



ECONOMIC DEVELOPMENT TOOLS FOR LOCAL GOVERNMENT

AKBLG 2019 – Castlegar BC

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ECONOMIC DEVELOPMENT IN REGION



INTRODUCTION

- **AKBLG** 2019 - Strengthening Capacity for Local Government Performance
- Chris Fields – Making Community Building Exceptional
- Region is blessed: Columbia Basin Trust – a leader in North America
- Capacity of local government derives from powers
- What powers are underutilized?

INTRODUCTION (CONTINUED)

- Economic development tools for local government
- New original unique tools
- Unrealized statutory authority of municipalities
- Statutory authority of regional districts more limited
- Collegial partnerships among communities
- Public-public & public-private partnerships
- Long term investment in future versus “boom or bust”
- Indigenous law – opportunities for partnerships

PURPOSES OF LOCAL GOVERNMENT

Community Charter

- 7 The purposes of a **municipality** include
(d) fostering the economic, social and environmental well-being of its community.

Local Government Act

- 185 Recognizing that **regional districts** are an independent, responsible and accountable order of government within their jurisdiction, the purposes of a regional district include
(d) fostering the current and future economic, social and environmental well-being of its community.

Columbia Basin Trust Act

- 4 (1) The purpose of the corporation is to invest, spend and otherwise manage the... assets... for the ongoing economic, environmental and social benefit of the region including...

PROBLEMS

- Internecine warfare
- Race to the bottom
- No goals and objectives, goals vary around Region
- Focus on jobs (“growth”)

PROBLEMS

- 2016 – US states/cities gave \$80 Billion/year tax breaks/subsidies, instead of education, transportation, services
- Pontiac - \$32M for 12 new jobs
- Equals transfer of wealth to corporations from taxpayers
- Two decades – CA least amount of subsidies, highest investment in education > Silicon Valley



NEXT ECONOMIC ERA

- Inventions: stone, metal
- Nomadism
- Agriculture
- Coins and trade
- Accounting and finance
- Silk road and bank notes
- Mercantilism, colonialism, international trade
- Industrial revolution
- Digital Age

RATE OF DISRUPTION

- Baby boomer generation (1945-2035):
- Loss of department stores, ICE vehicles, service stations, parking spaces, land lines, cable tv, single use plastics, refineries and pipelines, records/cassettes/cds, hotels, taxis, accountants
- Loss of 47% of current jobs
- Innovation: 3D printing of cars, housing components, consumer products, organs, AI machines replacing managers, no traffic lights, internet shopping
- Climate change – weather, temperatures, drought, insurance, vegetation, agriculture, species, refugees
- World economy – trade agreements/disputes, prices for resources
- Crackpot leaders

RATE OF DISRUPTION (CONTINUED)





DISRUPTION IN KOOTENAYS/ COLUMBIA BASIN

- Climate change: decline of species, new invasive species, wildfires, droughts, spring flooding, loss of glacial runoff, rain versus snow, water temperature increases, landslides, avalanches
- 5G and universal wifi
- Education (School-work-retirement model)
- Transportation – most vehicles auto-pilot (massive infrastructure change)
- International trade agreements/disputes & market prices – forestry, mining
- Columbia River Treaty
- Business starts declined in past decade

ADAPTING TO DISRUPTION

- Understand *kind* of change, *magnitude* of change, and *rate* of change
- How do job incubators think?
- Head office for 25-50 employees = about 150 people = 40M spend over 10 year lease
- Factors: education, hospital, doctors, transit, car sharing, public safety walkability, recreation, parks, greenspace, fast internet, airport, air quality, housing prices, highway safety, drinking water quality, pollution generally, EV charging network, fresh food markets, high voter turnout, property taxes, infrastructure status
- Non-factors: shopping (Amazon factor), tv channels, fast food, theatres, hockey team

ADAPTING TO DISRUPTION

- Objective NOT to attract a tire/steel/car/factory: Baltimore, Pittsburgh, Detroit losing population, assessment, asset management
- Objective to attract innovative, educated, ambitious human capital
- NOT with subsidies to corporations, tax breaks
- Agri-Food, Health and Biosciences, Clean Technology, Digital Industries, Clean Energy, and AI and Advanced Manufacturing



ECONOMIC DEVELOPMENT TOOLS

- Quality of life, health benefits:
 - transit, car sharing, safe cycling lanes, secure bike parking, walkability for work and basic needs (Victoria)
 - Hospitals, doctors (Sicamous)
 - Air quality – no pollution (Whistler)
- Vibrant downtown, neighbourhoods (Chilliwack CEPCO/BIA/PPP)
- Living wage for government employers and suppliers (Vancouver)
- Clean streets and rigid enforcement (Singapore)
- Incubators (Qualicum Beach)

ECONOMIC DEVELOPMENT TOOLS (CONTINUED)

- Plan as a region, not as a stalag
- Plan long term, not for re-election
- Forge partnerships (coordination, collaboration)
 - Competition hurts both communities
- intermunicipal planning and programming (s. 15, CC)
- OCP (ss. 471-478 LGA)
- Grants (BC has lowest rate of applications and grants)
- Public consultation (Ladysmith Waterfront)
- Protect heritage (Nelson)

ECONOMIC DEVELOPMENT TOOLS (CONTINUED)

- Joint LG homelessness coordinator (Strathcona)
- Active community programs (physical activity strategy)
- Promoting home occupation (land use amendments)
- Universal free wifi
- 5G
- Private university (Squamish)
- Online shopping cargo hub (Hamilton)
- Update web site as economic development engine (Localintel)
- Public-private partnerships (e.g., cloud bunker)

ECONOMIC DEVELOPMENT TOOLS (CONTINUED)

- Transition from resource town to sustainable town (Smithers)
- Remediation of brownfields (grants, EMA)
- Convert rail lines, roads, rights of way into trails/pathways/greenways)
- Climate change plan (CBT)
- Sustainability plan
- High speed communications (Radium)
- Walk the talk (green buildings, renewable energy)
- economic gardening, an approach that focuses on growing jobs in existing businesses rather than paying a business to relocate to the community (Littleton)

ECONOMIC DEVELOPMENT TOOLS (CONTINUED)

- Create a world class centre of excellence for coding and gaming, and for IT safety innovation, including training, innovation, networking, incubating new viable enterprises
- Opportunities for retired empty nesters to become entrepreneurs
- Once a project is successful, build a web site to expose the efficacy to the world (best mouse trap theory)



END NOTE

The uncontrolled collaborative effort of many educated workers in a community constitute a collective common enterprise which will lead to invention and innovation that sustains the growth of the community. The concentration of people in communities enhances these spillovers by creating an environment in which ideas flow quickly amid face-to-face contact.