



City of Port Moody

Report/Recommendation to Council

Date: November 21, 2019
Submitted by: Economic Development Committee
Subject: 2019 Annual Report – Economic Development Committee

Purpose

To provide a report on the activities of the 2019 Economic Development Committee.

Recommended Resolutions

THAT the report dated November 21, 2019 from the Economic Development Committee regarding 2019 Annual Report – Economic Development Committee be received for information;

AND THAT the 2020 Economic Development Committee be asked to review this report and bring forward its annual work plan in spring 2020.

Committee Mandate

The purpose of the Economic Development Committee is to provide recommendations and advice in the following areas:

- Identifying short-, medium-, and long-term goals and objectives for economic development and fostering job creation and retention in the community;
- Tracking local, regional, and national economic and geographic trends, and spotting related opportunities and threats that may affect the City's economy;
- Examining the relationship between planned or potential City growth, helping Council and the City identify what will be needed from new developments for the local economy to flourish, and highlighting possible impacts of growth on job creation, the local business and industrial environment, and requirements for the City's long-term vision for a community that lives, works, and plays in place;
- Learning about best practices for success in local economic development from other municipalities;
- Identifying new ways to strengthen the City's business and tax base, including marketing and partnership initiatives, and land use;
- Tapping participation and guidance from relevant business and community stakeholders, including other City committees;
- Supporting and encouraging local businesses;

- Helping to attract new commercial businesses, sustainable industries, and/or post-secondary educational institutions to Port Moody;
- Any other matters referred by Council; and
- Other areas identified by the Committee and approved by Council.

The Terms of Reference were amended and approved at the Regular Council meeting held on February 12, 2019 to provide the following principal updates:

- Clarified wording throughout, with a somewhat broadened purview to consider coming growth opportunities and land use considerations as they may relate to jobs creation and economic development;
- Description of the committee's collaborative working relationship with the City's economic development manager, a new staff role created since the previous Terms of Reference were approved;
- Enlargement of the committee to a maximum of 12 members plus Chair and Vice-Chair: a slight expansion of team size that is reflective of the broadened range of expertise we seek to bring onto the committee; and
- Elimination of the previous neighbourhood-based criterion for selecting committee members, and its replacement with a description of the types of business representation and range of business expertise and experience that Council will seek for the committee.

Meetings and Attendance

The Economic Development Committee met monthly between March and December 2019, with the exception of August 2019 due to summer break.

Councillor Hunter Madsen was appointed as Chair and Councillor Zoë Royer as Vice-Chair for the 2019 term. The following members, representing a diverse range of knowledge and experience relevant the Economic Development Committee were appointed:

- Lisa Beecroft;
- Edward Chan;
- Dustin Chelen;
- Matt Ferguson;
- Sharleen Karamanian;
- Nash Milani;
- Sean Ogilvie;
- Greg Peppler;
- Christopher Pope;
- Mo Shariff (March to April 2019)
- Robert Simons; and
- Mary Vellani.

Joji Kumagai, Manager of Economic Development, served as the primary staff liaison to the Committee.

Philip Lo and Jennifer Mills served as the Committee Coordinators.

Key Activities and Work Plan

The 2019 Economic Development Committee Work Plan was approved by Council on June 25, 2019. The following are the key activities that were undertaken in 2019 by the Economic Development Committee:

The State of Business in PoMo

The Manager of Economic Development provided a brief overview of the outreach to businesses he has conducted. He noted that businesses indicated low industrial and vacancy rates, a lack of a daytime economy, disjointed retail, labour shortages, and a lack of parking as being the largest challenges facing businesses.

Economic Profile Feedback

The committee discussed updating the Economic Profile as the current edition is based on data from the 2011 census. While it was seen as an asset, there was discussion about whether the current format is user-friendly. There was suggestion that there could be opportunities to integrate data in an interactive, easily retrievable, and visual way on the new City website.

Langenfeld Case Study

The Chair provided an economic development case study of Langenfeld, Germany, a suburban city (population 60,000) located 26km south of Dusseldorf and 30km north of Cologne. Due to a loss of heavy industry, the decline of small and mid-sized manufacturing businesses, and a lack of a clear economic profile, the city accumulated debt and shed jobs. Turnaround began with economic development initiatives, including creating a clear vision for the type of industry it wanted (clean tech, health care, pharmaceutical, logistics, robotics), among the lowest business tax rates in Germany, and campaigns promoting its prime location for logistics and employee quality-of-life. By 2008, Langenfeld was debt free.

Regional Economy Today

Michael Hind, CEO of the Tri-Cities Chamber of Commerce, provided an overview of population, income, and education data across the Tri-Cities, economic and employment numbers in key industry sectors, municipal tax ratios, and discussed upcoming developments in Port Coquitlam and Coquitlam and the impacts of these projects to Port Moody's economic goals. He mentioned that housing affordability and transit accessibility are the most desired features to attracting business, and concluded by indicating that he would like to see more collaboration between the three municipalities in the Tri-Cities.

SWOT Review/Update

EDC member Matt Ferguson provided an overview of the SWOT analysis presentation he gave to the committee in 2018. While securing staff resources to support economic development was seen to add to existing strengths such as entrepreneurial spirit and a creative community, the City's lack of a structured economic development plan was considered a weakness. He stressed that economic development done well focuses on the well-being of the entire community, builds on existing assets, and has a primary objective of growing existing businesses, where the majority of job growth occurs. The committee reviewed, updated, and reaffirmed the analysis.

Business Website Review and Best Practices

A working group composed of EDC members Edward Chan and Matt Ferguson was formed to review best practices for economic development websites. They noted the improvement of the new website but that the economic development section lacks critical information that investors would seek. They highlighted other features common in strong economic development websites.

Spike Awards Review and Revamp

A working group composed of Councillor Royer, Lisa Beecroft, and Mary Vellani was formed to review the Spike Awards nomination process and categories. A number of recommendations were forwarded and adopted by the EDC including four new categories, the elimination of seven categories, recognition of milestone businesses, clear category descriptions, a scoring matrix, and a new selection process, which included a shortlisting stage. For the 2019 awards, a shortlisting sub-committee was formed consisting of Lisa Beecroft, Christopher Pope, Nash Milani, and Robert Simons.

Clarke Street Revitalization Plan

The Manager of Economic Development presented on a Clarke Street Revitalization Plan outline and received input from the committee on areas such as business composition, aesthetics, public realm, and activation.

Business and Tax Incentives for Economic Development

The General Manager of Finance and Technology covered various municipal business incentives, including business retention and attraction, property tax exemptions, property tax shifting, bench marking mill rates, and other business incentives such as economic development, business climate, and strength of the local labour pool. While the Community Charter prevents municipalities from directly benefitting businesses, it does allow municipalities under Section 226 to exempt by bylaw specific properties from municipal property value taxes for up to ten years to encourage economic, social, or environmental revitalization. He provided specific examples of revitalization tax programs in the City of Nanaimo and also discussed how the tax dollars an entity or sector is paying and the value derived as better measures amongst municipalities than the mill rate. He also suggested that a tax revitalization program typically only has short-term benefits with neighbouring municipalities likely to make similar policy changes in response, leaving all with a smaller tax pool to generate revenue.

Subsequent to this presentation, a working group was formed composed of Edward Chan, Dustin Chelen, Matt Ferguson, Sharleen Karamanian, Sean Ogilvie, and Christopher Pope to explore the feasibility of a tax revitalization program targeted toward the Moody Centre Transit Oriented Development (TOD) area. They concluded that tax programs generally do not result in job creation for locals but rather for people outside the community, and that programs are not strongly focused to achieve desired outcomes. They felt that more integration of economic development objectives such as commercial square footage, land use type, job type, job numbers, and quality of commercial space with Planning policies and processes and streamlining timelines to secure permits and licences would be more effective in realizing economic impact. Lastly, they suggested that rather than focusing primarily on the Moody Centre TOD as a jobs centre, the entire SkyTrain corridor should be given this focus.

Planning for Economic Development

The General Manager of Planning and Development discussed the three roles of Planning: visioning facilitator, approvals navigator, and regulator. He described how policies such as the Official Community Plan and Regional Growth Strategy drive the vision, provide guidance for Council, and inform the market. He mentioned that as a navigator function, the predominant focus is usually residential along with arts and culture, affordable housing, and amenities. Commercial use and job creation is limited in the scope of discussions and as priorities in developments. Lastly, as a regulator, Planning has building permits, licensing, and bylaws as its key policy levers.

Outstanding Matters

Business Attraction and Job Growth

As part of discussions regarding business attraction and job growth in the Moody Centre TOD area, a Moody Centre Hub One Pager was drafted. This marketing document would be distributed to interested investors through the City, MLA office, and other partners and would highlight the TOD vision and opportunities for custom-built space in a larger commercial ecosystem. The document was not completed and was tabled until key conversations such as the TOD progress.

Permitting and Licensing Review

EDC member Edward Chan presented a process improvement outline that could be used to undertake a permitting and licensing review for businesses seeking to lease an existing commercial space. A streamlined permitting and licensing process would help reduce holding costs, a major financial burden for businesses, and could help the City manage future applications when significant commercial space is envisioned to be built.

Suggested Focus Areas for Next Year

The Committee recommends that the action items identified at the Joint Economic Development Workshop scheduled for January 2020 be addressed.

Attachment

1. 2019 Economic Development Committee Resolutions.

Report Authors

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Report Approval Details

Document Title:	2019 Annual Report - Economic Development Committee.docx
Attachments:	- Attachment 1 - 2019 Economic Development Committee Resolutions.pdf
Final Approval Date:	Feb 5, 2020

This report and all of its attachments were approved and signed as outlined below:

Dorothy Shermer, Corporate Officer - Feb 4, 2020 - 10:35 AM

Angie Parnell, General Manager of Corporate Services - Feb 4, 2020 - 12:08 PM

Rosemary Lodge, Manager of Communications and Engagement - Feb 4, 2020 - 1:31 PM

Paul Rockwood, General Manager of Finance and Technology - Feb 4, 2020 - 2:45 PM

Tim Savoie, City Manager - Feb 5, 2020 - 12:51 PM