

Inspirational stories of local government and local economy in British Columbia



CENTRE
FOR
CIVIC
GOVERNANCE

GOING LOCAL

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**GOING LOCAL: INSPIRATIONAL STORIES OF LOCAL GOVERNMENT
AND LOCAL ECONOMY IN BRITISH COLUMBIA**

February 2009

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ACKNOWLEDGEMENTS: The Centre for Civic Governance would like to express thanks to the people who shared their ideas with us and gave us their time and comments for this project. In no particular order we would like to acknowledge contributions from Jim Savage, Nate Bello, Neil Babiy, Chris Scott, Kevin Poole, Alan Mason, the Salmon Arm Economic Development Corporation, the Quesnel Community and Economic Development Corporation, and the Salt Spring Island Monetary Foundation. Special gratitude and acknowledgement needs to go to Professor Peter Hall who has guided this project and provided valuable input. We would like to also express our thanks to MITACS ACCELERATE for partial funding for this project. To all the above individuals and organizations, and to several others whose names we cannot continue listing and who have assisted us one way or another, especially in challenging us with alternative views, we feel very much indebted.

Any errors and omissions are those of the author.

Layout and Design by Naomi MacDougall

Cover design based on an original design by Working Design



The Centre for Civic Governance is a public policy initiative of the Columbia Institute and supports community leadership.

Preface

IN EARLY 2008 THE Centre for Civic Governance at the Columbia Institute began to research initiatives that local governments in British Columbia are undertaking to develop and ultimately strengthen their local economies. This is a topic of interest to many locally elected officials, especially those from resource-dependent communities.

Since work on this project began, things have changed dramatically around the world, including in British Columbia. In the fall of 2008, the US financial market collapsed, sending shockwaves throughout Canada and the world and affecting almost every aspect of the global economy. At the time of writing, the crisis is still unfolding. Stories about how another industry is being hurt by the crisis, whether in the manufacturing sector, forestry, mines or tourism, continue to emerge. Such stories provide evidence for the need to support the strengthening of local economies.

Prior to the collapse, a number of communities in British Columbia were already bracing themselves for hard times. The pine beetle epidemic and rising fuel prices were having an impact on local economies everywhere, especially those reliant on the forestry sector. Now, the effects of volatile commodity prices, declining demand for BC goods and rising unemployment are exacerbating what was already a difficult situation. In this time of turmoil, only one thing is certain—we are entering a new economic era.

As British Columbia faces a new economic future, there is no doubt that local governments and community leaders will be asking themselves what they can do to help support their local economies and protect quality of life in their communities. The twelve stories we have gathered here provide some examples.

Our aim is that this publication will give locally elected officials the information they need to imagine and work towards building more resilient, self-sufficient local economies.

CHARLEY BERESFORD
EXECUTIVE DIRECTOR
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Introduction

ALL LOCAL OFFICIALS ARE concerned with how the economies of the towns and cities they serve are doing. It might seem obvious, but without a functioning local economy, communities suffer. With the rise of sustainability as a key issue, local governments have started to question the idea that economic growth for growth's sake is good. Instead, forward-looking local leaders are starting to advocate and encourage economic development that also produces qualitative benefits such as social justice and ecological restoration.

Canada's national landscape is populated by a complex mosaic of urban and rural regions, cities, towns, villages and neighbourhoods, each with its own economic story. Over the last few decades, some communities have faced prolonged periods of decline, while others have struggled to find ways to deal with unprecedented growth.

Global factors such as globalization and shifting markets are often the main factors pointed to when explaining why some local economies are doing better than others. However, research into local economies shows that global shifts alone fail to explain the divergent economic realities faced by communities. Local economies are also affected by local factors such as local identities and cultural and natural environments, as well as population dynamics.¹ Naturally, how a community responds to global and local changes and whether that response is effective is conditioned by a number of internal variables.² A community's local leadership, history, institutions and internal and external networks can all affect its capacity to respond to change.

In this guide, we have brought together examples of local governments in British Columbia that are working to strengthen and take control of their local economies.³ To help us understand and compare the cases, we have used a framework based on Community Economic Development (CED) principles. These principles

form the elements for establishing a resilient community. CED focuses on proactive actions, participation, local capacity building and long-term sustainability.

The twelve case studies all highlight practical local economic development tools that are rooted in CED principles. We discuss how these principles have been applied and the outcomes communities have seen as a result. The cases come from communities of various sizes, from different parts of the province and with various asset bases, but they all have one thing in common: the drive and the leadership to take their communities down a path towards self-sufficiency.

Over the next few years, cities, towns and regions in British Columbia and Canada will be making important decisions about their local economies. The current economic turmoil, volatile commodity prices and the pine beetle epidemic threaten the economic health of many communities across British Columbia. How will communities deal with these challenges? What approaches will they take? What will their visions of healthy local economies include? These are some of the questions we address in this publication.

Understanding the Local Economy

ALTHOUGH IT'S BECOME MORE and more common to talk about the “local economy,” it's not always clear what we mean by this term. To help understand the meaning of “local economy” we have broken down the term into two concepts: “local” and “economy,” beginning with the idea of the local.

Lately it seems that everyone is talking about local: local food, local businesses, local services...the list goes on. Some people like to think of local in terms of bioregionalism, or naturally defined regions such as watersheds, soil or terrain type. The truth is that perceptions of localness vary, especially when talking about different commodities. Local energy might mean energy that is developed within our province, whereas local food often means food cultivated in the region where we live. The local scale speaks to our understanding of community and place. Although distance must enter into our strategic vision, the idea of local tends to reflect our ideas about community and the shared benefits we reap when we work on building our communities.

The word “economy” refers to the processes of production, consumption, exchange and distribution of goods and services. Generally we speak of the “global economy” or the “national economy,” though recently the idea of the “local economy” or a “community economy” has become popular. Thinking about our economies at the local level means focusing on how goods and services are produced, consumed, exchanged and distributed in the places we live—be they a cities, towns or regional districts—and how these systems might be improved. How does money enter the local economy? How does it leave the community? Are the local economic systems serving our collective interests? How can we strengthen the local economy? These are all questions we might ask when looking at our local economy.

THE ECONOMIC BASE MODEL

Local economies function within broader national and provincial economies. While some people might espouse the goal of self-sufficiency when discussing the local economy, the fact is that for now, all local economies rely on relationships with external markets. The trick, however, is to learn how to keep more money within the local economy, thereby moving towards self-sufficiency.

All communities have finite resources. However, some communities may have certain commodities, or may provide specific services that others cannot provide as efficiently. Many communities tend to specialize in providing very specific goods and services. Usually economic specialization grows out of community-specific features such as geography, climate, access to markets, labour skills and other factors. For example, no BC community grows bananas, but many produce lumber products. Therefore, BC communities import bananas and sometimes export lumber products.

By exporting products and services and engaging in what is known as primary economic activities, communities earn income that can then be used for local spending on products and services intended for local consumption or for reinvestment in human, social, physical and ecological capital. Thus, a community's external revenues from exports and other sources, such as retirement savings and social assistance, allow for the establishment of services intended for local consumption—what are known as secondary economic activities, such as daycare, restaurants and construction. These are the main principles of the economic base model.

LEAKY BUCKETS AND MULTIPLIERS

While external investments and the exportation of goods and services pay for the local economy and allow it to develop, the problem many communities face is

“When money stays in the community and is used for local products and services, the community can maximize the benefits of spending.”

keeping that money circulating in the community by spending it on local goods and services for as long as possible. When money stays in the community and is used for local products and services, the community can maximize the benefits of spending. In fact, for each dollar injected into the economy, as many as three or four may be earned by local residents before the money escapes, through leaks, from the local economy.⁴ This multiplication of earnings from continuous local spending is known as the economic multiplier effect, and the loss of circulating revenues due to external spending is sometime called the leaky bucket syndrome.⁵

The Progressive Economics Foundation of the United Kingdom has been looking at how communities can improve their local economies. Key to their approach is finding ways to make the language of the local economy more accessible to people. The Foundation describes a community as a bucket and a healthy economy as a bucket full of water. When the community’s bucket is full of water, it means that the economy has a high degree of employment, local services and economic opportunities. However, as with all economies, the bucket leaks. These leaks are due to imports of goods and services from outside the community. To reduce these leaks and keep more money circulating in the local economy, communities can attempt to increase their exports relative to their imports. Alternatively, a community can attempt to plug the leaks by making local services and products more competitive, thus limiting imports. Of course, communities can never completely avoid leaks, because some things will always have to be imported (such as bananas to British Columbia), at least if one expects to maintain a desirable standard of living. Therefore, to keep the economy sustainable and healthy, communities must maintain a fine balance between exports, imports and local economic development.

LOCAL ECONOMIES AND SUSTAINABILITY

Efforts to strengthen local economies and support local businesses can also help achieve sustainability goals. Indeed, the goal of moving towards environmental sustainability and social equality compels us to consider how our economic system works. Do our economic activities help or hinder our ability to protect the environment and protect quality of life? Do our economic activities build on our strengths as a community? What happens inside our economic bucket?

Locally elected officials recognize these connections. In early 2008 staff at the Columbia Institute's Centre for Civic Governance surveyed locally elected officials throughout British Columbia. We asked the question, "What are the three most pressing issues that need to be addressed in order for your community to become an inclusive, sustainable community?" For a number of officials, becoming an inclusive, sustainable community meant addressing their local economy. Self-sufficiency, sustainable use of natural resources, diversity, forestry and the development of secondary manufacturing all made their lists.⁶

Supporting and growing the local economy can also indirectly bolster sustainability goals. A strong local economy leads to a broader and larger tax base for local governments, and greater tax revenue means more funds for local governments to carry out other initiatives.

Local Governments and Local Economies in British Columbia

WHEN IT COMES TO strengthening local economies, local governments face a number of constraints. For one, the traditional models of economic development that have shaped British Columbia—namely a reliance on staples—have made communities overly dependent on natural resources. In addition, local governments lack many of the resources and legislative authority needed to shape their economic future. Despite these constraints, however, many local governments are addressing the issue of local economic development in their communities by finding ways to encourage diverse economic growth and plugging the leaks in the economic bucket.

STAPLES ECONOMIES

In Canada, especially in the Western provinces, when it comes to economic development, policy-makers have historically focused on staple resources such as fish, lumber, metals and minerals. For British Columbia, a province endowed with abundant natural resources, the staple economy has shaped the province. All across British Columbia, towns and regions grew out of a demand for resources and the development of Canada's resource-based economy.

The problem with the staple model is that communities can become overly dependent on external demand for the resources they extract and export. Things may be going fine when there is sufficient demand, but when demand falters, the effects on communities can be devastating. This model of development is not very sustainable.

TOOLS AND INSTRUMENTS AVAILABLE TO LOCAL GOVERNMENTS

Local governments are often called the level of government closest to the people. Locally elected officials often have an intimate understanding of the issues

“Local governments have a number of tools and instruments that they can use to support local economic development.”

affecting their communities. They see first-hand how an external factor affects the well-being of citizens, whether that factor is a booming housing market, unemployment or cuts to social services.

Unfortunately, Canada’s political structures fail to recognize that local governments are the best positioned to find solutions to the challenges communities face. In the case of local economies, senior levels of government often make the most important decisions, whether they concern a trade agreement, deregulation or infrastructure. Although local governments feel the impacts of these decisions, they very rarely have a meaningful say in their design.

To make matters even more difficult, local governments are forced to rely on property taxes to generate revenue needed to fund the services and infrastructure that support economic activity. This means that local governments only receive about eight cents of every tax dollar raised in Canada.

In 2004 the federal government established the External Advisory Committee on Cities and Communities.⁷ As part of its mandate, the committee sought to develop a vision for the role that Canada’s communities and cities would play in sustaining Canada’s prosperity and meeting the challenges of the twenty-first century. The committee found that current government arrangements impede the ability of Canadian cities and communities to respond effectively to challenges. One of the committee’s recommendations was for a double devolution—a shift in resources and responsibilities away from the federal government to provincial and territorial governments and from provincial and territorial governments to local governments.

Until this devolution occurs, however, local governments will have to find ways to support their local economies with the tools and instruments they have at their disposal. Even so, local governments have shown that despite the constraints they face, they are able to make a positive difference.

Local governments have a number of tools and instruments they can use to support local economic development. Researcher Michael Jacobs identifies four categories of tools and instruments available to local governments: regulation, voluntary instruments, expenditures and financial incentives.⁸ The first two categories of policy tools (regulations and voluntary instruments) do not necessarily require extensive monetary support. However, the latter two (expenditure and financial incentive) can be costly for local governments and the community residents they represent. All these instruments can be used in conjunction with one another. Use of these tools requires a vision, creativity, outside-the-box thinking, determination and perseverance.

LOCAL DEVELOPMENT POLICY TOOLS	DESCRIPTION
Regulations	Local governments can legally regulate certain activities in order to discourage negative activities and encourage positive activities.

Governments issue licences and permits and create standards that address everything from zoning to rent control.

Too much regulation can burden and create inefficiencies. Lack of regulation can produce similar results.

Some regulatory arrangements are flexible and allow for alternative arrangements. For example, with density bonusing, developers are allowed to increase density in exchange for some sort of compensation to the community.

LOCAL DEVELOPMENT POLICY TOOLS	DESCRIPTION
Voluntary Instruments	<p>Voluntary instruments aim for cooperation from residents</p> <p>With voluntary instruments, governments often lead by example.</p> <p>Informational and educational campaigns are examples of voluntary instruments geared towards shifting public behaviors.</p> <p>Community buy-in can be achieved by working with existing networks.</p>
Expenditures/ Buying Power	<p>Local governments spend money on a number of goods and services.</p> <p>Local governments can influence the local economy through the money they spend.</p> <p>Local governments have the ability to influence local businesses through local procurement strategies.</p> <p>Local governments can establish their own community businesses and public corporations (these may or may not be monopolies).</p>
Financial Incentives	<p>Pricing and monetary incentives can shift consumption patterns and influence behavior.</p> <p>Local governments can offer financial incentives through pricing, taxes, subsidies, grants and rebates.</p> <p>Pricing and taxes can provide revenues that can be reinvested into community projects.</p>

Community Economic Development: Focusing on the Process

THERE IS AN IMPRESSIVE body of research that looks at how communities can develop their economies. This research forms the basis of an approach called community economic development (CED). CED does not prescribe a set of rules for how communities should proceed; rather, it's a continuous, grassroots improvement process that aims to create a more resilient local economy. In this publication, we have used CED as the lens through which we understand the case studies.

The Centre for Sustainable Community Development at Simon Fraser University offers this definition of CED: “A process by which communities can initiate and generate their own solutions to their common economic problems, and thereby build long-term community capacity and foster the integration of economic, social, and environmental objectives.” While CED focuses on the economic fortunes of a community, it also looks at qualitative aspects such as quality of life and social equality.

CED PRINCIPLES

CED emphasizes the community. As a process, CED focuses on ongoing, community-based strategic planning. For communities and local governments looking to take control of their local economies, CED offers eight basic principles, or building blocks, that may help guide their efforts. These principles should form the core of local economic development plans and strategies. As we were selecting our case studies, we sought stories of BC communities that were putting these principles into action.

CED PRINCIPLES	DESCRIPTION
<p>Collective Action (Community Building)</p>	<p>Questions the historic top-down “technocrats know best” decision-making</p> <p>Focuses on communal idea sharing and understanding of local needs and barriers</p> <p>Supports active local citizen involvement in all stages of development initiatives</p> <p>Works to establish local capacity for communities to understand and resolve local issues via local relationship building</p> <p>EXAMPLE: City of Revelstoke</p>
<p>Localization and Self-Reliance (Local Participation/Ownership)</p>	<p>Emphasizes true local control over the local economy and participation of all members of the community in decision making</p> <p>Builds on local strengths that further increase skill development and creativity</p> <p>Accepts the notion of interdependence among communities at the regional, national and international levels while pushing for a reduction in external decision making and dependence</p> <p>Usually entails policies that support economic diversification, minimization of local economic leakages and maximization of local production and consumption</p>

CED PRINCIPLES	DESCRIPTION
<i>continued . . .</i>	<p>Is not protectionist or isolationist, but rather is an empowering instrument for communities to establish economic and social fairness through processes that support pride in community ownership</p> <p>EXAMPLE: The Saltspring Island local currency</p>
Lower Environmental Impact	<p>Refers to reductions in ecological footprints or of consumption and waste</p> <p>Happens through waste reduction and reusing, as well as recycling techniques and strategies</p> <p>EXAMPLE: Carbon credits program in the District of Saanich</p>
Asset-Based Development	<p>Stresses the importance of an economic strategy that focuses on and highlights the strengths and resources, rather than weaknesses, of community assets</p> <p>Supports local skill development, local organizations, local institutions, local culture and the local environment</p> <p>EXAMPLE: Parksville and Qualicum Beach Business Assistance for Successful Enterprise program</p>

CED PRINCIPLES	DESCRIPTION
Policy Capacity Building	<p data-bbox="630 457 1239 527">Refers to the ability of policy-makers to effectively formulate and deliver public policies</p> <p data-bbox="630 562 1360 594">Supports an increased capacity for public policy information</p> <hr data-bbox="630 615 1435 619"/> <p data-bbox="630 632 1133 701">Supports public participation and input in public policy decisions</p> <hr data-bbox="630 722 1435 726"/> <p data-bbox="630 737 1354 768">Allows local leadership to initiate and support local projects</p> <hr data-bbox="630 789 1435 793"/> <p data-bbox="630 804 951 835">EXAMPLE: City of Quesnel</p>
Building/Supporting Internal and External Networks	<p data-bbox="630 921 1166 991">Supports networks that are fundamental to the construction of new social institutions</p> <p data-bbox="630 1068 1308 1178">Internal networks: the active attitudes of local residents, solidarity, free and easy communication, strong local leadership and inclusion</p> <hr data-bbox="630 1192 1435 1197"/> <p data-bbox="630 1213 1219 1323">External networks: cultural, social, political and economic connections and interactions between different localities and their people</p> <hr data-bbox="630 1339 1435 1344"/> <p data-bbox="630 1360 1255 1392">EXAMPLE: The Circle Farm Tour in the Fraser Valley</p>

CED PRINCIPLES	DESCRIPTION
Social Equity/ Poverty Reduction	<p data-bbox="631 457 1338 569">Refers to the lowering of inequality in income distribution, as well as to equity related to treatment and access to opportunities</p> <p data-bbox="631 604 1354 716">Focuses on more vulnerable, at-risk populations, such as children, lone-parent families, newcomers, people with disabilities, seniors and other marginalized populations</p> <p data-bbox="631 751 1235 821">Supports reductions of both relative and absolute poverty measures</p> <p data-bbox="631 856 1073 886">EXAMPLE: The Osoyoos Indian Band</p>

There are a number of organizations addressing local economic development in British Columbia and Canada. Here are some organizations you may wish to contact:

The Canadian Community Economic Development Network (CCEDNet): A national, member-led organization committed to strengthening Canadian communities. www.ccednet-rcdec.ca

Economic Development Association of British Columbia (EDABC): A provincial association of economic development practitioners dedicated to providing services that support the activities, profile and development of its members and their economic development goals. www.edabc.com

The SFU Centre for Sustainable Community Development (CSCD): The Centre provides research, training and advisory services throughout British Columbia and Canada, as well as internationally, on sustainability and community economic development. www.sfu.ca/cscd

Community Futures British Columbia: Fosters entrepreneurship in rural British Columbia through business programming, economic development, counselling and loan provisioning. www.communityfutures.ca

EcoPlan International (EPI): A multidisciplinary firm of planners, economists and decision analysts with global experience in strategic planning, decision support, training, local economic development, community planning, resource and environmental planning and tourism. www.ecoplan.ca

Enterprising Non-profits Program: Supports the development and growth of social enterprises. www.enterprisingnonprofits.ca

Some Common Lessons

LOCAL ECONOMIC DEVELOPMENT IS not easy. It takes leadership and requires a certain amount of risk taking. Community initiatives struggle with issues of timeliness, relevance and measurability, yet economic conditions change all the time. From our research and our interviews with those working to strengthen the local economies of their communities, some common lessons emerged.

Although reactive economic responses are certainly needed when a community faces a crisis, proactive initiatives are more likely to be effective than reactive ones. For proactive action to be possible, it is important for local governments to be in tune with the community. When economic development schemes proceed without community buy-in, they quickly lose their relevance to the population, and economic development organizations become out of touch with the communities they serve. Those who oversee economic development must be good organizers and communicators. The primary role of economic development officers is as liaisons between various community groups, stakeholders and local government.

Just as community buy-in is important, so is accountability. Usually, local economic development offices produce economic plans with set goals and measurable outcomes that need to be regularly updated. These plans and reports measure both the performance of the organization and the general health of the local economy.

At the same time, local governments have to be sure that they don't just establish economic development offices or corporations as token gestures. Without making local economic development and sustainability principles the basis of all local government operations, the desired goals are unlikely to be achieved. It is also important that the roles and responsibilities of economic development offices and their staff be clearly defined.

Not surprisingly, many economic development initiatives often depend on external funding. Most local governments simply do not have the financial ability to fund all of the initiatives they may need or want. As it stands, local governments, with their limited revenue sources, often scramble to balance the books while providing reasonable levels of public services. Understandably, the communities that are most in need of local economic development often do not have access to the initial capital required to start the strategic planning process. Even if the initial funding for planning is found, governments may still struggle to find the funds for implementation, which can be even more costly.

Therefore, local economic development programs are often dependent on grants or other one-time financial transfers from senior levels of government, rendering many programs financially unstable. In the face of these realities, communities have started to explore ways to raise economic development funds internally, for example through community bonds.

Local economic development processes are not ends in themselves, but rather a means to a better community for all. In this way, funding alone cannot solve all the problems of traditional, top-down economic development policies that have largely failed. Funding is only part of puzzle. More important is adherence to the basic principles laid out by CED: participation, inclusion, diversity and creativity.

Inevitably, local economic development is about partnerships and cooperation. Historically, one of the most important partnerships for local governments has been with senior levels of government. However, given the current political climate, some local governments are looking for other partnerships and other innovative ways to support their local economy. The case studies that follow highlight some creative initiatives from around British Columbia.

CASE STUDIES

Economic Development Corporations

IN ADDRESSING THE CHALLENGE of local economic development, local governments commonly establish an economic development office. Often these organizations operate at arm's-length from the local government and have their own staff and mandate.

Economic development offices can undertake any number of initiatives, from engaging the community in long-term visioning to providing coaching services to establishing a community forestry corporation. There really are no limits on what community economic development offices are capable of.

This section showcases the work of four economic development offices in four different communities.

- Learn how the Salmon Arm Economic Development Society (SAEDS) used jeans to market and promote strategic investment, and learn why and how SAEDS is dealing with affordable housing as an economic development issue.
- Find out how the Revelstoke Economic Development Commission (REDC) was started. Discover the successes of the Revelstoke downtown revitalization, the establishment of a community forest and efforts to sustainably preserve local history and culture.
- Read on to find out about the Harvard Project on American Indian Economic Development and its focus on First Nations' economic self-reliance, and how the project led to the creation of the Osoyoos Indian Band Development Corporation (OIBDC) and inspired a socio-economic transformation.
- Explore the efforts of the Quesnel Community and Economic Development Corporation (QCEDC) to deal with the pine beetle epidemic and the ways in which the community has come together to tackle this challenge. See how QCEDC is looking to diversify the local economic base of the traditionally forestry-dependent community.

THE CITY OF SALMON ARM

Many local governments in British Columbia have some sort of economic development office that works to support and encourage economic activities within their jurisdictions. A good example of one such municipality is the City of Salmon Arm.

Located on the shores of Shuswap Lake, this north Okanagan community provides great amenities and year-round activities for those looking to invest, live, work or relax in Salmon Arm. However, amenities alone are not enough to attract the right investment. This well-situated, community, blessed by natural beauty, has recognized that in today's competitive economic environment, it needs an organization that will coordinate efforts to promote Salmon Arm.

The Salmon Arm Economic Development Society (SAEDS) is an arm's-length organization funded by the City of Salmon Arm through business-licence revenues. Formed in 1998 and governed by a community-based board of directors, the society provides two independent program services:

1. Economic Development Society

The Economic Development Society is responsible for the economic promotion of Salmon Arm. It supports and sponsors local employment initiatives in the community.

2. Business Development Program

Through business coaching, the Business Development Program helps established and growing businesses in the community in matters of business sustainability and expansion. (This program is virtually identical to the BASE program in Parksville; see that story for more information.)

In 2007 SAEDS initiated two creative and highly progressive programs, the More Money in Your Jeans Marketing Campaign and the Salmon Arm Affordable Housing Project.

More Money in Your Jeans Marketing Campaign

SAEDS has long recognized that Salmon Arm's geography and transportation access to markets in British Columbia and Alberta make it a very enticing community to invest in. The question SAEDS faces is how best to communicate this message to perspective investors, particularly when many other communities are trying to do exactly same thing. After some consultation, the people at SAEDS came up with the idea of making jeans with Salmon Arm logos and labels. The labels on the jeans directed people to a website that contained information about the community. The funding for this campaign came from a joint venture between the City of Salmon Arm and Western Economic Diversification Canada.

SAEDS mailed the Salmon Arm jeans to selected businesses in nearby communities. The campaign targeted businesses in places experiencing labour shortages and skyrocketing business costs, such as Calgary, Edmonton, Red Deer and Vancouver. The campaign was also selective in the industries it targeted. It focused on industries that were known to produce spinoff benefits (e.g., light manufacturing).

The campaign asked investors to "try Salmon Arm on for size"⁹ and pitched Salmon Arm as a hardworking, practical and attractive community—like a pair of Canadian-made jeans. The jeans were an ideal hook to lead investors to the specially created website that simply and succinctly explained why investing in Salmon Arm would put more money in investors' pockets.

The campaign was a major success. New business start-ups and branch plants opened their doors in Salmon Arm, citing the campaign as the main reason for

“SAEDS estimated that over two hundred new jobs and millions of dollars in direct and indirect investments were put into the community as a result of this “fit perfect” campaign.”

their choice. SAEDS estimated that over two hundred new jobs and millions of dollars in direct and indirect investments were put into the community as a result of this “fit perfect” campaign.

Affordable Housing Project

In deciding where to locate, businesses are interested in more than just taxes and infrastructure. Increasingly, businesses are also interested in quality of life and places that provide social and cultural activities. Businesses are also looking for jurisdictions that are open and responsive to their and their workers’ diverse needs.

SAEDS identified housing affordability as one of the barriers to investment and economic growth in Salmon Arm. In response, SAEDS spearheaded a research initiative and a proposal to address the issue of housing affordability in the region.

One may not think of it this way, but affordable housing is fundamental for business. High housing costs usually result in high labour costs or labour shortages. In this way, high housing costs are often passed on to businesses. This is why SAEDS has been working on this issue since 2007.

In 2007 two summer students assisted with the production of an affordable housing report that identified the problem and proposed proactive strategies to address it. Community stakeholders and activists were brought together to provide critical input and recommendations about housing.

SAEDS’s Affordable Housing Project did more than just support collective community action. An Affordable Housing Committee was established to pursue the issue, secure initial funding from a local credit union for further action and raise awareness of the issue in the community. Moreover, SAEDS continues to apply for funding from major housing funders for its proposed affordable housing initiatives in hopes of reaching its objectives related to greater provision of housing options and other amenities, youth retention and business affordability.

The aim is to make Salmon Arm a more appealing place for employees and business people to live and invest.

Thinking Outside the Box

Overall, SAEDS is a great example of an economic development organization that is thinking “outside the box” to mediate and solve local issues that are impacting the community’s economic health. Like other economic development organizations, SAEDS does not have unlimited resources to implement everything it would like to. Despite these limitations, SAEDS has been able to make significant headway.

One of the main challenges for SAEDS and other economic development organizations is that they operate in an unclear political space. For them, the lines of responsibility are not always clear, and this often makes the work they do politically complicated. Because community economic development touches on so many issues—housing, transportation, tourism and land-use planning, to name a few—it can be difficult to know where the work of an economic development office begins and ends. For any municipality working to establish a new local economic development agency, one lesson offered by the experience of SAEDS is to be clear in identifying the roles and responsibilities of the organization.

FOR MORE INFORMATION

Salmon Arm Economic Development Society

www.salmonarmedc.com

Salmon Arm Business Development Program

www.salmonarmbdp.com

Salmon Arm “More Money in Your Jeans” Campaign

www.moremoneyinyourjeans.com

THE CITY OF REVELSTOKE

With just over eight thousand residents, the City of Revelstoke is a mountain-living paradise. Situated between the Monashee and Selkirk ranges, this community has easy access to both the Lower Mainland and Calgary via the Trans-Canada Highway. Revelstoke is renowned for its beautiful natural setting. It has fantastic glaciers, various streams and an abundance of wildlife. It is this natural setting that provides Revelstoke with a plethora of recreational opportunities such as cycling, hiking, water rafting and skiing, bringing in tourists and visitors every year. But if you look a little deeper, you may discover what truly makes the City of Revelstoke special: the pride the locals have in their community.

Like any other community, Revelstoke has its issues and struggles. From the perspective of community economic development, what makes Revelstoke particularly interesting is the way this community chose to react to these issues. Historically, the main economic issue for Revelstoke has been boom-and-bust cycles, which have rocked the community. Revelstoke has been affected by swings in the railway, highway, hydro and tourism sectors.

Fortunately, Revelstoke also has a history of community-based achievement and socio-economic innovation. All of these innovations grew out of participation-based processes that focused on Revelstoke's assets. Some examples include:

- downtown revitalization;
- *Revelstoke Economic Development Commission (REDC)*;
- the Revelstoke Community Futures Development Corporation;
- the Revelstoke Community Forest Corporation (RCFC);
- the Revelstoke Railway Museum;
- the Revelstoke Community Foundation (RCF); and
- the development of Mount Mackenzie Ski Area

“Revitalization was a collective community initiative both in the conceptual stages and during implementation.”

Downtown Revitalization

Today, downtown Revelstoke is a striking example of a compact, attractive, clean, historical, walkable and friendly city core. It is a textbook example of what a town core can be, as if someone had brought to life the plans from the how-to pages of an urban planning book. The two life-size, bronze grizzly bear statues greet visitors upon their arrival, and the rejuvenated historical Victorian building facades lure visitors into the shopping district. There is just so much architectural detail to observe and take in. The attractive green lamp posts with elaborate flower planters, the distinctive sidewalk brickwork and street signage, the lush trees along sidewalks (trees that are automatically watered by an underground irrigation system) and the Rotary Club-sponsored ornate clock all help to create the kind of ambience that says this is not just a town core, it is the heart of the community.

It is hard to imagine that this downtown was born out of challenging economic times, but that is exactly what happened. The economic recession in the mid-1980s brought about the need to diversify the economy. As part of its strategy, the City decided to rejuvenate the downtown to appeal to both locals and visitors.

The change to the town core was gradual, starting in 1986 with a \$2.8-million investment from the city. Revitalization was a collective community initiative both in the conceptual stages and during implementation.

As the downtown was revitalized, the aesthetic improvements started to spill into other parts of the city. More and more historical buildings started to receive coats of fresh paint. The Community Heritage Commission was established to oversee and coordinate the efforts of individual homeowners in rejuvenating their properties, as well as to support and advise the city in similar efforts.

Revelstoke Economic Development Commission (REDC)

The mid-1980s also saw the creation of the Revelstoke Economic Development Commission (REDC), one of the first economic development organizations in British Columbia. The organization was created and structured to oversee and support the city's socio-economic initiatives.

Revelstoke Community Futures Development Corporation

Over the years the REDC has worked in close cooperation with other partners such as the local chamber of commerce. One notable success of the commission was the establishment of the Community Futures office in Revelstoke in 1987. Community Futures fosters entrepreneurship in rural British Columbia through business programming, economic development, counselling and loan provisioning.

Currently, the Revelstoke Community Futures office administers a \$4.8-million loan portfolio to help small and higher-risk local enterprises. The Community Futures office also provides assistance and training for local entrepreneurs and investors.

Revelstoke Community Forest Corporation (RCFC)

The REDC was also instrumental in the establishment of a community forest corporation. During the late 1980s and early 1990s local mills were shutting down, and logs were being shipped elsewhere for processing. This practice frustrated the community. They strongly believed that if they could process logs locally, they could create good-paying jobs and support the local economy. Following an extensive community consultation process and a community-wide referendum that garnered 78 per cent approval, the city joined with three local mills to create the Revelstoke Community Forest Corporation (RCFC) in 1992. Jointly the four partners—the city and three local mill operators—invested \$4 million.

The Community Forest Corporation worked to purchase the local tree-farm licence and to process lumber locally. This not only supported local jobs, it also provided a great return on investments to local businesses and the city. With the help of the RCFC, the city now has more forestry-related jobs than it did in the 1980s. RCFC has served as a model for many other forestry-reliant communities. The RCFC is committed to the strictest environmental protocols and is the principles of sustainable forestry.

Revelstoke Railway Museum

Downtown revitalization and historic preservation also gave birth to new ideas for economic development. One of these ideas was to build the Revelstoke Railway Museum to take advantage and showcase the importance of the Canadian Pacific Railway to the community and to western Canada.

In 1992 the Museum was built in a cooperative effort between the local, provincial and national governments, each providing one-third of the funds required. Today the museum sits on just over eleven acres of land provided primarily by the city. The museum welcomes a substantial number of visitors, who flock from all over the world to see a most remarkable collection of locomotives, train cars and railway memorabilia. The railway museum is one of the most popular attractions in Revelstoke.

Revelstoke Community Foundation (RCF)

It is the collective action of the community that sets Revelstoke apart from other places. For a community of its size, Revelstoke has an unusually active and vibrant community foundation that fundraises and administers grants, scholarships and charitable funds to deserving community members and programs. The goal of the RCF is to “improve the quality of life for the people of Revelstoke by distributing the earnings from a permanent, ever-growing pool of funds.”¹⁰

“In the process of establishing various organizations and programs, the city has done much to support and build local internal networks”

Conclusion

Revelstoke is a community that has done much to support localization, be it in the retail or forestry sectors. To this day the City of Revelstoke is committed to keeping big-box stores away and supporting local small merchants, which don't just generate more and better-paying local employment opportunities but also give Revelstoke the small-town charm that appeals to tourists, residents and investors.

The City of Revelstoke has done a great job focusing on its assets and using them to benefit all, be it in the resource industries or tourism. In the process of establishing various organizations and programs, the city has done much to support and build local internal networks and a highly involved civil society. By primarily focusing on the use of voluntary instruments and expenditures to influence the local economy, the City of Revelstoke has created a community that is often referred to as one of the most sustainable in British Columbia.

Of course, Revelstoke still faces many issues. Among them are the growing problems of skyrocketing housing costs, youth retention and the continuous need to continue to diversify the economy. However, the city government and the community are aware of these problems and are planning and working to address them.

To address housing costs, the city is in the process of developing a municipal housing strategy, to be followed by some type of municipal affordable housing provisions. To retain youth, the Economic Development Commission has entered into a partnership to develop the Mount Mackenzie Ski Area as a year-round destination that will provide both further recreational opportunities and employment for local youth. The Economic Development Commission is also working to lure high-paying high-tech jobs into the community. Furthermore, the commission is attempting to provide post-secondary choices within the community, providing the option for young people to stay and be educated at home. All of

these socio-economic initiatives simultaneously diversify the economy of Revelstoke, making it more buoyant and resilient.

FOR MORE INFORMATION

Revelstoke Economic Development Commission (REDC)

www.cityofrevelstoke.com/edc-start.htm

Revelstoke Community Futures Development Corporation

www.revelstokecf.com

Revelstoke Community Forest Corporation (RCFC)

www.rcfc.bc.ca

Revelstoke Railway Museum

www.railwaymuseum.com

Revelstoke Community Foundation (RCF)

www.revelstokecf.com/communityfoundation

Revelstoke Mountain Resort

www.revelstokemountainresort.com

OSOYOOS INDIAN BAND

The large sign outside the Osoyoos Indian Band office proudly and boldly proclaims that “Native People Have Always Worked for a Living!” As one approaches the band office just outside of the town of Oliver, the sign foreshadows the get-it-done attitude on the Osoyoos Indian Band Reserve. With a reputation for being highly successful and well managed, the band is proud of its accomplishments and has received many awards. Yet this journey of socio-economic transformation has not been easy or quick for this Okanagan nation in south-central British Columbia.

The well-structured and well-planned strategy for social and economic revitalization has taken the Osoyoos Indian Band from a place of unemployment, welfare dependency, debt and financial instability in the mid-1980s to the world-class operation it is today. The transformation has been truly incredible. Today, the Osoyoos Indian Band collectively owns nine major businesses and employs up to 1,200 people. The band has nearly full employment for its 460 members and employs other native and non-native locals in running its operations. The band’s corporate portfolio consists of retail stores, a construction company, a concrete mixing company, a championship golf course, campground and RV park, a resort and spa, vineyards and North America’s first Aboriginal winery. Additionally, the band has been able to purchase hundreds of acres of land to add to its land reserve, which currently contains 32,215 acres. The band has also invested in the social and cultural infrastructure on the reserve, supporting a preschool and daycare facility, a grade school with a gymnasium, a health and social services facility and a cultural centre. Moreover, the band actively seeks investments off reserve to diversify its already highly diverse business portfolio. How was this transformation possible?

This story of transformation began in 1984 with the election of a young, knowledgeable and highly charismatic chief, Clarence Joseph Louie. Chief Louie, who at the time of his first term in office was only twenty-four years old, is a strong advocate for a work culture and institutions that reinforce the “self-supporting lifestyle of our ancestors.” Chief Louie describes his philosophy and approach the following way: “Socio-economic development is the foundation for First Nation self-reliance; our communities need to become business minded and begin to create their own jobs and revenue sources, not just administer government programs that are often under-funded. Each of our First Nations must take back their inherent and rightful place in the economy of their territory.” To achieve this vision, the Osoyoos Band fully embraced what is known as the Harvard Project on American Indian Economic Development approach, established by sociologist Stephen Cornell.¹¹

The Harvard Project, developed in the 1990s, is concerned with relationships between economic development, governance principles and social well-being within indigenous communities. This multi-pillar approach advocates for economic development that balances and supports the establishment of genuine self-government that is sustained by capable governing institutions and that is focused on development that culturally matches the needs of the community.

The Osoyoos Indian Band first worked on strengthening self-governance by putting people that exemplified leadership skills into positions of power. The power was never concentrated in the chief’s hands. The chief never had veto power and was always only one of the votes on the band’s council. The climate of collaboration and cooperation among the political leadership was helpful. The band council made itself accountable to the band members, who elected them

“Governing institutions are based on support for and approval of the grassroots membership who legitimize and support the activities of both the OIBDC and the band’s leadership”

every two years. Moreover, the leadership was able to establish stable political conditions, which are crucial for investment.

From the beginning, Chief Louie made a point to do everything in his power to strengthen the political institutions on the reserve. This meant putting qualified people in the right positions, such as in accounting and bookkeeping, and making them accountable with measurable performance indicators.

In 1988 the Osoyoos Indian Band Development Corporation (OIBDC) was established with a mandate to provide strategic direction to the band council, manage the existing business activities and invest in and manage new economic opportunities. The OIBDC was to be run independently, by trained and highly experienced professionals (even if it meant off-reserve individuals and those of non-aboriginal ancestry), at arm’s-length from potential political interference from the band’s council.

Although the council still has oversight over the OIBDC’s activities, it does not micromanage the organization. In return, the OIBDC ensures that its development activities match the socio-cultural needs and wants of the band. This goes for all of the band’s activities. Governing institutions are based on support for and approval of the grassroots membership who legitimize and support the activities of both the OIBDC and the band’s leadership. This means ongoing consultation and involvement of membership in the band’s activities. It is this legitimacy and “buy-in” from the membership that has made the Osoyoos Indian Band so successful and prosperous.

As of 2009 the OIBDC manages the corporate investments of the band. The OIBDC has been highly successful in establishing a climate that is supportive of business partnerships that make it possible for the band’s investments to grow. In

“The Osoyoos Indian Band is careful to balance business needs with the ability to maintain and supports its traditional culture and values.”

return these investments provide employment, funding for socio-cultural needs and other infrastructure and stability and self-sufficiency. For example, the OIBDC just entered into a partnership with the provincial government and the Mount Baldy Ski Area to further develop the local ski area.

The chief operating officer of the OIBDC, Chris Scott (a business professional of non-aboriginal ancestry), is quick to explain that the OIBDC does not exist in isolation and thus must work with other local government and market forces to better the region as a whole. Because the OIBDC and the Osoyoos Indian Band are major regional players, the OIBDC works with local municipal and regional authorities to synchronize strategic plans, such as the regional marketing and promotion plan. This can create win-win conditions for all parties. Scott further notes that the OIBDC always works to promote its assets and to capitalize on opportunities that present themselves. Some of the many companies managed by OIBDC are in fact partnerships with private investors and/or are joint ventures. For example, the Nk’Mip Cellars winery is a joint endeavor with Vincor Canada.

The Osoyoos Indian Band is careful to balance business needs with the ability to maintain and support its traditional culture and values. The establishment of the Nk’Mip Desert Cultural Centre is evidence of this commitment. This more holistic approach to development is also obvious in the OIBDC motto, “In Business to Preserve Our Past by Strengthening Our Future.” The OIBDC understands that economic development is a process and not an outcome, a process that must continuously strive to improve. The OIBDC approach to development incorporates dimensions that are not only economic in nature but also have social, cultural and environmental components, which interact and support each other in the establishment of a healthy community. The social and cultural programs and services cannot exist without a healthy economy, and vice versa.

Chief Louie argues that the Osoyoos Indian Band's approach to development is not that revolutionary and that OIBDC simply incorporates a hard-work ethic and principles of self-sufficiency that are traditional to First Nations peoples. By strengthening collective action, emphasizing self-reliance, focusing on asset-based development and supporting internal and external networks, the Osoyoos Indian Band has established a winning formula for success.

FOR MORE INFORMATION

Osoyoos Indian Band Development Corporation
www.oibdc.com

Harvard Project on American Indian Economic Development
www.hks.harvard.edu/hpaied

THE CITY OF QUESNEL

It is hard to imagine a community that is going to be hit harder by the devastation of the mountain pine beetle infestation in British Columbia than the City of Quesnel. According to BC Stats, Quesnel is one of the least economically diverse communities in the province.¹² In 2003, 43 per cent of all jobs in Quesnel were dependent on the forestry sector.¹³ With such high dependence on a single sector, Quesnel is highly vulnerable to the boom-and-bust cycles that impact all resource-dependent communities.

With the impending mountain pine beetle epidemic, the community seems to have two choices. One is to brace for impact by significantly cutting local government programs and services in the expectation that tax revenues will decline over the next ten years. The second is to take proactive actions by investing as quickly as possible in key sectors and services, and to diversify the economy in order to improve the quality of life for all residents. Quesnel has chosen the latter approach.

In the face of such a bleak economic prognosis, something incredible has happened in Quesnel. The community has come together, united behind the need to move forward. This is the story of how the residents of Quesnel are working collectively to deal with the crisis, turning their unenviable situation into an opportunity to create a socio-economically more complete community.

The City of Quesnel, as well as other communities impacted by the pine beetle, struggled for years to have their concerns heard by senior levels of government. These efforts met with little success. Therefore, one of Quesnel's first actions was to help formulate and join the Cariboo-Chilcotin Beetle Action Coalition (CCBAC). The CCBAC is a regional organization that was established to coordinate communication efforts with senior levels of government and oversee and support a regional approach to economic development and job creation. The organization supports the sharing of experiences and ideas and resource pooling, and works to improve the strength of communication messages.

“For years Quesnel invested in its social capital infrastructure, supporting community groups and grassroots organizations.”

Since 2000 the city has had a subsidiary organization, the Quesnel Community and Economic Development Corporation (QCEDC), overseeing economic development of the community. When the impacts of the mountain pine beetle epidemic started to become more obvious and concerning, the organization was well-positioned to lead through producing a business plan for community economic development. In establishing the plan, the QCEDC brought together many concerned citizens and active local development groups such as the City of Quesnel, the Cariboo Regional District, the Community Futures Development Corporation of the North Cariboo, the Quesnel and District Chamber of Commerce and capital and labour groups. Discussions and a public consultation process led in 2008 to a ten-year plan for a sustainable economic restructuring.

For years Quesnel invested in its social capital infrastructure, supporting community groups and grassroots organizations. The benefits of such investments can be seen in the number of business improvement associations that are established within the municipality (see the section on BIAS). It is very unusual for a community of Quesnel’s size, with fewer than ten thousand people, to have a BIA. However, it is unprecedented for such a community to have three BIAs, as is the case in Quesnel. The city’s continued commitment to and support of community participation, self-reliance, and localization paid off. When it came to formulating a community business plan for a way forward out of the mountain pine beetle disaster, the community, building on its active citizen participation in policy decisions, rallied around the need to act in creative ways.

Visioning

Through visioning exercises, the community established socio-economic goals and action steps that were to be implemented over a ten-year time frame. Visioning is a fundamental building block of any action plan because visions create the justifications for plans. As the community looked ten years ahead, it envisioned

“The community arrived at many intriguing ideas for action.”

Quesnel as a small city that was both beautiful and livable and that was capable of retaining and attracting skilled and educated workers and entrepreneurs.¹⁴ The community saw the city as a leader in energy efficiency and municipal and industrial waste management that would both reduce pollution and create good-paying jobs. The community saw Quesnel in ten years as the “woodsmart city” that would become the wood-product manufacturing centre for the province and would be known worldwide for sustainable and ecologically friendly forestry and forest products.

The community imagined the city, building on its strengths, as a key centre for metals and industrial material production and fossil fuel extraction, with a focus on technologies that would see the negative impacts of such industries minimized to the greatest degree possible. Moreover, the community saw many new opportunities for itself, such as becoming the leader in the wood-waste and wood-byproduct biofuels revolution. Taking advantage of affordable land, the community envisioned Quesnel as an area that would become a provincial leader in sustainable local agriculture and agroforestry. Finally, utilizing the assets of the city’s wilderness location, natural beauty and heritage, the community saw Quesnel in ten years as the rural tourism centre for the North Cariboo.

Action Plan

Such visioning was important to establish a destination for the city to reach in ten years. However, as important as the destination is, one will never arrive anywhere without taking steps and moving in the desired direction. This is why the QCEDC’s municipal business plan is focused on step-by-step actions. The step-by-step action plan includes detailed project proposals that include information on the required investments and estimates of employment-creation outcomes and other economic benefits.

To establish the community action plan for community economic development, the QCEDC consulted the community again. Because of the established grassroots socio-economic development organizations in Quesnel, community members were highly knowledgeable and brought much insight and experience to the public policy discussions. In this process the QCEDC played the role of facilitator and assistant, enabling and aiding the community in arriving at an action plan through dialogue and negotiation. The process itself was fundamentally important. As already noted, it improved the QCEDC's policy capacity for formulating new and creative development ideas. Moreover, public participation facilitated an important community dialogue, helping to strengthen the already strong internal and external links in the community. Most importantly, community participation added legitimacy to the process and created community buy-in to the visions, strategies, plans and actions. This is important because the community development plan was not based on what residents thought the city ought to do in the moment of imminent crisis, but rather on what everyone collectively could, should and would do in order to move forward towards prosperity. By the end of the process, from a list of more than one hundred possible projects, about fifteen were selected that were deemed to have the greatest immediate importance.

The community arrived at many intriguing ideas for action. Sector-specific investment from both private and public (from all three levels of government) sectors in agriculture, forestry and tourism were suggested to keep and diversify the economic base. The plan calls for studies into various areas such as the viability of energy crops and audits of local waste streams to assess opportunities for creating bioproducts. Studies such as these can help to establish the business cases and road maps that will eventually be required for new investment to occur.

It was agreed that investment into government facilities and infrastructure was key to meeting the community's aspirations of remaining a complete

community and retaining and attracting new residents, especially retirees and youth. This investment included support for the sporting centre, the arts and conference centre and the downtown and commercial area revitalization and beautification project. The action plan noted that public investment was also required in transportation infrastructure, particularly for major transportation corridors. As part of the transportation investment, the expansion of provincial Highway 97 would not only increase the movement of goods but would also go a long way to improving air quality by eliminating bottlenecks and traffic, and would create good-paying local jobs.

The list of strategies for economic development was long and detailed. recommended that the city consider:

- development of the many available land sites to assist those looking to invest and build in the city;
- establishing a municipal energy and resource-recovery corporation to reduce costs and move the city on towards environmental sustainability;
- support the local tourism economy by finding a partner willing to provide hotel accommodations;
- incorporate water metering as a possible new revenue source for the city and as a way to help reduce water usage; and
- market the community, with a focus on local assets such as relatively low housing costs.

Project funding approvals began by mid-2008. By January 2009 approximately \$1.3 million in funding had been confirmed, and another \$3.3 million

“What is clear is that the City of Quesnel has continued to do all in its jurisdictional powers, and financial abilities to address the issue of the mountain pine beetle.”

in announcements were expected by March 2009. Funded projects include \$150,000 for infrastructure improvements to the Quesnel Farmers’ Market, \$370,000 to build a bulk water-metering system and \$200,000 for community marketing. In parallel with these developments, during the November 2008 civic election the Quesnel taxpayers approved a referendum supporting the dedication of \$15 million of municipal funds towards a \$30-million recreational and cultural centre.

It is incredibly difficult for a municipality to find the resources to invest in socio-economic and environmental initiatives in a time of impending economic downturn. For Quesnel, the support from the community for investment in a grassroots community economic business plan has made the process of investment less contentious and slightly easier for the public officials, who are in a challenging situation. QCEDC has actively pursued loans, grants and other funding arrangements from senior levels of government and other sources, with some success. After years of a booming economy, Quesnel has generated much tax revenue for both the provincial and federal governments. The community has been able to make a strong case that some of this money should be reinvested back in the community in times of economic uncertainty.

Next Steps

It remains to be seen if the QCEDC will be able to find needed funding to undertake all the projects identified. Most likely only some of the projects will be implemented. It is also unclear if the projects that are implemented will be able to deliver their desired impacts. What is clear is that the City of Quesnel has continued to do all that is in its jurisdictional powers, and financial abilities to address the issue of the mountain pine beetle epidemic.

The City of Quesnel's motto is "Courage, Abundance and Prosperity." It is in these increasingly challenging socio-economic times that Quesnel has found the courage to not give up, to come together as a community and to formulate a business plan for community economic development. In coming together, the community demonstrated an abundance of a community spirit of cooperation, just what is required to lead Quesnel to prosperity. With some luck and a lot of hard work, Quesnel's vision of itself ten years from now as a prosperous and a sustainable place may be realized.

The City of Quesnel is a good example of social network-based community building, local participation and ownership in the community, and asset-based sustainable development. However, one wonders if Quesnel would have these features if it was not for the substantive economic challenge that bonded the community. During our conversations with those working on Quesnel's plan, it was clear that they felt Quesnel's ability to diversify its economy might have been made easier if it had started planning during good economic times.

FOR MORE INFORMATION

City of Quesnel

www.city.quesnel.bc.ca

Quesnel Community and Economic Development Corporation

www.quesnelcorp.com

Cariboo-Chilcotin Beetle Action Coalition

www.c-cbac.com

Greening Up While Supporting Local Economic Development

POLICIES AND PROGRAMS AIMED at developing the local economy can also reinforce sustainability goals. This section features stories of local governments finding ways to both support their local economies and move towards a greener future.

One area over which local governments are able to exert a lot of influence is in core operational practices. This section features examples of local governments that are embedding sustainability into their daily operations. It explores tools such as local and sustainable procurement policies and alternative energy sources that are greener, encourage local economies and even save money. Through examples, this section also examines how local food promotion and local carbon credits can move communities towards environmental and economic self-sufficiency while providing more local jobs and supporting the green local economy.

This section features examples from the following communities:

- The City of Vancouver
- The City of Dawson Creek
- The Fraser Valley (including The District of Kent, the City of Abbotsford, the City of Chilliwack, the District of Maple Ridge, the City of Pitt Meadows, the District of Mission and the Township of Langley)
- The District of Saanich

SUSTAINABLE AND ETHICAL PURCHASING IN VANCOUVER

We are what we consume. Every day we vote by purchasing particular products, letting companies know what our purchasing preferences are. What we buy has a huge impact on the people involved in various stages of product and service delivery. Of course, those with more money to spend have greater purchasing power and superior opportunities to impact the production process. Local governments are powerful consumers, purchasing the many products and services required to maintain corporate operations. This is why many local government authorities have been looking closely at establishing ethical or sustainable internal purchasing policies to make sure their purchases are not supporting socially oppressive or environmentally damaging conditions. The City of Vancouver has an Ethical Purchasing Policy (EPP) that helps to support innovation and provides markets for sustainable and ethically produced goods.

The City of Vancouver's EPP outlines the Supplier Code of Conduct (SCC) for all the city's suppliers and their subcontractors. The SCC is one of the guiding principles for Vancouver's selection of business partners and suppliers. The SCC supports international and local environmental regulations and focuses on adherence to the conventions of the United Nations' International Labour Organization (ILO). The conventions' aims include:

- elimination of child labour and forced labour;
- eradication of discrimination in the workplace;
- elimination of unsafe or unhealthy work environments;
- abolition of unjust disciplinary actions; and
- the promotion of the fundamental freedom to associate.

“When organizations implement sustainable purchasing policies, they help to develop markets for sustainable products and support progressive companies.”

Vancouver is not the only jurisdiction to examine internal purchasing policies and their impacts. In fact, many other public and private institutions, such as the City of Coquitlam, are looking into the total environmental, social and economic costs associated with a product’s life cycle. More and more organizations are concerned with the geographic birthplace of a product and the transportation involved in delivering the product. Other factors that concern organizations include energy output and waste production.

Benefits to Sustainable Purchasing

There are many benefits to sustainable purchasing. For example, by buying a more sustainable product one can avoid some of the costs associated with waste management, hazardous material management and energy use. Sustainable purchasing also makes business sense because it enhances corporate brand image and goodwill from the public—both of which provide a competitive advantage. Moreover, sustainable purchasing puts organizations ahead of the curve, because it will be easier for them to adapt to potentially stricter future health, environmental and labour-safety regulations.

The shift towards ethical or sustainable purchasing helps to lower environmental impacts by avoiding waste, promoting efficiency and minimizing toxins. Jurisdictions that have sustainable purchasing policies feel safer in knowing that the products they offer to residents are safe and healthy and adhere to basic ethical standards. Sustainable purchasing can also have substantial, positive economic impacts.

When organizations implement sustainable purchasing policies, they help to develop markets for sustainable products and support progressive companies. Sustainable and ethical purchasing supports innovation as suppliers are forced to produce alternative products. The economic, social and environmental benefits

of sustainable purchasing policies substantially increase when such policies are joined with buy-local policies. This is because a preference for local sourcing supports the multiplier effect, allowing money to circulate in the community longer while supporting local jobs that are more sustainable.

When buy-local policies accompany sustainable purchasing policies, the environmental and social benefits are more visible in the community, and all the remunerations more directly benefit the community. Ideally, when designing sustainable purchasing policies one would also include some provisions for buying local or using local suppliers (with room for flexibility). Especially in cases where local suppliers are cost-competitive with foreign suppliers, it can make social, environmental, financial and practical sense to buy local. This is particularly true if one considers the long-term full-cost accounting of such an initiative.

FOR MORE INFORMATION

City of Vancouver Ethical Purchasing Policy

http://vancouver.ca/policy_pdf/AF01401.pdf

Sustainable purchasing in general

www.metrovancouver.org/smartsteps

TOWARDS A SUSTAINABLE ECONOMY IN DAWSON CREEK

Many communities today are talking about sustainability and what it means to balance social, cultural, environmental and economic needs for all generations to come. The City of Dawson Creek in the Peace River region is putting these thoughts and words into practical action. With a booming economy thanks to the oil and gas sectors, the municipality has shifted its attention to the other components of sustainability.

Dawson Creek is taking the opportunity to invest in its arts and cultural programs and services, including an art gallery and a museum, in an effort to engage and retain youth and the retired population. Through participatory community visioning, the city has identified and is working on other efforts to strengthen social capital. Particular emphasis is given in the city's visioning document to the health and fitness of the population.

The city has also been working towards the establishment of a local food-supply chain for food security reasons, as well expanding housing choices for residents of various income levels. Above all, the City of Dawson Creek is renowned for its environmental actions. These include substantial support for green spaces within city limits, an ambitious recycling and waste-reduction program, water-conservation bylaws to protect this natural resource, and one of the most ambitious alternative energy projects ever undertaken by a local government in British Columbia.

Alternative Energy and Energy Conservation

The City of Dawson Creek has been an active municipal proponent of energy conservation and alternative energy sources. This is remarkable considering that the city is located in the heart of oil-and-gas country.

Dawson Creek's green energy shift began with an internal audit of seven municipal buildings to find out where and how energy and cost savings could be

found. The findings were so supportive of local green energy, and solar energy in particular, that the city quickly moved towards placing solar hot water heaters in all municipal buildings (the city hall, the fire hall, the RCMP building, the airport, the Sudeten community hall, and the public works yard). This made Dawson Creek one of the largest proponents of solar energy in British Columbia and led to the provincial task force overseeing solar energy implementation in local communities. The “100,000 Solar Roofs Policy Task Force” has a goal of 100,000 solar roofs in British Columbia by 2020.

Dawson Creek has also been examining the potential for producing local biomass fuel. A municipal report on local biofuel found that local resources such as grass straw and wood waste could be used to produce a greener fuel source in large enough volumes to heat most of the government facilities in the city.¹⁵ Production of the required 2,500 tonnes of biofuel needed to run government-owned properties in the city would create local jobs, eliminate waste, minimize pollutant output and produce cost savings. In fact, the city report estimated that the shift towards local biofuel from natural gas in fuelling government buildings would result in heating-cost savings of between \$177,000 and \$250,000 annually.¹⁶ Moreover, there may also be some substantial benefits from developing a local biomass-fuel industry, such as economic diversification, potential revenues from future carbon credits and improved air quality and health benefits.

Partnerships

The City of Dawson Creek sees itself as a leader in alternative energy production, particularly in the north. To establish this leadership status, the city has been working on important, win-win partnership arrangements. Among these is a partnership with Northern Lights College to develop an educational curriculum dealing with solar technology, with the solar hot water installation program already implemented. Other partnerships include links with not-for-profit

“Dawson Creek has been persuasive in building a business case for a green shift.”

organizations such as the Northern Environmental Action Team (NEAT) and the Pembina Institute. These partnerships have helped the city educate staff on principles of sustainability and move the municipality towards energy conservation.

Dawson Creek has also focused on green procurement and a greener municipal vehicle fleet. As part of this shift, the city has embraced a full-cost life-cycle analysis for vehicle purchases and other environmental investments. Dawson Creek has been persuasive in building a business case for a green shift.

Dawson Creek has also started looking into legislative opportunities to expand sustainability leadership into the broader external community. Such initiatives include bylaws to prevent idling and the establishment of solar-ready building requirements for all new homes.

The City of Dawson Creek continues to reevaluate its priorities, strategies and actions with the help of the entire community. A true and substantial shift will occur when local community members embrace the strategies and actions for sustainability. Local buy-in into plans and initiatives such as the comprehensive transportation plan is required from the public. The persistent focus on self-reliance, community building and participation through community-wide action will continue to produce positive outcomes. During our discussions with people who live in Dawson Creek and Fort St. John, they noted that the green shift and its potential positive economic outcomes may be a hard sell in oil country, particularly during harder economic times.

FOR MORE INFORMATION

City of Dawson Creek

www.dawsoncreek.ca

Sustainable Dawson Creek

www.planningforpeople.ca

Solar BC

www.solarbc.ca

CIRCLE FARM TOUR IN THE FRASER VALLEY

Blessed with an abundance of resources and assets, the Fraser Valley is currently experiencing a population boom. People are drawn to this culturally, socially, environmentally and economically diverse area. However, as the population explosion puts pressure on the environment, it also puts pressure on the economy, because economic activity in this region is dependent on a functioning ecosystem.

Rapid population growth and sprawl, combined with some poor historical land-use decisions are leading to transportation congestion, air pollution, destruction of fish habitat, loss of agricultural land and soil erosion. When it comes to land use, the Fraser Valley has a mixture of urban, industrial, park and agricultural lands. Increasingly, land use is a contentious and socially divisive topic, particularly along the urban-rural divide. This is because the Fraser Valley is home to some of British Columbia's and Canada's most productive agricultural lands. These lands are being lost at an alarming rate to suburban subdivisions, shopping strips and roads. Paradoxically, this is occurring at a time when population growth is creating a greater need for a healthy, sustainable food supply.

The growing disconnect between people and their food supply, the demand for local food products from some consumers, concerns about the loss of agricultural lands, and the need to support local growers, who face fierce global competition, prompted the creation of the Circle Farm Tour in 2003. The Fraser Basin Council, in cooperation with the District of Kent and some local farmers, started the tour to promote local agriculture in Aggasiz, a farming community on the flood plain of the Fraser River. The program has experienced a high level of success in promoting agro-tourism, local food production and local economic development. This success is especially remarkable given that the program is young and requires a relatively low amount of resources.

Working in cooperation, the three groups put together a map of Agassiz that highlighted local agricultural events in the community, agricultural heritage sites, fairs and farms that provided produce for the general public. The Fraser Basin Council worked closely with local farmers to assist them in establishing facilities that would provide a positive experience for visitors. Some farms had to plan for and provide wheelchair access to the property, parking facilities (including bus parking), bathroom facilities, tours, gift shops, stores and other such features. The Circle Farm Tour was a great success from the beginning, as many people from the surrounding areas came to shop and learn about where food comes from and how it is produced.

The Circle Farm Tour served to increase tourism and interest in the area, generate revenue for local farmers and merchants, promote local food and agriculture and educate the general public about the social, environmental and economic benefits of purchasing local food.

In 2004 Tourism Abbotsford was searching for creative promotional opportunities when it encountered the Circle Farm Tour. It decided to adopt the same program with help from program organizers in Agassiz. Once again, the program proved to be extremely successful. Soon after, Tourism Abbotsford coordinated a meeting that saw municipal officials responsible for tourism and economic development from Agassiz, Abbotsford, Chilliwack, Maple Ridge–Pitt Meadows and Mission meet to discuss the implementation of a region-wide Circle Farm Tour. In 2005 the region-wide program was implemented, with each member community contributing funds and producing their own maps. An agreement established a shared budget for the promotion of the program, with each member community providing \$4,000. These funds were further leveraged through organizations such as the Vancouver, Coast and Mountains Tourism Region, who made additional contributions.

“The Circle Farm Tour helps to strengthen local economies by focusing on asset-based development and encouraging self-reliance and localization.”

Since 2005 the program has seen further growth. This growth includes:

- the development of a website for the program;
- the production of a regional brochure;
- the hiring of a summer student to coordinate trade show efforts;
- the establishment of a presence at the Pacific National Exhibition (PNE); and
- the addition of Langley as another program partner.

The Circle Farm Tour helps to strengthen local economies by focusing on asset-based development and encouraging self-reliance and localization. The program accomplishes this by supporting a well-established, local, small-scale agricultural industry and by enhancing efforts to move towards food sufficiency. Furthermore, the program has supported collective action and internal and external network building among member municipalities and its residents. This program also works to educate the public and raise awareness about the importance of agribusiness and the need to preserve agricultural lands when it comes to the establishment of a sustainable and environmentally aware society. For all its efforts, in 2007 the Circle Farm Tour program received an award for marketing efforts from the Economic Development Association of British Columbia.

FOR MORE INFORMATION

Circle Farm Tour

www.circlefarmtour.com

Vancouver, Coast and Mountains Tourism Region

www.vcmcbc.com

Fraser Basin Council

www.fraserbasin.bc.ca

CARBON CREDITS PROGRAM IN THE DISTRICT OF SAANICH

The District of Saanich has been moving towards becoming a more environmentally friendly municipality for many years. Initiatives to green the municipality have been both internal and external. Most recently the district introduced bicycle-parking zoning guidelines in the Official Community Plan to help promote the use of cycling within Saanich, adopted a bylaw banning outdoor burning to minimize air pollution, undertook an environmental awareness campaign, established a financial incentive program for private sector green buildings, introduced a fleet retrofitting program that increased fuel efficiency and reduced emissions while saving money and undertook BC Hydro's community challenge to become electricity-self-sufficient by 2016. The list of environmental initiatives that Saanich is spearheading is long and impressive. All of these initiatives have been helpful in lowering the municipality's environmental impact while supporting community self-sufficiency.

The municipality has bigger plans and ambitions. Saanich wants to become a leader in the new green economy and take advantage of all the potential economic opportunities associated with such a position. The municipality embarked on the ambitious District of Saanich Carbon Neutral Plan in 2007, with clear greenhouse gas-reduction targets and a local carbon credit scheme to help achieve the prescribed goals.

The District of Saanich Carbon Neutral Plan calls for a 10 per cent reduction from the 2004 baseline data in corporate greenhouse gases by 2010 through building, fleet and other efficiencies. The plan also led to the creation of a municipal carbon-neutral reserve fund. The fund is set aside to offset the municipality's carbon footprint through local green projects and initiatives.

This fund has proven to be highly controversial. Some deep ecologists believe that carbon offsets such as Saanich's reserve fund are a way to inexpensively

put off actual carbon reductions. However, the carbon-neutral reserve fund was established to provide funding for new local greenhouse gas-reducing technologies and initiatives. In fact, the fund operates on the basis of strict principles of practice: that funding emphasis should be on the most effective technologies for reducing greenhouse gases; that the fund must exclude funding for initiatives that are already in the municipal expenditure plan, and that the funding must only be provided for initiatives within the municipality's jurisdiction. Such guidelines make the fund environmentally and economically effective, supporting net carbon reductions for the municipality while encouraging the creation of local green jobs. Examples of local carbon-offset projects could include urban forestry, geo-exchange, transportation demand management and many others. The district estimates that it will cost about \$90,000 to offset the corporate carbon footprint, or \$15 per tonne annually.

Saanich has enabled citizens to pay into the local carbon-neutral reserve fund to offset personal emissions. The municipality has set up a website where residents can calculate their personal carbon footprint and offset it with local projects that benefit the community. The public contributions are kept separate from offsets used for municipal operations, and, although the funding is used to pay for some or similar projects, the public's contributions do not directly assist the corporate carbon offsets and are used only for additional personal offsets.

The District of Saanich has shown much leadership when it comes to the environment. In so doing, the municipality has positioned itself to become one of the first local jurisdictions in British Columbia to become carbon neutral. Moreover, in the process the municipality has been able to move towards energy self-reliance and long-term energy cost savings, setting a positive example for its residents by encouraging others to take personal responsibility for personal

actions. Although at this early stage it is hard to evaluate the effectiveness of Saanich's green shift when it comes to economic stimulation and economic base diversification, one would assume that the Carbon Neutral Plan, in concert with other green initiatives, would support and benefit local job creation.

FOR MORE INFORMATION

Sustainable Steps Towards a Greener Saanich

www.saanich.ca/climate/climatedetails.html#cneutral

Saanich Carbon Neutral Plan

www.saanich.ca/climate/pdfs/carbonneutral.pdf

Sustainable Saanich Carbon Neutral Donation

<https://saanich.ca:8443/webapp/cop>

Creative Tools for Local Economic Development

WHAT ELSE IS OUT there when it comes to local economic development? What other creative local economic tools or programs are available for local governments? This section outlines four other economic development initiatives that are available to communities in British Columbia.

This section explores the establishment of Business Improvement Areas and participatory governance, local currency, community bonds and business coaching. All of these tools are very different. Yet they stimulate local development and lead to funding for local development projects in British Columbia. If anything, these cases may inspire and open the door to the world of possibilities and opportunities outside the prescribed lines of traditional economic development.

This section features examples from the following communities:

- The City of Langley (Business Improvement Areas)
- Saltspring Island (local currency)
- The Village of New Denver (community bonds)
- The City of Parksville and the Town of Qualicum Beach (joint business coaching and mentorship program)

BUSINESS IMPROVEMENT AREAS (LANGLEY)

Business Improvement Areas (BIAs) are member-led organizations that work to assist local business people and property owners in upgrading and promoting their businesses and shopping districts and the overall vitality of their neighbourhoods. They encourage trade, commerce, and socio-economic activity. BIAs are created by local governments, usually upon the request of the local business community. They raise funds through membership and enhance the management of the business area.¹⁷

A proposed BIA must seek and obtain approval from the local municipal authority in order to formally exist. At the local level, the approval process in British Columbia varies, but it usually requires a vote among the proposed membership. If a majority approves the organization and the bylaws then the BIA can be established. Funds for BIAs in British Columbia are raised through diverse means, but are usually tied to a mandatory assessment on the real property of every BIA member. The municipality usually tags the BIA levy onto the property tax bills of members, making sure that all members pay into the fund. The municipalities then pass on all the BIA levies to the BIA to administer the funding.

Individual BIAs define their own funding arrangement in their bylaws. The bylaws and BIA structures are reviewed on a regular basis by the membership, often at the BIA annual general meeting when the board of directors is elected. With input from the membership and assistance from the BIA staff, it is the responsibility of the board of directors to oversee the operations of the organization.

By creating a BIA, local business and commercial property owners agree to be taxed an extra levy to pay for local improvements. The collected revenues are generally used to enhance security, provide maintenance, market and promote

“BIAs play a role in economic diversification and robust local economies by supporting small-scale merchants and minimizing economic leaks.”

the area, fund cultural and social neighbourhood events, increase accessibility and support the general economic development of the area.¹⁸ BIAs also play an important advocacy role, speaking out and raising awareness about issues important to the membership. BIAs are required to be open and transparent organizations, particularly when it comes to finances. The host municipality requires BIAs to provide annual financial statements for accountability purposes.

BIAs originated in Toronto, Ontario, in 1969. In 1988 British Columbia became the eighth province in Canada to introduce legislation allowing local governments to form BIAs. Salmon Arm was the first BC community to establish a BIA, in 1989. Later that same year, Vancouver followed, with two BIAs in the neighbourhoods of Gastown and Mount Pleasant. Today, the BIA model has expanded to various parts of British Columbia and, indeed, the world. There are BIA-like structures in the United States, the United Kingdom, South Africa, Holland and Japan.

Currently, there are about fifty BIAs in British Columbia.¹⁹ Business Improvement Areas of BC (BIABC) estimates that the well-established BIAs in British Columbia represent over sixty thousand businesses, as well as over \$16.5 billion in land value.²⁰ Collectively, BIAs in British Columbia are estimated to have an operational budget of over \$10 million a year, which does not include the significant special project budgets and grant-based programs that BIAs sometimes oversee.²¹

From the local government’s perspective, a BIA offers many advantages to the community. As self-help organizations, BIAs provide social services to the community at little to no cost to the local government. For example, many BIAs provide benches, flowers, banners, security, greater accessibility initiatives, marketing programs, festivals and many other services. BIAs also support localization and local economies. Most BIAs focus on local business retention and promotion,

as well as the overall economic health of the shopping district. Therefore BIAS significantly contribute to the community's economic vitality and the well-being of the municipal tax base. BIAS help to build stronger communities by facilitating involvement in district beautification and promotion. By establishing vibrant shopping districts, BIAS help to create communities where people are able to work, recreate and live.

BIAS play a role in economic diversification and robust local economies by supporting small-scale merchants and minimizing economic leaks. By advocating for the consumption of local products and services, BIAS help to minimize the distance that products and services travel before reaching the customer and therefore also reduce the size of ecological footprints.

Downtown Langley BIA

One example of a BIA represents downtown Langley. The Downtown Langley Merchants Association (DLMA) focuses its efforts on attracting new customers to the area, improving accessibility to the district and branding. This vibrant shopping district association represents some six hundred unique shops. The DLMA works cooperatively with many community groups and the City of Langley to promote and enhance the area and is one of the groups that was consulted in the development of the new Downtown Langley Master Plan.

The DLMA does more than advocate. It promotes a strong community identity and gives back to the local community by putting on annual community events such as the Magic of Christmas Parade. The DLMA and other BIAS are therefore strong economic development and community building tools.

When one thinks about some of the most economically successful and socially vibrant neighborhoods in British Columbia, one will usually unknowingly think of an area that has a BIA. For example, in Vancouver one may think

of Commercial Drive, Gastown, Robson Street, Yaletown or Chinatown. In the rest of the province, one may think of other places, such as Fort Langley or the downtowns of Nanaimo, Victoria, Kelowna, Penticton or Quesnel. All of these communities have a vibrancy that is largely due to the efforts of the local BIAs.

FOR MORE INFORMATION

Business Improvement Areas of British Columbia

www.bia.bc.ca

Downtown Langley Merchants Association

www.downtownlangley.com

LOCAL CURRENCY (SALTSPRING ISLAND)

With a population of around 10,500 people, Saltspring Island has a reputation for being a different kind of place. Snuggled against the eastern side of Vancouver Island, Saltspring is a quiet place that has long provided refuge for those wanting to escape the daily rush. Saltspring attracts a great deal of artists and artisans, sport enthusiasts, adventure seekers, academics and organic farmers. This population mixture gives the island its alternative-lifestyle persona, accompanied by strong community pride and a rebellious, independent spirit. On this island, it is more than just small-community gossip and fresh air that circulates freely. Saltspring is home to Salt Spring Dollars, also known as “funny money,” the island’s own currency, which is widely used and accepted.

Indeed, Salt Spring Dollars (hereafter SSDs) are completely legal. No laws are broken by having them or using them. Legally, SSDs are gift certificates with no expiry date. When accepting SSDs as change from a local merchant or using them to pay for goods and services on the island, one is technically buying and using a gift certificate that is redeemable almost everywhere on the island.

There are many benefits to local currencies. Local currencies encourage people to shop locally, since local currencies are only redeemable in the community in which they are produced. Local currencies support the multiplier effect by keeping the money circulating within the community for a longer period of time. For a community this generally means more local employment opportunities and greater local product and service options. Local shopping also means that products and services travel less to get to the consumer, and this means a lower ecological footprint.

The Salt Spring Island Monetary Foundation (hereafter SSIMF) is the brainchild of Bob McGinn and Eric Booth. The SSIMF came as a result of a round-table discussion sponsored by the Sustainable Salt Spring Island Coalition and was inspired by the effects of local currencies on smaller island nations.

Since conception in 2001, the SSDs have been issued by the SSIMF, a non-profit society that oversees all aspects of the currency. The SSIMF has special trust accounts set up at financial institutions on the island, allowing individuals and businesses to exchange SSDs for Canadian dollars at any financial institution in the community, at a rate of one to one. The SSIMF pegs local dollars to national currency and backs all its SSDs with Canadian dollars. This allows the island's financial institutions to treat SSDs as SSIMF-issued cheques when cashing them. The SSIMF trust fund is important not just because it backs the community currency but also because it allows the SSIMF to invest profits made from the currency on progressive and sustainable island initiatives.

Most people will acquire SSDs as change while shopping at local businesses, because SSDs circulate freely in the community. However, one can also purchase SSD bills (which come in one-, two-, five-, ten-, twenty-, fifty-, and one-hundred-dollar increments) at the island's financial institutions, the visitors' centre, which has a bank machine that issues SSDs, or at most major businesses (for example, Thrifty Foods).

The SSIMF is a prime example of a grassroots movement. The SSIMF was established with local private investment and exists as a result of sound and prudent management. The SSIMF to date has never received any grants and is in no way financially assisted by local or regional government. It is a citizen-based society with a mission of "raising funds for worthwhile community projects while promoting local commerce and goodwill."²²

The SSDs are colourful, well secured and high quality. These bills incorporate, showcase and celebrate island landscapes, local artists and artworks and local history. The detail and quality of the currency makes the SSDs a novelty item for large numbers of tourists who visit Saltspring Island every year and for currency collectors from all over the world. In fact, the SSIMF makes profits when

“Local currencies encourage people to shop locally, since local currencies are only redeemable in the community in which they are produced.”

currency leaves the island or is not redeemed due to other reasons. The SSIMF is constantly reinvesting its profits in more SSDs and in local sustainability projects, such as an alternative-energy generation plant, local transportation, interest-free microloans for local organic farmers and a local radio station, just to name a few.

The SSIMF and its SSDs help to establish cultural and social capital and support a sense of identity and pride, as well as to aid tourism by engaging the locals in economic activities and sustainability discussions and promoting local history and culture on the SSDs. The SSIMF also supports economic and environmental sustainability by encouraging locals to shop locally rather than off the island and by re-investing profits in additional sustainable island initiatives. Therefore local currency supports localization, collective action and asset-based development by turning the island’s geographic isolation into an economic opportunity.

For all these reasons, SSIMF is a great example of what is possible when a small group of dedicated citizens commit to being positive local change agents through internal network-building and a focus on the environment. The SSIMF takes advantage of the island’s tourism-based economy and its reputation for alternative lifestyles to support local businesses while providing critical funding for local sustainability initiatives.

FOR MORE INFORMATION

Salt Spring Island Monetary Foundation

www.saltspringdollars.com

Other local currencies and local trade initiatives

www.calgarydollars.ca

www.lets.victoria.bc.ca

COMMUNITY BONDS (NEW DENVER AND MONTROSE)

A strong and healthy community requires social infrastructure to support and unite the people. Social infrastructure projects such as libraries, community halls, recreation facilities and public squares can do wonders for bringing a community together. Such community infrastructure and services help build social capital in the community and foster a sense of pride in place. However, one of the biggest issues facing most communities in British Columbia is finding the funds for such projects. Funding can be especially challenging for smaller communities with smaller tax bases. One potential solution that communities may turn to for raising funds to pay for local infrastructure is the Community Bond Program.

Administered by the Municipal Finance Authority (MFA) of British Columbia, the Community Bond Program involves the local community in fundraising for capital projects. Community bonds are usually sold to members of the community, although the MFA's program does provide the option of community bonds partially being sold on the open market.

Community bonds represent a win-win situation for all parties involved. For residents, the bonds provide an investment opportunity that is secure, provides a higher interest rate than Canada Savings Bonds and is ethically and socially responsible and beneficial. The local authorities also benefit through savings on interest repayment, because community bonds demand lower rates than the regular financial bond markets. Moreover, the whole community benefits from additional infrastructure while the bonds support the local multiplier effect and keep the money in the area. In the process, the bonds create local employment and economic opportunities.

Locally elected officials have control over the type of project that is funded and the exact financial arrangement, though the Municipal Finance Authority

“Community bonds represent a win-win situation for all parties involved.”

of British Columbia acts as a bond issuer and seller, providing the bonds with the highest “AAA” credit rating. Examples of the Community Bond Program in action include the Village of New Denver, which in 2005 raised \$220,000 for the paving of roads in the area, and the Village of Montrose, which in 2004 raised \$200,000 to fund electrical upgrades and power line installation. Community Bonds are a great way to raise funds for an infrastructure project in a way that benefits the community by supporting collective action, encouraging buy-in into local projects and favouring participation and local self-reliance.

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FOR MORE INFORMATION

BC Community Bond Program

www.mfa.bc.ca/bonds.htm

BUSINESS-TO-BUSINESS ASSISTANCE (PARKSVILLE AND QUALICUM BEACH)

The City of Parksville and Town of Qualicum Beach, which neighbour each other, are renowned retirement hot spots. Such reputations are both a blessing, as retired individuals bring capital that stimulates economic activity, and a challenge, as the retired population cohort puts stresses and strains on some social services and may lead to a concentration of economic activities. The Oceanside Region, where Parksville and Qualicum Beach are situated, is building on the assets that a retired population brings. In the greater Parksville and Qualicum Beach areas, a joint partnership program called Business Assistance for Successful Enterprise (also known as **BASE**) is working to utilize and showcase the abilities, talents and opportunities of local populations.

BASE is a program that promotes local job growth by helping community members identify and overcome barriers to local business retention and growth. **base** follows the principle that job growth happens largely through local investors and entrepreneurs from within the community and from already-established local firms that are expanding, rather than through new-business-attraction strategies and initiatives. What makes **BASE** particularly interesting and highly forward-thinking is that this program utilizes local community assets to establish a team approach for business success.

The **BASE** program provides participating local established and establishing businesses and entrepreneurs with access to a business coach and a mentorship team. Both provide participants with a wealth of knowledge, experience and skills. At the start a business coach meets with a business person. Through a structured interview, the coach identifies the main challenges facing the business person. The issues vary but include topics such as business planning, financing, marketing, research, production, labour and market access and so on.

The BASE coach assists the participant by cooperatively establishing a plan to address the issues that were identified. The coach may assign a member of the mentorship team to assist the participant with plan implementation and further communication.

The BASE mentorship team is made up of about thirty-five volunteers, who are mostly retired and who bring many years of business experience to the program. This approach utilizes asset-based development by allowing retired business people to contribute to the community by providing their time and knowledge to local businesses. This program supports policy capacity and emphasizes self-reliance by engaging the citizens in socio-economic policy-making. Furthermore, the program encourages the establishment of an internal social network of professionals, agencies and other resources within the community by promoting a team-based approach to economic development.

Most importantly, the BASE program is free to all residents of the Oceanside area and is confidential. The program is funded through monetary and in-kind donations by sponsor organizations. The Island Coastal Economic Trust (ICET) was financially instrumental at the start of the program. The City of Parkville also provided core support. Other contributors include the chambers of commerce, Community Futures, a local credit union, a local newspaper and local associations and societies. The BASE program is therefore a good example of a community supporting local businesses, which in return support the community.

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FOR INFORMATION

Parkville Economic Development

www.businessbythebeach.com

Endnotes

- 1 “Global factors” generally refers to globalization and other global changes, including climate change. Local factors include local identity, work ethics and traditions, as well as cultural and natural environments, which can and do impact on the economic and social life of a community. In terms of population dynamics, in- and out-migration of populations can significantly impact the cultural, social, environmental and economic conditions of an area. The ability of these factors to influence local economic conditions depends on local power structures and interplays of competing interests. See OECD, *Territorial Indicators of Employment: Focus on Rural Development* (Paris, 1996).
- 2 According to Ida Terluin, these local responses “depend to a large degree on the structural and institutional make-up of a community, its history, the local leadership, and how the effects of restructuring are interpreted: as a threat or as an opportunity.” See Ida Terluin, “Differences in Economic Development in Rural Regions of Advanced Countries,” *Journal of Rural Studies* 19, (2003): 327–44.
- 3 The case studies are based on semi-structured interviews with people who are working on local economic development initiatives in their respective communities, as well as community members. The author conducted the interviews between June and December 2008. Ten interviews were conducted in person with elected officials, economic development officers and community members, and ten were conducted over the phone or via email. The author visited the communities of Salmon Arm, Revelstoke, Osoyoos, Ganges, Quesnel and Parksville in person and conducted between one and six in-person interviews in each of these communities. As well, books, official reports, websites and magazine and newspaper articles were used as sources of information.
- 4 Thomas Michael Power, *Lost Landscapes and Failed Economies: The Search for a Value of Place* (Washington, D.C.: Island Press, 1996), 7.
- 5 Ibid.

- 6 Survey conducted by Columbia Institute Centre for Civic Governance, February 2008.
- 7 External Advisory Committee on Cities and Communities, *From Restless Communities to Resilient Places: Building a Stronger Future for all Canadians*, Final report of the External Advisory Committee on Cities and Communities (Ottawa, 2006). Available at <http://www.ontariomcp.ca/files/From%20Restless%20Communities%20to%20Resilient%20Places-Harcourt.pdf>.
- 8 Michael Jacobs, *The Green Economy: Environment, Sustainable Development and the Politics of the Future* (Vancouver: UBC Press, 1993).
- 9 See Salmon Arm Economic Development Society at www.salmonarmedc.com
- 10 Learn more about the Revelstoke Community Foundation at <http://www.revelstokecc.bc.ca/communityfoundation/aboutus.htm>.
- 11 Joseph P. Kalt, *Constitutions, Culture, and the Wealth of Nations: Economic Development on American Indian Reservations* (Cambridge: Harvard University Press, forthcoming); and Joseph P. Kalt, ed., *What Can Tribes Do? Strategies and Institutions in American Indian Economic Development* (Los Angeles: American Indian Studies Center, UCLA, 1992).
- 12 City of Quesnel, *A Prosperous and Sustainable Way Forward for Quesnel, BC: A Business Plan for Community Economic Development*, (Quesnel, 2008), 5.
- 13 Ibid.
- 14 Ibid, 3.
- 15 City of Dawson Creek, *Potential for Bio-Energy in Dawson Creek*, report (2008). Available at http://www.planningforpeople.ca/is/sustainability_planning/energy/natural_gas/documents/Potential_for_Bio-Energy_in_DC.pdf.
- 16 Ibid.

- 17 Bradley Segal, *ABC's for Creating BIDs* (Washington, D.C.: International Downtown Association, 2002).
- 18 Lawrence Houstoun, Jr., *Business Improvement Districts*, second edition. (Washington, D.C.: Urban Land Institute, 2003).
- 19 The exact number of BIAs in British Columbia is hard to calculate since many such organizations are differently organized and structured, and some, particularly new and/or small BIAs, tend to drift in and out of existence.
- 20 Information from the BIA BC website, <http://www.bia.bc.ca>, accessed August 24, 2008.
- 21 Ibid.
- 22 Perry, E. Stewart. "Some Terminology and Definitions in the Field of Community Economic Development." *Making Waves* 10 (2005): 20-23.

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