

# ATTACHMENT A



## Economic Development Service Models

In June 2019, the City of Nanaimo engaged Neilson Strategies Inc. to undertake the process of determining the future model for delivering Economic Development services. The process involved one-on-one interviews with key stakeholders, a plenary group meeting to discuss various models and gather input, a community open house, and a survey to determine the community's preferred model.

The survey is attached as Appendix A. This survey was made available on the City of Nanaimo's website between June 26 to July 10<sup>th</sup>, 2019. Survey results are attached as Appendix B. In total 11 surveys were completed.

### Survey Findings

It is worth noting the survey sample is too small to draw any conclusive results. Survey findings are summarized below.

In response to what, does Economic development mean to you? Over 80% of the respondents stated "measures taken to increase prosperity and quality of life for all people in Nanaimo" and "service aimed at bringing new businesses and investment to Nanaimo". "Downtown redevelopment" and "investments aimed at developing new sectors or clusters" was the second highest category at 72%.

55% of the respondents agreed, "It is important for the City to have its own Economic Development service, funded by taxpayers".

56% agreed, "The City should play the lead role in Economic development efforts".

Over 90% of respondents agreed, "Manufacturing should be the highest priority" followed by 80% agreeing "High Technology, Health Sciences and Tourism & Culture" to be the priority sectors for Nanaimo.

When asked what do people like most about the in-house model, the highest response 33% was "other leaders from private, public, and non-profit sectors, as well as First Nations, being included as advisors". The next highest response at 22% was "strong accountability to taxpayers and strong connection to Council and its priorities".

When asked what do you like most about the City-owned Corporation model, the highest response 33% was the fact that "it is owned by City (City retains ultimate decision-making authority as sole shareholder). The next highest response at 22% was "separate board of directors with leaders in place of council to guide make decisions for, and over function" and "strong sense of ownership by businesses and others involved in Ecdev".

50% of the respondents stated "relationship with City (funding, reporting, mandate) specific in legal contract" is what they like most about a Service Contract model.

60% agreed “support of leaders representing First Nations, major economic generators, non-profit groups and others” was the most important factor in selecting the preferred model. This was closely followed 50% by “Scope of function, cost to city, accountability to taxpayers and level of inclusiveness for leaders from other sectors and governments”.

Overall, 50% of the respondents favor the In-House service model, 30% City owned Corporation and 20% service contract model.



## Economic Development Models and Themes

### Economic Development

Thank you for taking the time to learn about the service models available to the City of Nanaimo for its economic development function, and providing your input to the selection of a preferred model for the community.

If you would like more information, or would like to review the open house boards prior to completing the survey, please visit [www.nanaimo.ca/goto/economicdevelopment](http://www.nanaimo.ca/goto/economicdevelopment).

Personal information you provide on this survey is collected pursuant to the *Community Charter*, and will only be used for the purposes of evaluating this project. Your personal information will not be released except in accordance with the *Freedom of Information and Protection of Privacy Act*. Questions about the collection of your personal information may be referred to the Legislative Services Department at (250) 755-4405, or via email at [foi@nanaimo.ca](mailto:foi@nanaimo.ca).

#### 1. What does Economic Development mean to you? (Check all that apply)

- ☐ Measures taken to increase prosperity and quality of life for all people in Nanaimo
- ☐ Service aimed at bringing new businesses and investment to Nanaimo
- ☐ Efforts taken to facilitate and support start-ups
- ☐ Efforts taken to help expand existing businesses
- ☐ Job creation
- ☐ The provision of infrastructure (e.g. transportation, technology) aimed at making the community work better
- ☐ Downtown redevelopment
- ☐ Investments aimed at developing new sectors or clusters
- ☐ Economic research and analysis
- ☐ Social programs
- ☐ Skills development
- ☐ Other (please specify)

#### 2. Is it important for the City to have its own Economic Development service, funded by the taxpayers?

- ☐ Yes
- ☐ No
- ☐ Not Sure

3. If you answered 'Yes' to Question 2, should the City play the lead role in Economic Development efforts? Or, should the City support the actions of others in the community?

- ☐ Lead Role
- ☐ Supporting Role
- ☐ Not Sure

4. What Economic Development priorities are most important for Nanaimo? (Check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Manufacturing                                  | <input type="checkbox"/> Tourism & Culture    |
| <input type="checkbox"/> High Tech                                      | <input type="checkbox"/> Film Production      |
| <input type="checkbox"/> Natural Resource Development                   | <input type="checkbox"/> Alternative Energies |
| <input type="checkbox"/> Transportation (e.g. passenger ferry, airport) | <input type="checkbox"/> Health Sciences      |
| <input type="checkbox"/> Logistics                                      |   |

Other (please specify)

## The Models

### 5. What do you like most about the In-House Model?

- ☐ embedded within City Hall, run by City Staff
- ☐ secure funding
- ☐ strong connection to Council and its priorities
- ☐ strong connection to other civic departments ('at the table')
- ☐ other leaders from private, public, and non-profit sectors, as well as First Nations, included as advisors
- ☐ strong accountability to taxpayers
- ☐ ability to rely on existing City administration for office space, IT, HR, etc.

Other (please specify)

### 6. What do you like most about the City-Owned Corporation Model?

- ☐ operates outside of City Hall (not constrained by City processes, administration, systems, etc.)
- ☐ separate Board of Directors with leaders, in place of Council, to guide, make decisions for, and over function
- ☐ separate, dedicated staff to operate function
- ☐ owned by City (City retains ultimate decision-making authority as sole shareholder)
- ☐ mix of funding sources, in addition to City
- ☐ strong sense of ownership by businesses and others involved in Economic Development

Other (please specify)

## 7. What do you like most about the Service Contract Model?

- ☐ completely independent of City Hall
- ☐ relationship with City (e.g. funding, reporting, mandate) specific in legal contract
- ☐ mix of funding sources, in addition to City funding
- ☐ potential to contract existing agency (e.g. Chamber, MIBI, other) to operate function
- ☐ potential for leaders from all sectors to create new, independent entity to run function
- ☐ no obligation for City to renew contract at end of term

Other (please specify)

### Selecting the Preferred Model

8. What factors do you think should be given most importance when selecting the preferred model? (Check all that apply)

- ☐ Scope of function - that is, the specific services assigned to function
- ☐ Level of independence from City Hall
- ☐ Cost to City
- ☐ Level of inclusiveness for leaders from other sectors and governments (decision-making vs. advisory)
- ☐ Accountability to taxpayers
- ☐ Support of business community
- ☐ Support of leaders representing First Nations, major economic generators, non-profit groups, and others

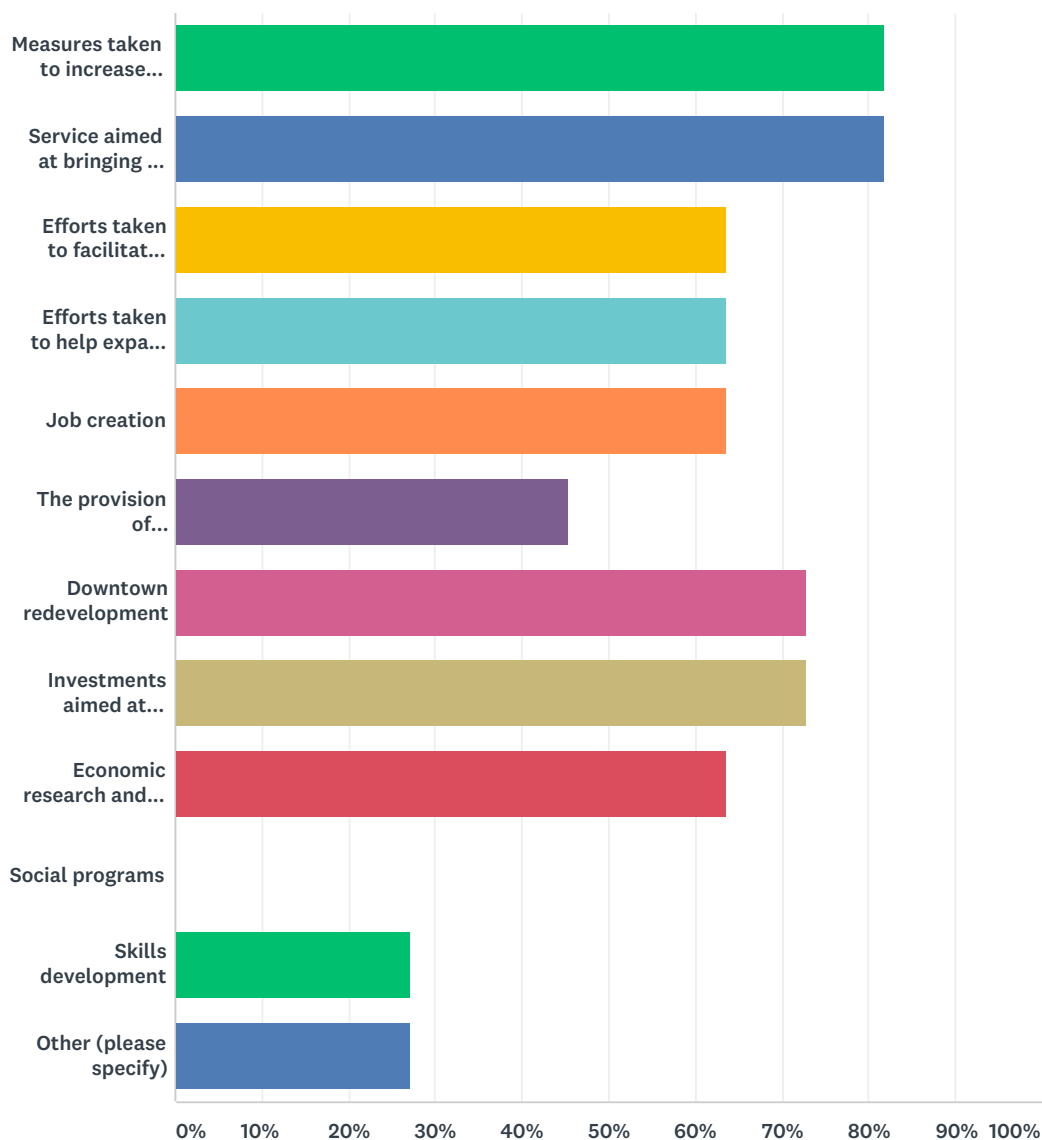
Other (please specify)

9. Overall, what service model do you prefer for the City's Economic Development function

- ☐ In-House Model
- ☐ City-Owned Corporation Model
- ☐ Service Contract Model

## Q1 What does Economic Development mean to you? (Check all that apply)

Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Measures taken to increase prosperity and quality of life for all people in Nanaimo	81.82%	9
Service aimed at bringing new businesses and investment to Nanaimo	81.82%	9
Efforts taken to facilitate and support start-ups	63.64%	7
Efforts taken to help expand existing businesses	63.64%	7
Job creation	63.64%	7
The provision of infrastructure (e.g. transportation, technology) aimed at making the community work better	45.45%	5
Downtown redevelopment	72.73%	8

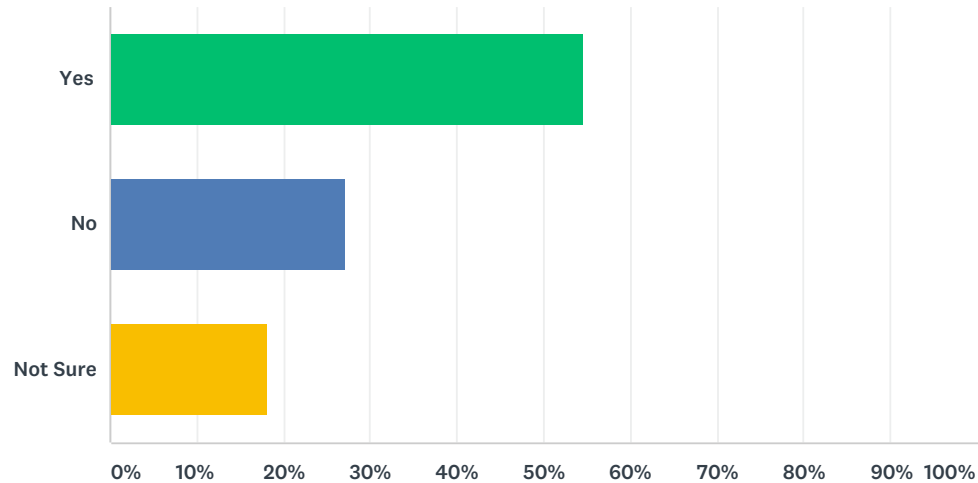


Investments aimed at developing new sectors or clusters	72.73%	8
Economic research and analysis	63.64%	7
Social programs	0.00%	0
Skills development	27.27%	3
Other (please specify)	27.27%	3
Total Respondents: 11		

#	OTHER (PLEASE SPECIFY)	DATE
1	All of the above... But the crux of the matter is whether these are natural social processes, and if not, then who is to drive and fund the process...	6/27/2019 1:44 PM
2	All of these options represent economic development but the economic development the city needs to completely engage is the first one. All the other efforts need some sort of partnerships in order for the city to be involved in.	6/26/2019 7:56 PM
3	Talent Attraction (workforce for local businesses)	6/26/2019 4:47 PM

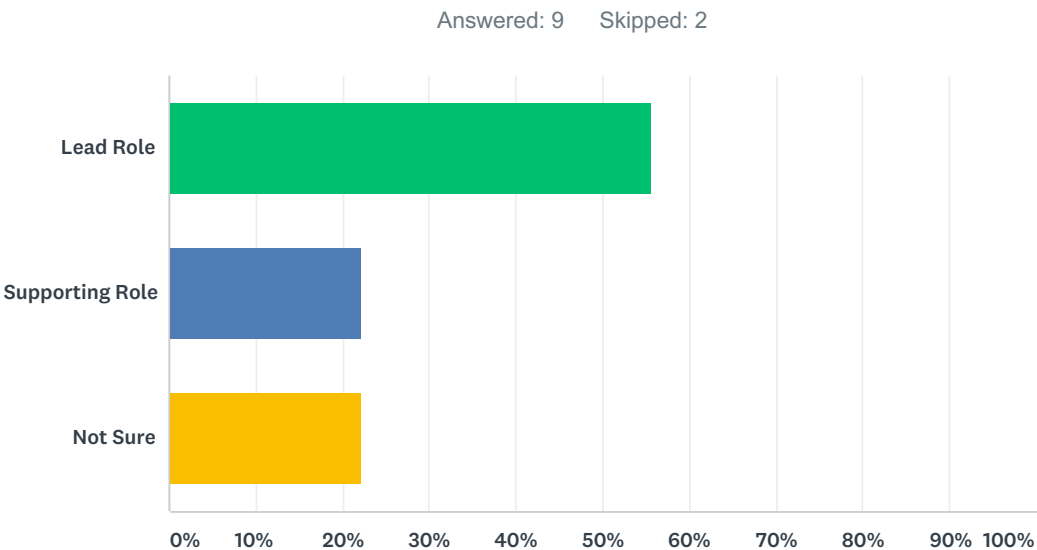
Q2 Is it important for the City to have its own Economic Development service, funded by the taxpayers?

Answered: 11    Skipped: 0



ANSWER CHOICES		RESPONSES	
Yes		54.55%	6
No		27.27%	3
Not Sure		18.18%	2
TOTAL			11

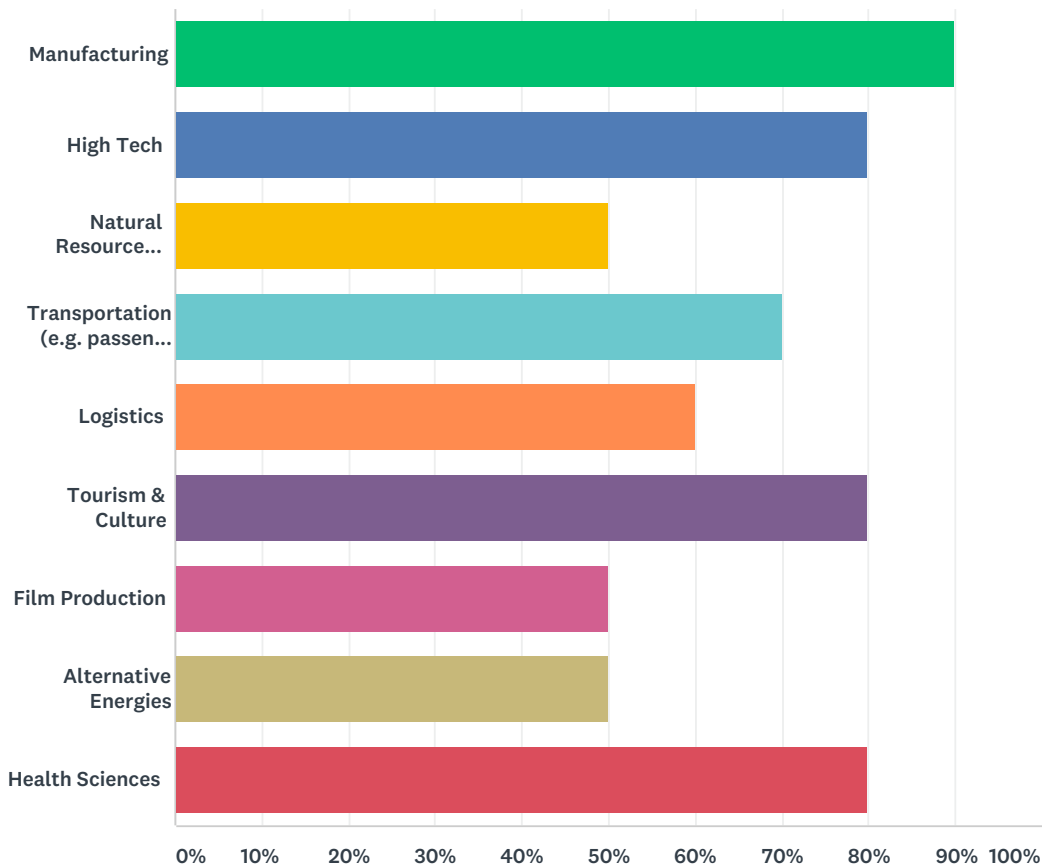
Q3 If you answered 'Yes' to Question 2, should the City play the lead role in Economic Development efforts? Or, should the City support the actions of others in the community?



ANSWER CHOICES		RESPONSES	
Lead Role		55.56%	5
Supporting Role		22.22%	2
Not Sure		22.22%	2
TOTAL			9

## Q4 What Economic Development priorities are most important for Nanaimo? (Check all that apply)

Answered: 10 Skipped: 1



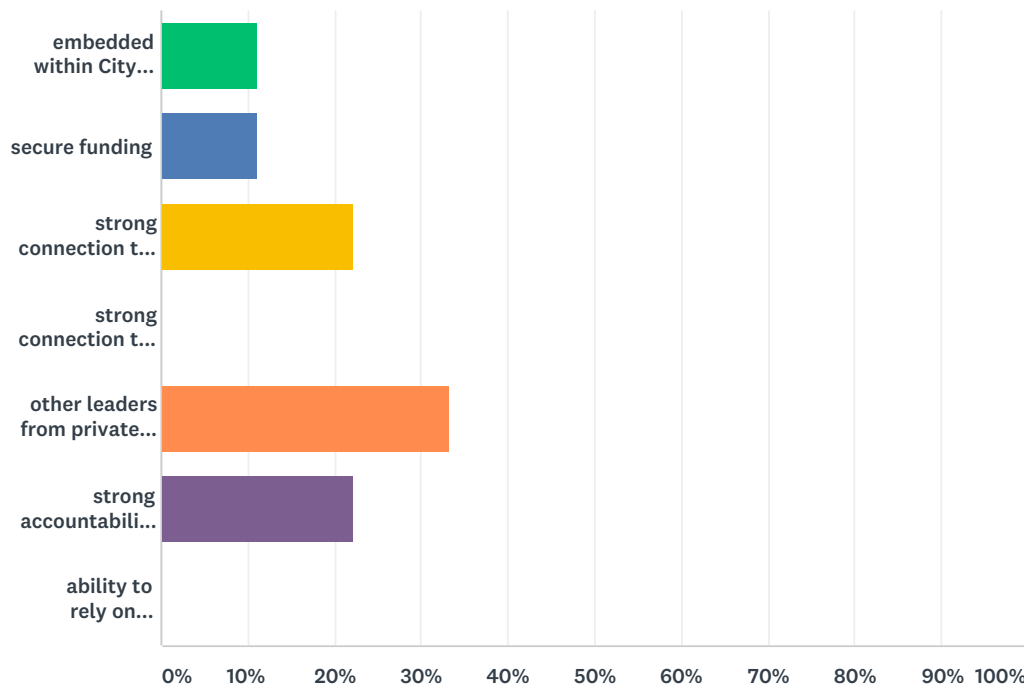
ANSWER CHOICES		RESPONSES	
Manufacturing		90.00%	9
High Tech		80.00%	8
Natural Resource Development		50.00%	5
Transportation (e.g. passenger ferry, airport)		70.00%	7
Logistics		60.00%	6
Tourism & Culture		80.00%	8
Film Production		50.00%	5
Alternative Energies		50.00%	5
Health Sciences		80.00%	8
Total Respondents: 10			

#	OTHER (PLEASE SPECIFY)	DATE
1	All are important. But the question is the extent to which these can be politically imposed without damage to the social process.	6/27/2019 1:44 PM

2	anything that will create jobs	6/27/2019 1:15 PM
3	education	6/27/2019 11:32 AM
4	The Creative Sector	6/26/2019 7:56 PM

## Q5 What do you like most about the In-House Model?

Answered: 9 Skipped: 2

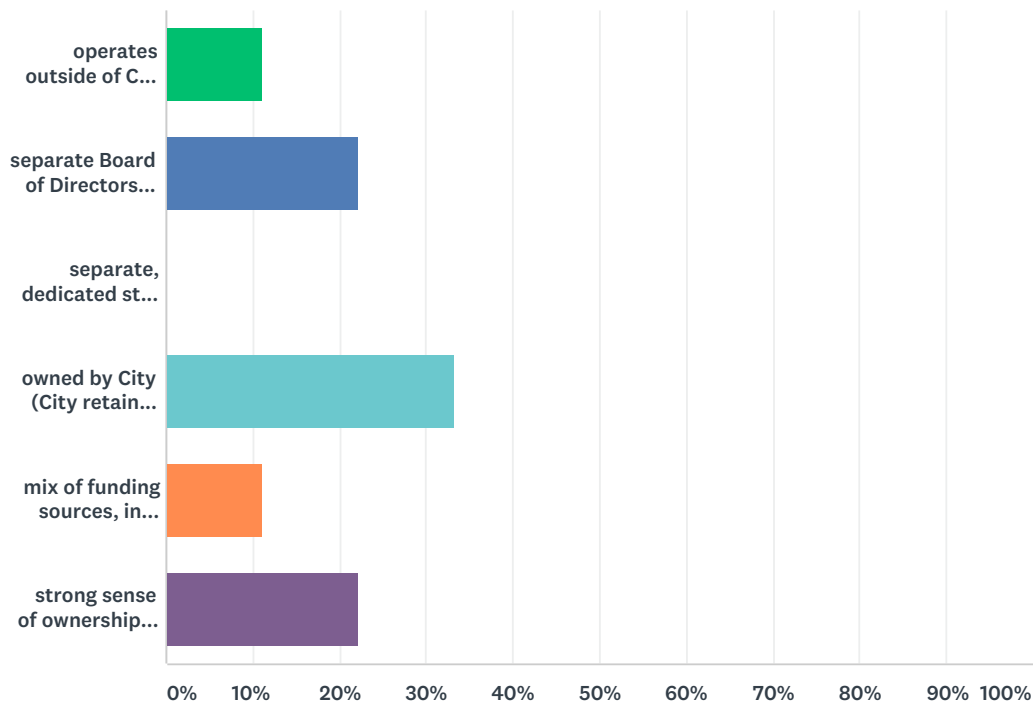


ANSWER CHOICES	RESPONSES	
embedded within City Hall, run by City Staff	11.11%	1
secure funding	11.11%	1
strong connection to Council and its priorities	22.22%	2
strong connection to other civic departments ('at the table')	0.00%	0
other leaders from private, public, and non-profit sectors, as well as First Nations, included as advisors	33.33%	3
strong accountability to taxpayers	22.22%	2
ability to rely on existing City administration for office space, IT, HR, etc.	0.00%	0
<b>TOTAL</b>		<b>9</b>

#	OTHER (PLEASE SPECIFY)	DATE
1	Nothing beyond the City's ability to provide data and information regarding it's composition as needed to provide all with the data and information needed to make informed decisions about economic development opportunities.	6/27/2019 1:55 PM
2	As usual, City of Nanaimo staff are putting the cart before the horse and trying to determine a type of organization before figuring out what needs to be done. PLEASE DO AN ECONOMIC STRATEGIC PLAN FIRST and it will inform the type of organization required	6/27/2019 1:17 PM
3	strong connection to Council and ability to rely on existing City admin	6/27/2019 11:33 AM
4	liked all answers, transparency, fewer chances of miscommunication	6/27/2019 11:31 AM

## Q6 What do you like most about the City-Owned Corporation Model?

Answered: 9 Skipped: 2

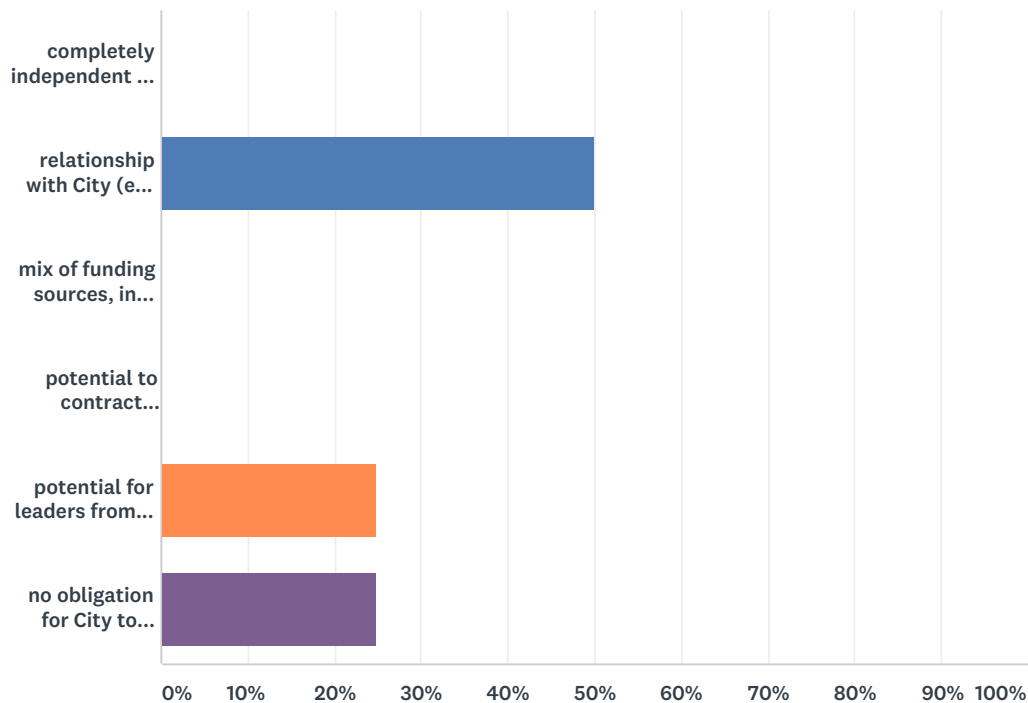


ANSWER CHOICES	RESPONSES	
operates outside of City Hall (not constrained by City processes, administration, systems, etc.)	11.11%	1
separate Board of Directors with leaders, in place of Council, to guide, make decisions for, and over function	22.22%	2
separate, dedicated staff to operate function	0.00%	0
owned by City (City retains ultimate decision-making authority as sole shareholder)	33.33%	3
mix of funding sources, in addition to City	11.11%	1
strong sense of ownership by businesses and others involved in Economic Development	22.22%	2
<b>TOTAL</b>		<b>9</b>

#	OTHER (PLEASE SPECIFY)	DATE
1	Nothing... See above...	6/27/2019 1:55 PM
2	Please see previous comments: IT IS PREMATURE TO TALK ABOUT ORGANIZATION WHEN YOU DON'T KNOW WHAT THE ECONOMIC STRATEGIC PLAN IS	6/27/2019 1:17 PM
3	and mix of funding sources, in addition to city	6/27/2019 11:31 AM

## Q7 What do you like most about the Service Contract Model?

Answered: 8 Skipped: 3



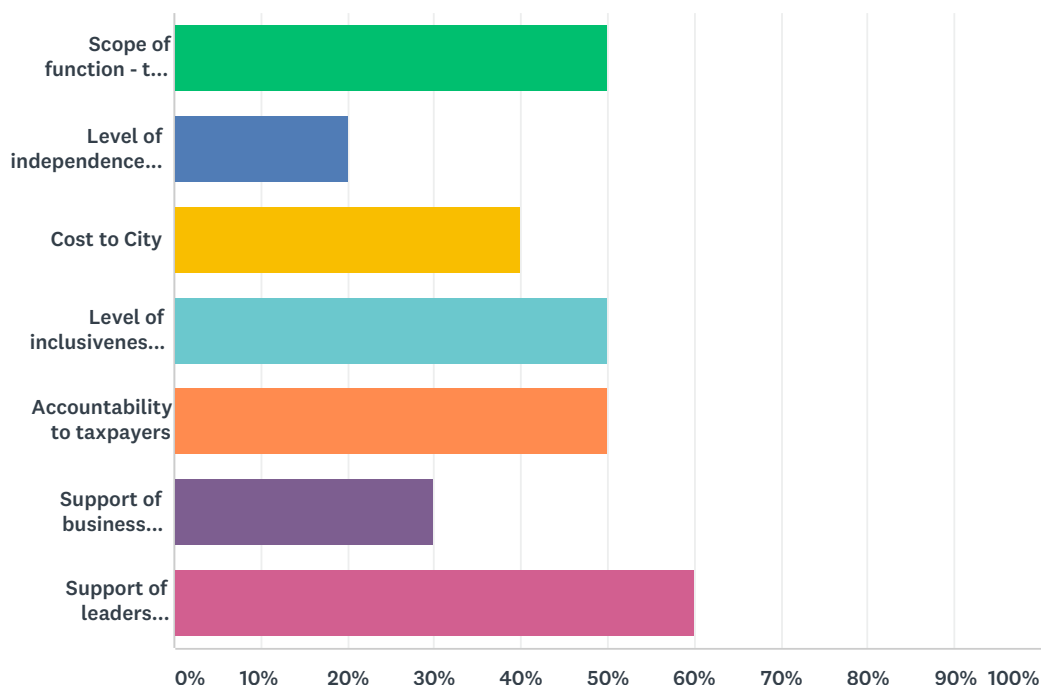
ANSWER CHOICES	RESPONSES	
completely independent of City Hall	0.00%	0
relationship with City (e.g. funding, reporting, mandate) specific in legal contract	50.00%	4
mix of funding sources, in addition to City funding	0.00%	0
potential to contract existing agency (e.g. Chamber, MIBI, other) to operate function	0.00%	0
potential for leaders from all sectors to create new, independent entity to run function	25.00%	2
no obligation for City to renew contract at end of term	25.00%	2
<b>TOTAL</b>		<b>8</b>

#	OTHER (PLEASE SPECIFY)	DATE
1	I do not feel this is the right model	6/28/2019 11:07 AM
2	The role of the City in providing the data and information needed to allow all others to determine economic development opportunities and to suggest them for implementation at the City's discretion.	6/27/2019 1:55 PM
3	DO THE ECONOMIC STRATEGIC PLAN FIRST BEFORE DECIDING ON A DELIVERY MODEL	6/27/2019 1:17 PM
4	no obligation for City to renew contract	6/27/2019 11:33 AM
5	like answer 2, 3, 4 & 6 - disliked 1	6/27/2019 11:31 AM



## Q8 What factors do you think should be given most importance when selecting the preferred model? (Check all that apply)

Answered: 10 Skipped: 1

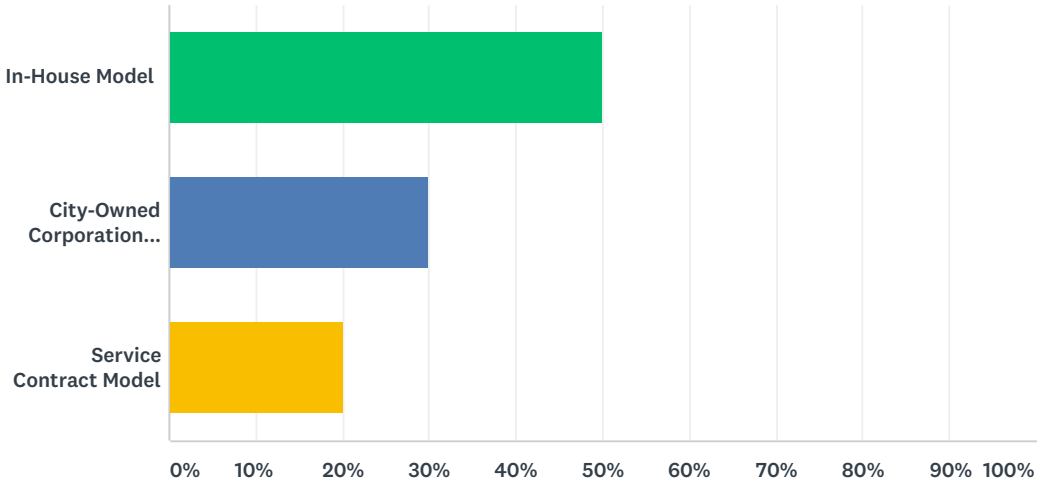


ANSWER CHOICES	RESPONSES	
Scope of function - that is, the specific services assigned to function	50.00%	5
Level of independence from City Hall	20.00%	2
Cost to City	40.00%	4
Level of inclusiveness for leaders from other sectors and governments (decision-making vs. advisory)	50.00%	5
Accountability to taxpayers	50.00%	5
Support of business community	30.00%	3
Support of leaders representing First Nations, major economic generators, non-profit groups, and others	60.00%	6
Total Respondents: 10		

#	OTHER (PLEASE SPECIFY)	DATE
1	Cost to taxpayers including Asset Management Costs and a model for measuring effectiveness on a routine schedule.	6/27/2019 1:59 PM
2	Do the economic strategy first	6/27/2019 1:18 PM
3	The strategy adopted	6/26/2019 8:00 PM

Q9 Overall, what service model do you prefer for the City's Economic Development function

Answered: 10 Skipped: 1



ANSWER CHOICES		RESPONSES	
In-House Model		50.00%	5
City-Owned Corporation Model		30.00%	3
Service Contract Model		20.00%	2
TOTAL			10