



REPORT

To: Chair and Directors

Report Number: ADM-BRD-067

From: Tyra Henderson, Corporate Officer

Date: August 14, 2020

Subject: Economic Development Function Options

RECOMMENDATION: [Corporate Unweighted]

That the Regional Board receive the report titled Economic Development Function Options - ADM-BRD-067, which provides the Board with options to consider for the continuation of Function 140 – Economic Development, for discussion.

BACKGROUND/RATIONALE:

At the June 11, 2020 Regional Board meeting, the following resolution regarding Economic Development was adopted:

MOVED, SECONDED, and CARRIED

That the Regional Board include consideration of the establishment of an economic development function, pertinent to the Electoral Areas only, in the upcoming workshop on the administration of regionally funded grants.

At the June 25, 2020 Board Meeting the Board resolved the following:

MOVED, SECONDED, and CARRIED

That the Regional Board schedule a Special Meeting for Tuesday, August 18th to review Regional Grants in Aid and Economic Development to determine a path forward for 2021.

MOVED, SECONDED, and CARRIED

That the Regional Board include consideration of the establishment of an economic development function, pertinent to the Electoral Areas only, in the upcoming workshop on the administration of regionally funded grants.

The Board considered a report from the Chief Financial Officer earlier in the meeting regarding the evaluation of STARS, TRGGS, TR Museum, and hockey events for establishment of a stand-alone function. Each of these initiatives have been funded from both Function 275 Grants to Community Organizations (which relies on Supplementary Letter Patent #23 dated March 30, 1986 and provided the PRRD with the authorities of Recreational Programmes, Community Services, Regional Parks, and Control of Noxious Weeds) **AND** from Function 140 – Economic Development, in previous years.

Option 1 – reliance on the existing authority, will not allow the PRRD to continue to provide Economic Development Grants as has been done in prior years. SLP #28 from 1978 specifically provided the Regional District the authority to operate an Industrial Development Commission, under terms and

conditions for its operations as established by the Regional Board and does not include Tumbler Ridge, which did not yet exist. Bylaw 166 sets the terms and conditions of the Commission, dubbed an Economic Development Commission, with the purpose being to “coordinate, facilitate, and promote economic development among member municipalities (which by context, includes electoral areas) pursuant to the Canada BC Industrial Development Subsidiary Agreement and its guidelines” (which no longer exists). The bylaw goes on to specify what the commission would undertake, primarily promotion of the region and provision of profile information to attract investment to the area, coordination of studies to assist with such attraction, and general business support and development. The SLP does not speak to provision of grants. The maximum requisition for this function is \$0.124/\$1000 as per Tax Limits Regulation 149, 1984.

Alternatively, the Regional Board may wish to pursue an economic development function on a regional basis (Option 2) or on an electoral area only basis (Option 3), or discontinue Economic Development (Option 4).

ALTERNATIVE OPTIONS:

1. That the Regional Board rely on the authority(ies) granted under Supplementary Letter Patent #28, dated February 24, 1978 and Peace-Liard Regional Economic Development Commission Bylaw 166, 1978 for the economic development function in 2021.
2. That the Regional Board seek to convert Supplementary Letter Patent #28, dated February 24, 1978 into an Economic Development Service Establishment Bylaw that includes the ability to provide grants in aid, with all electoral areas and member municipalities as participants.
3. That the Regional Board seek to convert Supplementary Letter Patent #28, dated February 24, 1978 into an Economic Development Service Establishment Bylaw that includes the ability to provide grants in aid, with only the electoral areas as participants.
4. That the Regional Board seek to convert Supplementary Letter Patent #28, dated February 24, 1978 into an Economic Development Service Establishment Bylaw for the purpose of repeal, thereby eliminating the function.
5. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Not Applicable to Strategic Plan.

FINANCIAL CONSIDERATION(S):

The Economic Development Function budget totaled \$927,338.00 in 2020.

COMMUNICATIONS CONSIDERATION(S):

Information regarding the availability of economic development grants and the application process is posted to the PRRD website, which will be updated to reflect the 2021 reality.

OTHER CONSIDERATION(S):

The deadline for completion of a conversion bylaw that is applicable to the 2021 taxation year is October 1, 2020. It will be impossible to complete a conversion bylaw prior to that date for economic development, as a conversion bylaw requires Ministry approval; the website suggests that 6-8 weeks is the usual timeline for Ministry approval of bylaws. Therefore, as SLP 28 provides no authority for grants in aid, and a conversion cannot be completed for the 2021 taxation year, the PRRD will not be in a position to provide Economic Development Grants in 2021.

Attachments:

1. Supplementary Letter Patent #28, DIVISION XXI - Industrial Development Commission
2. Peace Liard Regional Economic Development Commission Bylaw 166, 1978