

**MINUTES**  
SPECIAL ECONOMIC DEVELOPMENT TASK FORCE MEETING  
BOARD ROOM, SERVICE AND RESOURCE CENTRE  
411 DUNSMUIR STREET, NANAIMO, BC  
TUESDAY, 2020-FEB-18, AT 1:00 P.M.

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Present: Councillor J. Turley, Chair  
Councillor Z. Maartman  
D. Backhouse  
C. Beaton  
C. Carlile  
J. Green  
M. Hooper  
R. McLay (VIU Alternate)  
J. Michell (NPA Alternate)  
B. Moss  
K. Smythe  
A. Sullivan

Absent: I. Marr  
D. Saucier  
E. Thomas

Staff: J. Rudolph, Chief Administrative Officer  
D. Lindsay, General Manager, Development Services  
B. Corsan, Director, Community Development  
A. Manhas, Economic Development Officer  
S. Gurrie, Director, Legislative Services  
K. Gerard, Steno, Legislative Services  
A. Bandurka, Recording Secretary

1. CALL THE SPECIAL ECONOMIC DEVELOPMENT TASK FORCE COMMITTEE MEETING TO ORDER:

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The Special Economic Development Task Force Meeting was called to order at 12:59 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

3. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Special Open Meeting of the Economic Development Task Force held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Monday, 2020-JAN-06 at 1:00 p.m. be adopted as circulated. The motion carried unanimously.

4. REPORTS:

(a) State of Nanaimo Economy

Introduced by Amrit Manhas, Economic Development Officer.

Amrit Manhas, Economic Development Officer, provided task force members with a presentation on the State of the Nanaimo Economy Report and provided the following information on:

- The population of City of Nanaimo
- The origin of new residents, to the Regional District of Nanaimo
- The ethnic origins and visible minorities
- Business licenses by industry sector
- Businesses by employee size
- The Provincial Nominee Program
- The City of Nanaimo Building Permit Values
- The housing starts by single-family dwelling, apartment, semi-detached or row-housing
- The average home prices for a new single-family dwelling
- The average monthly rent
- The labour force by industry sector
- The labour force participation rate
- Educational attainment for those between the ages of 25-64
- The median, average and per capita income
- BC business magazine rank, Nanaimo #1 City for work on Vancouver Island, number 8 in BC

(b) External Agency Discussion

Introduced by Bill Corsan, Director, Community Development.

Bill Corsan, Director, Community Development provided the Task Force with a review of the Economic Development Function Service Model Final Report.

Presentation:

1. Allan Neilson, Principal, Neilson Strategies, provided a presentation on the establishment of an external agency to help deliver economic development services, which included the following:
  - Review of findings from the Economic Development Function Service Model Final Report, with a focus on the rationale for a City-owned external agency service delivery model
  - Scope addresses questions of 'what' should be provided by the City in terms of economic development
  - Potential scope of services set out in the report informed by:
    - gaps and opportunities in existing economic development landscape
    - stakeholder input
    - strengths of existing (modest) function

- review with Council committee
- Initial scope identified:
  - economic development strategy
  - economic reporting
  - navigating City Hall
  - Service contract management, for example Tourism VI
  - policy input
  - coordination of efforts, including all efforts by task force members
  - business attraction, which hasn't been part of the City's function in recent years
- Five service models were considered:
  - in-house
  - City-owned agency
  - service contract
  - hybrid model x2
- The five service models were assessed against the following criteria:
  - use in similar cities
  - accountability
  - access to decision-makers
  - profile
  - cost-effectiveness
  - ability to leverage funds
  - flexibility
  - autonomy
  - community ownership
  - broad support
- The recommendation endorsed by Council was an initial scope of services for the function that includes:
  - economic development strategy
  - economic reporting
  - navigating City Hall
  - service contract management
  - policy input
  - coordination of efforts
  - business attraction
- Council endorsed the In-House/City-Owned Agency Hybrid Model to deliver the function at the 2019-SEP-09 Council meeting
- Outline of key structural elements and success factors for the Nanaimo Prosperity Agency
- Discuss of Agency charter – that is, possible scope of services, funding model, governance, staffing and other aspects

Task Force discussion took place regarding:

- Looking for long-term sustainability of the model
- The structure of the Agency can help with the sustainability
- Opportunity to have a portion of the agency funded by the private sector
- Possible to create an agency with multiple owners which could include Vancouver Island University (VIU), Nanaimo Port Authority (NPA), Snuneymux First Nations (SFN), Nanaimo Airport

- For the Agency to work it will need strong Council ownership
- Durability is a key issue for task force members
- Ecomm911 or Crest are different ways to structure an agency with multiple owners
- Nanaimo Economic Development Corporation had multiple funders but not multiple shareholders
- Should not separate the Agency from the City as it will need representation from City Staff, Council and community members
- Opportunity to bring VI Economic Alliance, Tourism VI into the conversation
- Distinction between owners and partners and the roles/responsibilities of both
- South Island Prosperity Project has resolved the issues brought forward with funding and partners
- Start small, differentiate between shareholders and partners
- What legal constraints such as: loans, loan guarantees and investments exist?
- Adjectives to describe a successful agency:
  - focused
  - nimble
  - able to get external funding
  - dynamic
  - entrepreneurial
  - multiple sectors/disciplines
  - connected with other governments
  - transparent and open with community members
  - communicative
  - evidence informed
  - academic understanding well over-coming self interest
  - well planned strategy
- Nanaimo Prosperity Agency exists to:
  - Build and sustain the local economy
  - not confined by City statutes
  - provides independence
  - grow the local economy and improve life for citizens
- Nanaimo Prosperity Agency is owned by:
  - The City
  - SFN, VIU, NPA, etc. (as shareholders)
  - empowered by the community and business community
  - Demonstrates value of ownership
  - Is established under the Corporation Act or Societies Act
- Nanaimo Prosperity Agency is governed by its own Board of Directors comprised of:
  - Board should only have up to 9 members
  - have one Council member and one senior staff member for communication purposes
  - have a cross section of skills/experience or skills matrix
  - should have staggered appointment or terms
  - need longer terms beyond one year
  - find a way to ensure communication back to City
- Nanaimo Prosperity Agency is operated by
  - An external agency
  - Service Contract
  - Arms length corporation

- Nanaimo Prosperity Agency operates out of:
  - outside of City Hall
  - Is provided backend support by the City, for example Human Resources, Information Technology, Accounting
- Decisions of Agency Board requires:
  - A majority or 2/3 of votes
  - Some decision making to be delegated to staff
  - Sound governance structure
- Nanaimo Prosperity Agency is held accountable through:
  - annual reports to Council/Stakeholders
  - separate financial statements
  - being policy driven and having strong policies
- Allan Neilson will prepare a report outlining an Agency Charter. The report will be circulated to the Task Force for consideration. Allan Neilson will facilitate a further session with the Task Force on the Agency Charter at a date to be determined.

(c) Future Meeting Schedule

Introduced by Sheila Gurrie, Corporate Officer, Legislative Services

By unanimous consent the Task Force committee determined the next meeting date will be decided based on the availability of the chosen consultant for the Economic Development Strategy.

5. QUESTION PERIOD:

There were no members of the public in attendance who wished to ask questions.

9. ADJOURNMENT:

It was moved and seconded at 3:06 p.m. that the meeting terminate. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER