



ECONOMIC DEVELOPMENT COMMISSION
THURSDAY, MARCH 21, 2013
COMMUNITY FUTURES BOARDROOM, 7:30 AM
135 THIRD STREET, DUNCAN BC

AGENDA

	<u>PAGES</u>
1. <u>APPROVAL OF AGENDA</u>	1-2
2. <u>ADOPTION OF MINUTES</u>	
M1 Regular EDC meeting minutes of February 21, 2013	3-7
3. <u>BUSINESS ARISING FROM THE MINUTES</u>	
4. <u>REPORTS</u>	
R1 Louise McMurray, Film Commissioner, regarding Film Cowichan update	verbal
R2 Geoff Millar, Manager Economic Development regarding "Once upon a day... Cowichan" film premiere	verbal
R3 Economic Development Commission report to Board	8
R4 Subcommittee regarding 2012 State of the Economy report	9-18
5. <u>CORRESPONDENCE</u>	
6. <u>UNFINISHED BUSINESS</u>	
7. <u>NEW BUSINESS</u>	
8. <u>CLOSED SESSION</u>	
Motion that the meeting be closed to the public in accordance with the Community Charter Part 4, Division 3, Section 90, subsections as noted in accordance with each agenda item.	
9. <u>ADJOURNMENT</u>	

NOTE: A copy of the full agenda package is available at the CVRD website www.cvrld.bc.ca.

George Robbins, Chair
Director Kent
Director Dorey

Marsha Stanley
Michael Kelly
Darin George

Roger Hart
Darrel Mansbridge
Sandra Goth

Blair Herbert
Russ Jenkins
Robert Radford

DISTRIBUTION:

Full Agenda Package:

DIRECTOR HUTCHINS, CVRD CHAIR
DIRECTOR MORRISON
WARREN JONES, CHIEF ADMINISTRATIVE OFFICER
TOM ANDERSON, GENERAL MANAGER, PLANNING & DEVELOPMENT
GEOFF MILLAR, MANAGER, ECONOMIC DEVELOPMENT
KATHY LACHMAN, BUSINESS DEVELOPMENT OFFICER
DANA THORNE, COWICHAN TRIBES

Agenda:

DIRECTOR LEFEBURE	DIRECTOR GILES
DIRECTOR HARTMANN	DIRECTOR IANNIDINARDO
DIRECTOR LINES	DIRECTOR DUNCAN
DIRECTOR MCGONIGLE	DIRECTOR DOREY
DIRECTOR WALKER	DIRECTOR MARCOTTE
DIRECTOR WEAVER	

MARK KUEBER, GENERAL MANAGER, CORPORATE SERVICES
FELICITY ADAMS, MANAGER, DEVELOPMENT SERVICES, TOWN OF LADYSMITH
RUTH MALLI, CITY MANAGER, TOWN OF LADYSMITH
DAVE DEVANA, ADMINISTRATOR, DISTRICT OF NORTH COWICHAN
JOHN KOURY, EDC CHAIR, DISTRICT OF NORTH COWICHAN
JOSEPH FERNANDEZ, ADMINISTRATOR, TOWN OF LAKE COWICHAN
TOM IRELAND, ADMINISTRATOR, CITY OF DUNCAN
CATHY ROBERTSON, MANAGER, COMMUNITY FUTURES COWICHAN

Minutes of the Regular Economic Development Commission Meeting held on Thursday, February 21, 2013 at 7:30 am in the Community Futures Boardroom, 135 Third Street, Duncan, BC.

PRESENT

George Robbins, Chair
Director P. Kent
Roger Hart, Russ Jenkins, Robert Radford, Blair Herbert, Michael Kelly

ALSO PRESENT

Dana Thorne, Cowichan Tribes
Tom Anderson, General Manager, Planning & Development
Geoff Millar, Manager, Economic Development
Kathy Lachman, EDC Business Development Officer
Judy Mills, Recording Secretary

ABSENT

Director M. Dorey, Marsha Stanley, Darin George, Darrel Mansbridge and Sandra Goth

APPROVAL OF AGENDA

It was moved and seconded that the agenda be amended with the addition of Report items as follows:

R8 Film Cowichan Update;

R9 Economic Development Readiness Program;

and New Business item as follows:

NB1 Member input;

and that the agenda, as amended, be approved.

MOTION CARRIED

ADOPTION OF MINUTES

It was moved and seconded that the minutes of the Economic Development Commission meeting held January 17, 2013 be adopted.

MOTION CARRIED

BUSINESS ARISING FROM THE MINUTES

BA1 – Duncan Cowichan Chamber of Commerce

Geoff Millar reported he met with George Gates, President of the Duncan-Cowichan Chamber of Commerce and advised the Economic Development Commission wants a Memorandum of Understanding agreement in place between the five Chambers prior to a Duncan-Cowichan Chamber appointment being made to the Economic Development Commission.

REPORTS

R1 – Bylaw No. 3671

Geoff Millard advised on January 9, 2013 the CVRD adopted Bylaw No. 3671 to amend EDC establishment Bylaw No. 2497. Amendments include the following:

1. Section 5 c) Director is no longer required for quorum.
2. Section 6 c) (i) added "*upon the request of the Board*", matters which may legally or financially bind or commit the Board.
3. Section 6 c) (iii) deleted monthly reports and replaced with "*progress/status reports*" to the Board.

R2 – EDC Meetings

Chair Robbins led discussion regarding EDC meeting dates. Members agreed for the Commission to take a recess during the months of July and August 2013 and confirmed the September 19, 2013 meeting date to be unchanged by the UBCM Conference.

**R3 – Youth
Entrepreneurship
Programs**

Roger Hart reported that the Youth Entrepreneurship Subcommittee had been asked to provide more information. Extensive Subcommittee discussions took place with Bill Roche from the PowerPlay Strategies Program and Coastal Community Credit Union. The Subcommittee arranged a presentation with Junior Achievement and then met again to consolidate information gathered. There was questions asked about Coastal Community Credit Union's commitment to the Program and they confirmed \$2500 has been earmarked for the Duncan Program. Geoff Millar contacted the Superintendent of School District #79, Joe Rhodes, who confirmed they are moving forward with this program.

Russ Jenkins gave an overview of Junior Achievement Program. Gail Stroud and Deborah Wakeham, Regional Director, gave presentations. Program is well established and is largest non-profit program in Canada. There are 30,000 BC participants. The program is administered by volunteers and provided at no cost. The manuals are left behind to continue on with the program. They are partnered with many organizations including The Keg Restaurant and Coast Capital Savings Credit Union who have donated \$150,000. An invitation was offered to the Commission to view classroom process April 25, 2013. The program is aligned with the Ministry of Education's curriculum and learning outcomes although we would need to look further into deliverables.

Roger Hart summarized the discussion. The Subcommittee agrees both programs are very good and align with the EDC strategy; endorse both programs; but feels we should not put money into one without putting money into both. Russ Jenkins is reaching out to Junior Achievement regarding partnership branding.

Discussion took place.

It was moved and seconded to express support for both the PowerPlay Strategies and Junior Achievement programs as they are consistent with Economic Development Strategy goal #3 to improve industry-academic links and expand entrepreneurship.

MOTION CARRIED

R4 – Farm Stays

Kathy Lachman circulated a staff report. Blair Herbert reported the EDC and RAAC farm stay Subcommittees held a joint meeting on February 19, 2013. They agreed farm stays are a unique experience for tourists and it is not competitive with hotel accommodations. They also recognized there are challenges and that certain conditions should be considered when allowing farm stays. A joint Subcommittee recommendation was made and will also be brought forward at the February 26, 2013 RAAC meeting.

Discussion took place.

It was moved and seconded to recommend that the Board allow agri-tourism accommodation farm stays by drafting an amendment to the applicable CVRD zoning bylaws to align with the Agricultural Land

Commission regulations under permitted uses; and further, that a letter be forwarded to the District of North Cowichan advising them of this change.

MOTION CARRIED

Geoff Millar will provide a progress update at the March 21, 2013 meeting.

R5 – State of the Economy Report

Subcommittee report was circulated. Robert Radford reported the State of Economy report is meaningful to record progress and report to Board. The indicators are all viable but there is concern regarding information being available to source.

Discussion took place.

~~It was moved and seconded that the Economic Development Commission approve the EDC State of Economy Subcommittee develop regular annual reports on the CVRD state of the economy.~~

MOTION CARRIED

~~It was moved and seconded that the EDC State of Economy Subcommittee collaborate with EDC staff to refine the existing 2012 State of Economy report including a disclaimer and bring back to the Economic Development Commission for approval prior to submitting to the Board.~~

MOTION CARRIED

R6 – Film Premiere

Geoff Millar reported on March 7, 2013 there will be a film premiere for *Once Upon a Day...Cowichan*. The film has 15 local sponsors. To attend the VIP reception please RSVP to Judy Mills. Media event will be held on February 21, 2013.

Chair Robbins attended the 2012 Vancouver Island Business Excellence Awards in January and noted several businesses within our region won awards:

1. GNB Builders – Best Construction Company of the year & Best Business of the year under 15 employees
2. Wedderspoon – Best Manufacturer of the Year
3. Chemainus Theatre – Best Non-Profit of the year
4. Lush Eco Lawns – Best Green Business of the year

R7 – Islands Agriculture Show

Kathy Lachman gave a PowerPoint presentation on the 2013 Islands Agriculture Show held on February 1-2, 2013. A non-profit society has been formed to administer the show and Kathy Lachman and Geoff Millar are on the Board of Directors. The show was bigger this year with 68 booths and tradeshow attendance was up 50% from last year. There were 16 conference sessions and 190 delegates which is an increase from 148 delegates last year. Alberni Valley was the feature farming community. There was a Young Farmers Program with an open invitation to the school board for free attendance. Stage activities were on-going on both days. There were several concessions including Farm Gate catering. Great media attention from Sun FM who had a booth and did on-site broadcasting. There were over 20 volunteers including 4H Club. There is a video and more information on the website at www.iashow.ca

R8 – Film Cowichan

Geoff Millar circulated an update on the Film Industry in the Cowichan Region. He advised with the 2013 budget constraints, film got cut from the core EDC

budget. It has been put forward as a \$25,000 supplemental item which the senior management team will review and make a recommendation to the Board. We saw huge film activity in January and February 2013 with potential for a TV series. Film Commissioner, Louise McMurray, has interest to form a regional film commission. A tax benefit is offered for filming in rural BC. Tom Anderson noted last year film brought 1.4 million dollars into the region. With all that is going on there is potential. If the film supplemental is approved EDC will continue with 2013 projects.

It was moved and seconded that the Board support the 2013 Economic Development Division supplemental budget item for Film Cowichan in the amount of \$25,000.

MOTION CARRIED

Members requested the update on the Film Industry in the Cowichan Region be distributed with the meeting minutes.

R9 – Economic Development Readiness Program

Director Kent reported that Island Coastal Economic Trust (ICET) launched an Economic Development Readiness Program. It will provide communities, First Nations and non-profit organizations working in economic development with access to up to \$30,000 in matching funding to support eligible projects related to economic development planning and high value investment attraction. The program will provide smaller communities with limited resources the ability to develop economic strategies, develop the tools they need to attract new investment and collaborate with other communities to develop regional strategies and marketing initiatives. The program will also assist larger communities refine their economic development toolbox and improve their competitive position to attract investment to the region. You can apply twice per calendar year. An example is the 7 million dollar Visitor Centre project which is breaking ground in March 2013 at the BC Forest Discovery Centre. Director Kent will provide contact details to Dana Thorne to see if it fits with First Nations 30 year program to build capacity. Program requirement is for expertise which is not currently available.

CORRESPONDENCE

C1 – Co-ops

Roger Hart announced public talk/workshop on Building Local Food Co-ops will be held on March 1-2, 2013 at VIU.

UNFINISHED BUSINESS

Not applicable.

NEW BUSINESS

NB1 – Member Input

Discussion took place regarding separate workshop including planning session and round table input from members.

It was moved and seconded to recommend EDC staff proceed with organizing an Economic Development Commission planning/work session before end of June 2013.

MOTION CARRIED

**RESOLVING INTO
CLOSED SESSION
9:25 AM**

It was moved and seconded that the meeting be closed to the public in accordance with the Community Charter Part 4, Division 3, Section 90 (1) (a) as follows:

(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;

MOTION CARRIED

**RISE FROM
CLOSED SESSION
9:30 AM**

It was moved and seconded that the Board rise without report, and return to the Open portion of the meeting.

MOTION CARRIED

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

MOTION CARRIED

The meeting adjourned at 9:32 am.

Chair

Recording Secretary



**ECONOMIC DEVELOPMENT COMMISSION REPORT
OF MEETING HELD FEBRUARY 21, 2013**

DATE: March 4, 2013

To: Chair and Directors of the Cowichan Valley Regional District

Your Economic Development Commission reports and recommends as follows:

1. That the Board allow agri-tourism accommodation farm stays by drafting an amendment to the applicable CVRD zoning bylaws to align with the Agricultural Land Commission regulations under permitted uses; and further, that a letter be forwarded to the District of North Cowichan advising them of this change.
2. That the Board support the 2013 Economic Development Division supplemental budget item for Film Cowichan in the amount of \$25,000.

2012 STATE OF THE ECONOMY

COWICHAN REGION

DEMOGRAPHICS

WORKFORCE

BUSINESS GROWTH

COWICHAN VALLEY REGIONAL DISTRICT
ECONOMIC DEVELOPMENT COMMISSION

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Cowichan Valley Regional District Economic Development Commission

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About this Document

This report was updated in November 2012 using the most current information and statistics available. While every effort has been made to ensure the accuracy of the data used, we recommend that readers confirm critical information. The report was edited in March 2013 for clarity and content.

Statistics Canada and BC Stats are primary sources of statistics in this report. Updated statistical information is available at Statistics Canada (statscan.gc.ca) and BC Stats (bcstats.gov.bc.ca).

This publication is intended as an information source and does not imply endorsement of any service, association or organization.

If you have any questions or comments about the information in this document, please contact our office at 250 746 7880, toll free 866 746 2508, or via www.discovercowichan.com.

2012 STATE OF THE ECONOMY COWICHAN REGION

The Cowichan Valley Regional District's 2010 Corporate Strategic Plan outlines objectives and strategic actions to ensure healthy economy in the Cowichan Region.

A key component of the Plan was to update the Economic Development Strategic Plan to reflect current priorities in consultation with the Economic Development Commission and CVRD Board of Directors. An intensive and productive public consultation process began in October 2010 and the Cowichan Sustainable Economic Development Strategy was completed in March 2011.

The **2012 State of the Economy Report** is the first in a series of annual reports that will be developed to provide a 'snapshot' of how our economy is performing and how this performance is impacting our community.

The **2012 State of the Economy Report** is intended to guide the actions within the Cowichan Sustainable Economic Development Strategy by allowing timely responses to changes within the economy.

CVRD Economic Development Commission

Table of Contents

Demographics Page 4

Workforce Page 5

Business Growth Page 7

DEMOGRAPHICS

Our population continues to grow

As with many communities across Canada, more of our population is now made up of people over 65 years of age.

Between 2007 and 2011 our population:

- grew by 5%;
- of 65 years plus, grew by 11%;
- between 45 to 64 years, grew 10%;
- between 25 to 44 years, decreased by 4%;
- between 15 to 24 years, grew by 10%;
- between 6 to 14 years, grew by 1%, and
- between 0 and 5 years, grew by 2%.

	0-5	6-14	15-24	25-44	45-64	65+	Total
2007	4,411	8,448	10,119	17,527	25,007	14,052	79,564
2011	4,519	8,530	11,140	16,765	27,483	15,647	83,300
Change	+ 2%	+ 1%	+ 10%	- 4%	+ 10%	+ 11%	+ 5%

Source: BC Stats, Population Estimates, Cowichan Valley Regional District, 2011

The population of people over 65 in the Cowichan region continues to grow.

In 2011, it was estimated that there were 30 people over 65 years, for every 100 people 18 to 64 years.

At present rates of growth, by 2021, this ratio is estimated to increase to 43 people over 65 years, for every 100 people 18 to 64 years.

Applying the same growth rate, by 2031, this ratio is estimated to increase to 50 people over 65 years for every 100 people 18 to 64 years.

(Source: BC Stats. Quarterly Regional Statistics. Second Quarter 2012)

WORKFORCE

As our population has grown, so have our local businesses

Since 2007, the total number of businesses in Cowichan has grown by 6%, compared to a 3% growth across BC. In Cowichan, the greatest growth has been in businesses with 1 to 19 employees, followed by businesses with no employees.

Businesses are registered throughout our region with the distribution more concentrated in some areas.

	Locations with no employees	Firms with employees					
		Less than 20	20 to 49	50 to 199	200 plus	All sizes with employees	Percent of total with employees
Duncan	344	397	37	9	2	445	17%
Ladysmith	253	218	8	5	0	231	9%
Lake Cowichan	133	132	5	1	0	138	5%
North Cowichan	995	721	53	29	4	807	30%
Cowichan Valley A	198	188	8	5	0	201	8%
Cowichan Valley B	217	156	6	2	0	164	6%
Cowichan Valley C	215	147	3	4	0	154	6%
Cowichan Valley D	131	87	8	2	0	97	4%
Cowichan Valley E	291	269	21	5	1	296	11%
Cowichan Valley F	32	18	0	0	0	18	1%
Cowichan Valley G	47	38	1	0	0	39	1%
Cowichan Valley H	106	64	3	2	0	69	3%
Cowichan Valley I	18	10	1	0	0	11	0%
Total	2980	2445	154	64	7	2670	100%

Source: Statistics Canada, Business Registry, 2011

The table on page 6 shows the number of employees working in each type of industry, by size of business. The construction and retail trades continue to be the most common employer in the Cowichan region's economy.

2012 State of the Economy, CVRD

	Locations with no employees	Firms with employees					
		Less than 20	20 to 49	50 to 199	200 plus	All sizes with employees	Percent of total with employees
Total, All Industries	3,025	2,518	165	67	8	2,758	100%
Agriculture, Forestry, Fishing & Hunting	234	177	8	6	1	192	7.0%
Mining, Oil & Gas Extraction	6	4	0	0	0	4	0.1%
Utilities	6	4	0	0	0	4	0.1%
Construction	615	428	15	3	0	446	16.2%
Manufacturing	88	124	15	9	2	150	5.4%
Wholesale Trade	93	75	3	0	0	78	2.8%
Retail Trade	178	327	28	12	1	368	13.3%
Transportation & Warehousing	88	87	5	3	0	95	3.4%
Information & Cultural Industries	21	11	1	0	0	12	0.4%
Finance & Insurance	157	66	11	0	0	77	2.8%
Real Estate, Rental & Leasing	439	97	2	1	0	100	3.6%
Professional, Scientific & Technical Services	396	239	7	1	0	247	9.0%
Management of Companies & Enterprises	145	33	3	2	0	38	1.4%
Admin & Support, Waste Management	113	117	5	1	0	123	4.5%
Educational Services	28	27	8	4	1	40	1.5%
Health Care & Social Assistance	90	261	7	4	0	272	9.9%
Arts Entertainment & Recreation	54	41	3	4	0	48	1.7%
Accommodation & Food Services	70	134	34	13	0	181	6.6%
Other Services	204	250	8	1	0	259	9.4%
Public Administration	—	16	2	3	0	24	0.9%

Source: Statistics Canada, Business Registry, 2011

Unemployment rates dropped across Vancouver Island in 2011

In 2011, the unemployment rate on Vancouver Island was 7.7%, down from 10.6% in 2010. Vancouver Island's unemployment rate was similar to BC's rate of 7.5%.

However, unemployment for some groups in our community, including First Nations, was notably higher. Youth unemployment was 12.6%.
(Source: BC Stats)

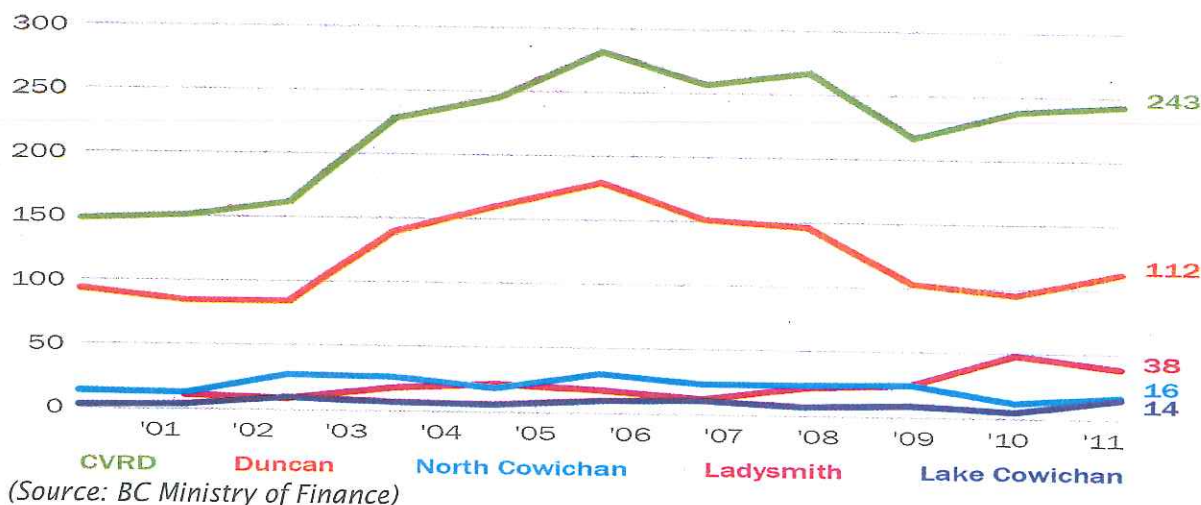
Median Earnings and Income Inequity

In 2012, tax filer data showed that the CVRD had one of the highest median incomes of BC communities with a comparable economic structure, at \$29,012. However, the gap between median male and female earnings was amongst the highest in BC, with women reporting median earnings at 63% of men's reported earnings.

Despite our higher median incomes, one in four tax filers in our region reported income of less than \$15,000 per year.
(Source: BC Stats)

BUSINESS GROWTH

More new businesses are incorporating



CONSTRUCTION

Building permits are down

The value of building permits declined by 31% in 2011, down to a low not experienced since 2004. The decline in the CVRD was amongst the deepest in comparable communities, where changes ranged from +12% to -45%. However, the average value per start in 2011 was the highest of any of the subject years at \$279,625 per unit, 7% higher than 2010 and 53% higher than the base year 2004. It is important to note that not all projects require a building permit and that not all municipalities and regions report.

	Total Building Permit Value	Non-Residential				Residential	
		Total Non- Residential	Industrial	Commercial	Institutional & Government	Total Residential	Number of Housing Units
	\$ Millions						Units
2004	96.8	23.0	2.0	14.8	6.2	73.8	529
2005	124.6	26.2	3.7	11.2	11.2	98.4	759
2006	141.7	41.6	6.3	14.2	21.1	100.1	717
2007	166.9	77.0	1.6	43.1	32.3	89.9	613
2008	146.9	57.1	10.7	32.7	13.7	89.8	558
2009	110.5	39.4	5.7	26.1	7.5	71.1	457
2010	151.7	33.4	4.6	19.9	8.9	118.3	580
2011	104.3	21.8	3.5	6.3	12.1	82.5	373

(Source: Statistics Canada: data collected from municipal and Regional District offices))

TOURISM

Room revenue is down slightly

Tourism room revenue in the CVRD Decreased by -4% in the first three quarters of 2010, compared with declines of Comox -6% and CRD -2%.

(Source: BC Stats, Quarterly Regional Statistics, 2012)

Note: The province of BC has not updated the room revenue indicator since 2009 because of the introduction of the HST and subsequent difficulty in calculating the 2% Additional Hotel Room Tax in many BC communities.

RETAIL

Retail sales are above the national average

Retail sales in our community were \$15,179 per capita, 10% above the national average.

(Source: FP Markets Canadian Demographics)

FORESTRY

Forestry remains a vital part of our economy

In 2012, Catalyst and Western Forest Products mills employed an estimated 990 people in our communities. It is estimated that together they generate:

- 3,900 spin-off jobs;
- \$788 million in spin-off economic activity, and
- \$17.6 million in spending with local businesses.

(Source: Western Forest Products; Catalyst; Cowichan News Leader)

AGRICULTURE

The number of farmers is dropping; however, gross farm receipts are increasing.

The further growth of farms in the Cowichan is connected to the availability of water. Of the prime agricultural land in our region, 80% requires irrigation, while only just over 25% is currently irrigated.

	2001	2006	2011
Small operators (<\$24,999)	553	533	538
Medium operators (\$25,000 – \$99,999)	62	84	77
Large operators (\$100,000+)	76	83	70
Total # of Farms	691	700	685
Gross farm receipts	\$38,656,691	\$47,554,455	\$48,089,900

Source: Statistics Canada, Census of Agriculture

FILM

Movie, TV and commercial shoots contribute to our local economy

Between 2005 and 2011, 19 films were shot in the Cowichan region, including five local productions. The film industry has directly contributed \$145.7 million to our local economy.

(Source: Film Cowichan)

TAXES

Taxation rates were a point of discussion in 2012.

Property taxation is the most important single source of municipal revenue. The tax rates reflect the amount of revenue required to deliver important services provided to residents and businesses in our communities. Not every municipality or electoral area participates in the same services. There is also variation between communities as to what portion of taxes is paid by residents and what portion is paid by different types of businesses.

	Duncan	Ladysmith	Lake Cowichan	North Cowichan
Residential	4.00230	4.46270	4.02049	3.82030
Utilities	37.15460	36.26910	25.09183	30.56220
Major Industry	0.00000	94.90740	78.26180	25.78690
Light Industry	0.00000	20.92180	13.66966	17.19120
Business/Other	12.09300	14.50680	12.06147	8.59560
Managed Forest	0.00000	37.04270	15.07684	17.19120
Recreation	5.58980	3.03090	4.02049	3.01800
Farm	4.00230	28.15250	0.00000	3.82030

Source: Ministry of Community, Sport and Cultural Development, 2012 Assessments, Tax Rates, Municipal Taxes and Class Proportions of Taxes and Assessments