects this anticipated energy development will have on the labour force, community infrastructure, supply and service sector, business sector, environment and area peoples' cultures" (CSE Group 2011:6). The study elicited views on energy development issues from 65 stakeholders, with the following identified key topics:
    - "Having a voice"
    - Labour, energy services procurement and education
    - Water management
    - Agriculture
- Major themes of the study were regionalism and approaches to integrate planning at all levels to improve local input and involvement in resource developments. Specific

action issues identified for BC Hydro included the creation of a northern equivalent of the Columbia Basin Trust to invest in the region and manage issues associated with potential project impacts (CSE Group 2011).

- In September, 2011 a follow up report prepared by NPEDC outlined how the four key topic areas (above) would provide the basis for a three to five year work plan for the NPEDC. Issues related to economic sustainability included:
    - Increase access to job opportunities and contract work
    - Increase information sharing
    - Coordinate ideas and actions around energy development
    - Increase regional tourism capacity
    - Create tourism opportunities
    - Build business capacity
- As of November 2012 the NPEDC Economic Development Officer position was vacant.

2.2 City of Fort St. John

The City of Fort St. John has supported and participated in the NPEDC, however in 2012 the City has provided notice that it will withdraw its support for the NPEDC with the intent of having a dedicated Economic Development Officer on city staff. The City also provides information and planning resources to the business community through its website. In addition to an economic profile and demographic profile, the website has on-line publications available to the public, a relocation guide, and editions or supplements of *Trade and Commerce* magazine. The documents feature information on demographics, labour force, infrastructure, services and local businesses to facilitate investment and job-creating activities in the region (City of Fort St. John 2011).

In 2008, the City commissioned a report reviewing its preparedness for investment attraction and new business development, and while the business climate in the region was deemed to be positive, some constraints on future activity were identified, including:

- A shortage of commercial and industrial land and properties
- Development approval process times that could be shortened
- Reasonably good infrastructure quality and capacity
- Some concerns about a lack of labour availability

Key recommendations included establishing an economic development office, developing an economic development plan, and marketing the community to attract more investment (Positive Growth Consulting and CPMJ Consulting 2008).

2.3 District of Taylor

The District of Taylor does not have an economic development office or staff person but supports growth and diversification through the collective efforts of council and municipal staff. It also supports the NPEDC. For a community of its size, Taylor has a large industrial base, but its trade and service sector is comparatively small, given the proximity to Fort St. John. Competitive tax rates and land costs are helping propel residential growth and have set the stage for an expansion of the business base. The District is attempting to close gaps in local services (e.g., groceries, banking, physicians) through the strategic expansion of infrastructure, targeted development policy, and active recruitment efforts (District of Taylor, Administrator 2011 pers. comm.).

Council is offering to work with businesses, organizations, and individuals on a package of incentives aimed at stimulating new commercial development that includes waiving of development cost charges and business licence fees, favourable commercial tax rates, and a positive business climate. Land is available for accommodating more residential, commercial, and industrial development (NPEDC 2011).

2.4 District of Hudson's Hope

The District of Hudson's Hope does not have an economic development office but does utilize the services of the NPEDC.

BC Hydro has historically been an anchor of the local economy, and existing upgrades of the G.M. Shrum Generating Station are contributing to local economic activity. Forestry companies are harvesting both aspen and coniferous stands, which they then haul to mills in nearby communities. Oil and gas exploration is on-going both within municipal borders and on the outskirts. Drilling for conventional and unconventional gas is being undertaken by a number of companies. The building of compressor stations and pipelines adds to activity level. The agricultural industry includes cattle and buffalo ranching, grain farming, and honey production. Guiding, outfitting and, eco-tourism are all active contributors to the local economy (District of Hudson's Hope 2011).

Like Taylor, land and property taxes are low and the business climate is positive. However, with the proximity to both Fort St. John and Chetwynd it has experienced limited new business development, and there are gaps in some services.

A major concern of the community is the nature and scale of industrial development within municipal boundaries. The Official Community Plan (OCP) articulates objectives regarding natural resource development occurring within District boundaries and how it needs to meet the expectations of the community. The OCP also notes that the economic base needs to be broadened and that service land is available for this to happen. The supply of undeveloped industrial land is seen as adequate to provide sites for any new industrial businesses for the foreseeable future. The OCP is one of the few in the province that recognizes guide outfitting, hunting and fishing as being vital to local employment and to the community's way of life. Finally, the OCP recognizes the possible future demand for temporary land uses for commercial, industrial, and residential needs (District of Hudson's Hope 2005).

In 2010, the District commissioned an economic development strategy that identified a vision and key focus areas, which included:

- Health services
- Housing
- Tourism
- Communications
- Business retention and expansion

The business retention and expansion strategy component recommended identifying opportunities for business and land development in the event that Site C proceeds (CFPL 2010).

2.5 South Peace Region

The South Peace Economic Development Commission (SPEDC) was established and given core funding through an economic development bylaw and is, therefore, formally supported by the municipalities of Pouce Coupe, Dawson Creek, Chetwynd and Tumbler Ridge, as well as Area D and Area E of the PRRD. SPEDC does not employ economic development personnel, but contracts with Community Futures Development Corporation of Peace Liard for services (Community Futures Development Corporation 2011, pers. comm.).

The SPEDC is responsible for gathering, analyzing, and distributing research and information to local and regional government, in-region stakeholders, and senior governments. It facilitates and develops partnerships and leverages internal resources with those from government and the private sector to advance the economic development interests of the region. Core programs include promoting and marketing the South Peace region, attracting new businesses, investment, workers and families, and helping existing businesses and entrepreneurs strengthen and expand their operations.

The organization has contributed funding to numerous studies and initiatives in the South Peace, including the Dawson Creek Auction Mart, *Brand the Peace* initiative, pottery learning centre, biomass study, coal forum, tourism impact assessment, and the Tumbler Ridge Museum Foundation (SPEDC 2011).

2.6 District of Chetwynd

The District of Chetwynd has a staffed economic development office but does not currently have an economic development strategy.

A long-standing priority of the District is relieving the housing shortage for workers and their families, and seniors (District of Chetwynd 2011). The surge in energy projects since 2003 has left the community with inadequate housing and a market that is often unable to respond to the needs of temporary workers and in-migrants. Road infrastructure and increasing the availability of industrial land are other priorities. In its latest *Economic and Housing Market Update*, the District notes that development is being driven by increased production from local coal mines, a resumption of wind project development, steady growth in the Montney gas field, and resurgence in the local forest industry (District of Chetwynd 2011). As a result, Chetwynd is experiencing above-average economic growth.

The community is involved in several initiatives targeting the expanding coal, oil, and gas sectors, including the Northeast B.C. Community Coal & Energy Forum, which focuses on social, environmental, and economic sustainability issues related to coal development and how industry, government, and communities are working towards these ends. Walter Energy's Brule and Willow Creek mines are in operation, while several development projects, including First Coal's Central South project, Canadian Dehua's Gething Coal project, and Tech Resource's Quintette restart, are in advanced planning stages.

Oil and gas activity is buoyant, with major companies like Talisman, Sasol and Spectra Energy each having substantial local operations. EnCana, BP Canada, Suncor, and Conoco Phillips are also continuing drilling and expanding activities in the area.

In the forest sector, Canfor and West Fraser sawmills are in operation, but Tembec's pulp mill was closed in July 2012. Canfor and West Fraser are both investigating bio-energy projects to complement their existing sawmills (District of Chetwynd 2011).

2.7 City of Dawson Creek

The City of Dawson Creek does not have a dedicated economic development officer, but it is involved in numerous community economic development initiatives.

The responsibility of community and economic development falls to the council and administration and focuses mainly on information gathering, documentation, and dissemination. The City of Dawson Creek provides a wide variety of resources available online and in hard copy form to business start-ups, existing companies, and prospective relocations. They include:

- The magazine Our Community, Community Profile & Investment Guide
- The oil and gas service directory
- Industry specific data
- In the News monthly news articles
- Real estate guides
- Maps

Priority sectors include tourism, agriculture, coal mining, oil and gas and wind energy.

2.8 District of Tumbler Ridge

The Tumbler Ridge Economic Development Office is a department of the District of Tumbler Ridge municipal operations. Its mandate is to act as the main catalyst for economic development initiatives that benefit the municipality and its residents. Key activities include business and investment attraction, helping existing businesses grow, and developing various community development projects with local partners (District of Tumbler Ridge 2010).

The major stimulus to the local economy has been mining and energy development, including oil and gas expansion, as well as continued activity in the wind energy field. Five wind energy projects and seven coal mines are in various stages of development and will add to service, labour, and infrastructure demand in the years ahead.

The District has participated in the establishment of the Peace Region Palaeontological Centre and Dinosaur Discovery Gallery, the creation of a new recreational trail network, and the development and promotion of the Monkman Memorial Trail and Driving Route. A 2008 tourism investment strategy outlined future initiatives focusing on destination and product development, specifically guided outdoor adventure tours, hospitality facilities and infrastructure, and improvements to the overall attractiveness of Tumbler Ridge as a tourism investment opportunity (Economic Growth Solutions Inc. 2008).

Also in 2008, a strategy was unveiled for developing previously unfulfilled niches in the retail and service areas of the community. The strategy is focused on attracting new investment, as well as retaining and expanding existing businesses. It is being used as a guidance document by the District in its promotional and outreach efforts with business and developers for improving retail and commercial service opportunities (Projects North Management Inc. 2008).

2.9 Village of Pouce Coupe

Economic development duties at the Village of Pouce Coupe are part of the Chief Administrative Officer's responsibilities. The Village's 2008 economic development strategy identified tourism, services and downtown revitalization as priority areas. These are now reflected in the latest OCP (Village of Pouce Coupe 2010) which outlined the following economic development policies:

- Support the permanent continuation of Highway 2 along its present routing, in order to create the best economic climate possible for small business
- Promote the Village's fiber-optic Internet connection in the core area
- Diversify the local economy by enhancing and expanding the tourism industry
- Enhance community appeal for visitors by attracting infrastructure investments
- Support business and industry development that complements and strengthens products and attractions of most appeal to visitor markets
- Encourage tourism operators to work cooperatively and in collaboration with community stakeholders
- Maintain a tourism management function via Tourism Pouce Coupe
- Coordinate and implement a Beautification and Recreation plan
- Support, in principle, the development of a windmill farm near the community

2.10 Fort Nelson

Fort Nelson is the administrative centre of the Northern Rockies Regional Municipality. The Community Development and Planning Department is charged with the responsibility of Economic Development in the Northern Rockies Regional Municipality. Their primary function is to:

- Research key economic sectors including oil & gas, forestry, and tourism
- Attract business and investment
- Partner with government, industry, First Nations, and other local agencies
- Communicate opportunities to local business community networking activities (Northern Rockies Regional Municipality 2012)

2.11 Northern Development Initiative Trust

Northern Development Initiative Trust (NDIT) is an independent regional economic development corporation focused on stimulating economic diversification and job creation in central and northern B.C. The Trust was created through the 2004 *Northern Development Initiative Trust Act*. The corporation supports community economic development initiatives through capacity building, community infrastructure funding, and business development.

NDIT's five priorities, and the focus of its current strategic plan, are:

- Partnerships and networking
- Business development
- Economic development capacity building
- Funding program delivery
- Demonstrating best practices (NDIT 2012)

Each of these five areas features numerous strategic initiatives, from loan and infrastructure programs to labour market and research services. A recent initiative included one-day workshops or “boot camps”, to assist entrepreneurs with market research, intellectual property protection, financing, research tax credits, business programs, regional resources, and selling to the government. Further workshops are planned to help small and medium-sized businesses position themselves to take advantage of the billions in dollars of major project spending that is planned for the north in the upcoming years. A series of sub-regional investment websites are also being developed, including one for the northeast that will feature project listings and investment opportunities, community profiles, infrastructure inventories, and incentive programs. NDIT is also actively developing a regional database of suppliers and contractors in response to an increasing number of enquiries from major project proponents for local services (NDIT, Director of Business Development and Director of Economic Development 2012 pers. comm.).

2.12 Community Futures Peace Liard

Community Futures is a federally sponsored economic development initiative with close to 300 offices around the country. Community Futures Peace Liard (CFPL) serves the Northeast B.C. development region with a mission to work with the existing business community to increase their capacity, to harness the untapped entrepreneurial potential in the Peace Liard Region, and to facilitate the development of a diversified and self-reliant economy for the benefit of all stakeholders in the region. The regional head office is located in Dawson Creek.

CFPL provides business facilitation services, community support for surveys, studies, and ancillary services, and meeting room and workshop space. Its major programs include:

- Self-employment benefits program
- Business plan assistance
- Business loan fund
- Arts and cultural events fund

CFPL has partnered with other regional organizations on numerous economic development initiatives, including the Peace Region Museum of History and Paleontology, Northeast B.C. Skills Force Advisory Council, Northeast Regional Community Foundation, South Peace Investment Ready Project. The CFPL has also coordinated services for the South Peace Economic Development Commission, the Dawson Creek Auction Mart, and the Essential Skills Initiative in cooperation with Northern Lights College (Community Futures Development Corporation 2011, pers. comm.).

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