

# Community Economic Development 101

Rural Community Development Branch  
(RCDB)  
OMAFRA

# Introduction


- What's the RCDB?
  - Part of the Economic Development Division of the Ontario Ministry of Agriculture, Food and Rural Affairs
  - Vision: a catalyst for prosperous rural economies
- Who are our Clients?
  - Municipalities, Community Economic Development Groups, Chambers of Commerce, BIAs, CFDCs, etc.
- What do we do?
  - Support organizations in developing and executing economic development strategies

# Introduction

- Target Audience
  - Elected officials
  - Economic development staff
  - Other
- Assumptions
  - You are interested in taking a *strategic* approach to economic development in your community




# Resources

- 
- Slide Deck
  - Community Economic Development Activity Matrix
  - Activity Matrix Quick Reference Guide
  - List of Additional Resources
  - Action Planning Work Sheet




# Our Goals

- 
- Provide a model of how to understand basic economic activity in community
  - Increase understanding of potential scope (spectrum) of economic development activity
  - Introduce various filters through which the spectrum of activities can be assessed for fit



# Our Goals

- 
- Introduce framework/methodology to map current levels of activity by different organizations in their community
  - Use the framework to begin to identify gaps in activity...practical illustration of how the framework can be applied
  - Identify potential roles for municipality in ED
  - Increase capacity to contribute to economic development strategy

# Agenda

- **Introduction**
- What is Economic Development?
  - Key Concepts
  - Spectrum of Economic Development Activities
- Which Activities are Right for Us?
  - Tools to Assist You in Answering this Question
  - Interactive Activities (with Break)
- Resources Available
- Conclusion & Questions

# A Big Thank You to our Partners:

- Representatives of various organizations (Provincial Ministries, Federal Agencies, Ec. Dev. Staff from Municipalities)
  - Assisted in the development/review of the training material

# Introductions

- Around your table
  - Name
  - Affiliation
  - Your role in Economic Development
- What are your goals for economic development?
  - 3 ideas per table (need a recorder/reporter)

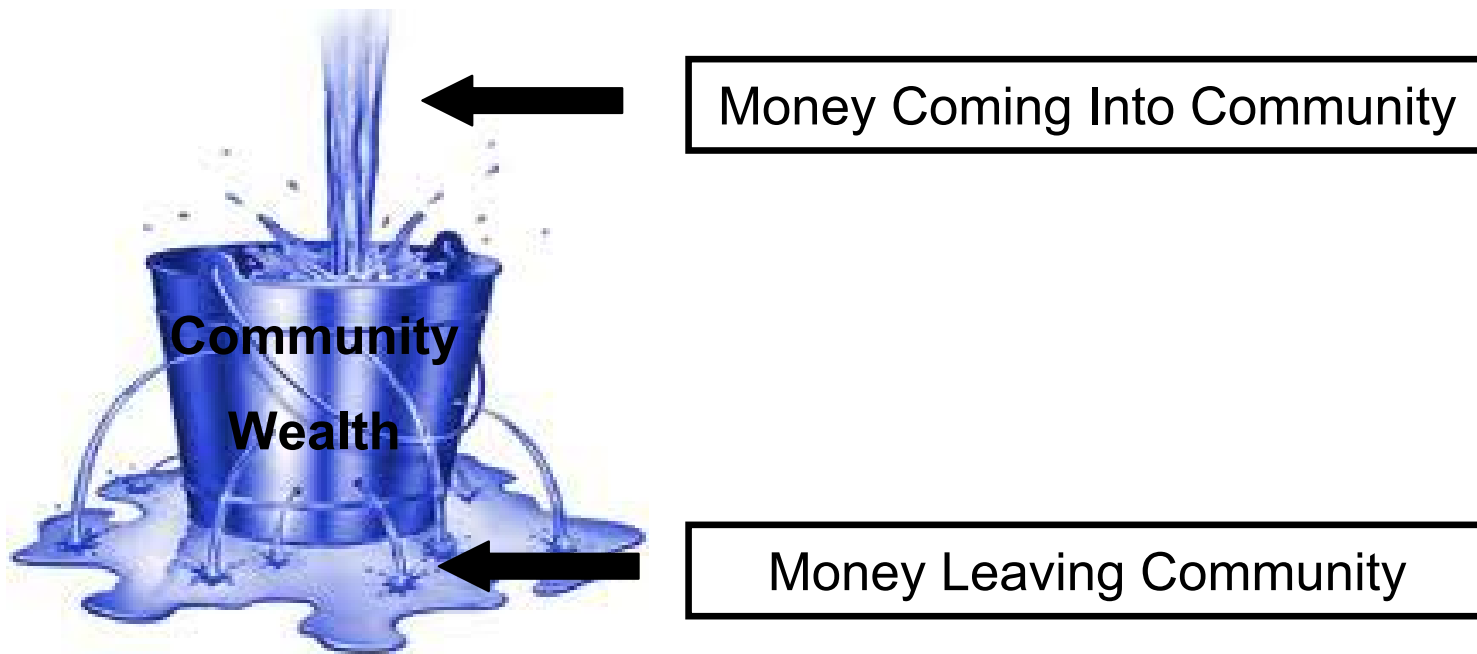
# What is Economic Development?

- “Economic Development is a process that influences the growth and well being of a community through such means as job creation, job retention, improved tax base and a reasonable life quality.” (Economic Developers Association of Canada)
- It’s about being *proactive!!!!*

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# So, What Does Your Economy Look Like?



# Two Basic Approaches to Grow the Local Economy and Increase Local Wealth



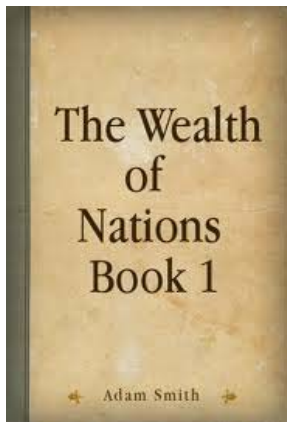
## 1. Bring in New Money

- Attracting/Starting New Businesses
- Expanding Existing Businesses
- Export Development
- Encouraging visitors to spend money in your community

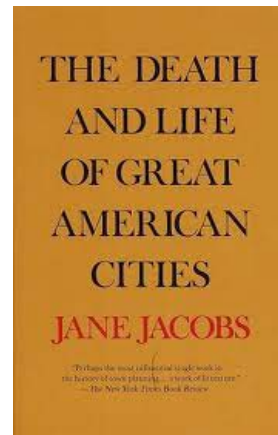
## 2. Plug the Leaks

- Retaining Existing Businesses
- Buy Local Initiatives

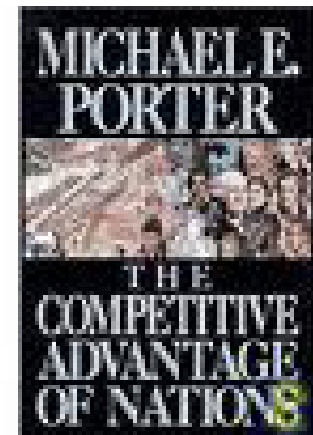
# Insights and Inspiration...



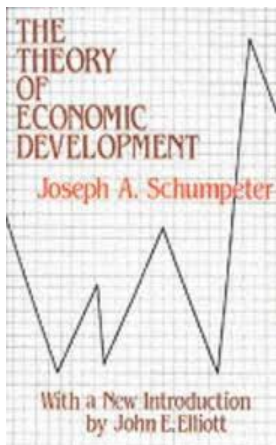
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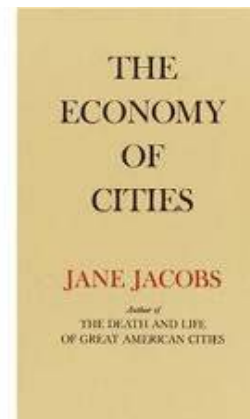
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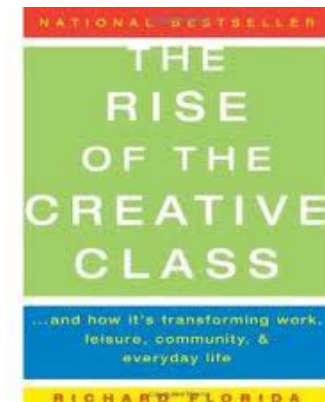
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1911



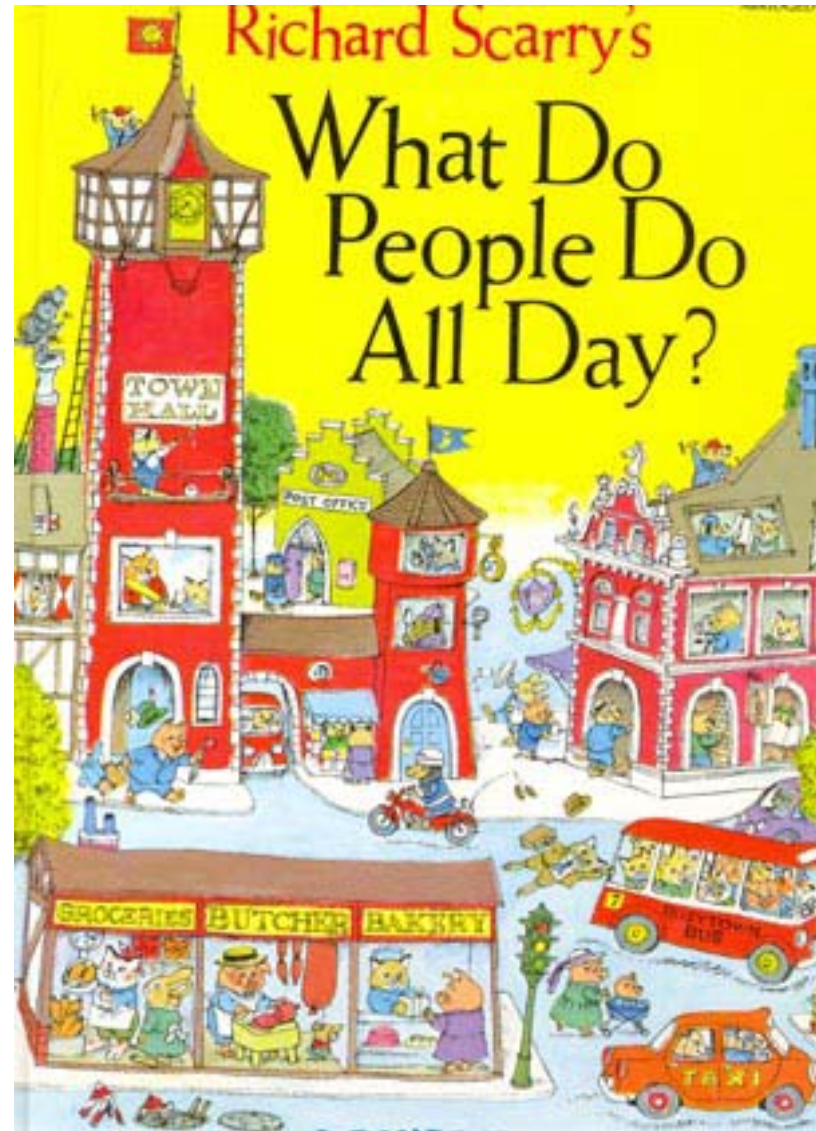
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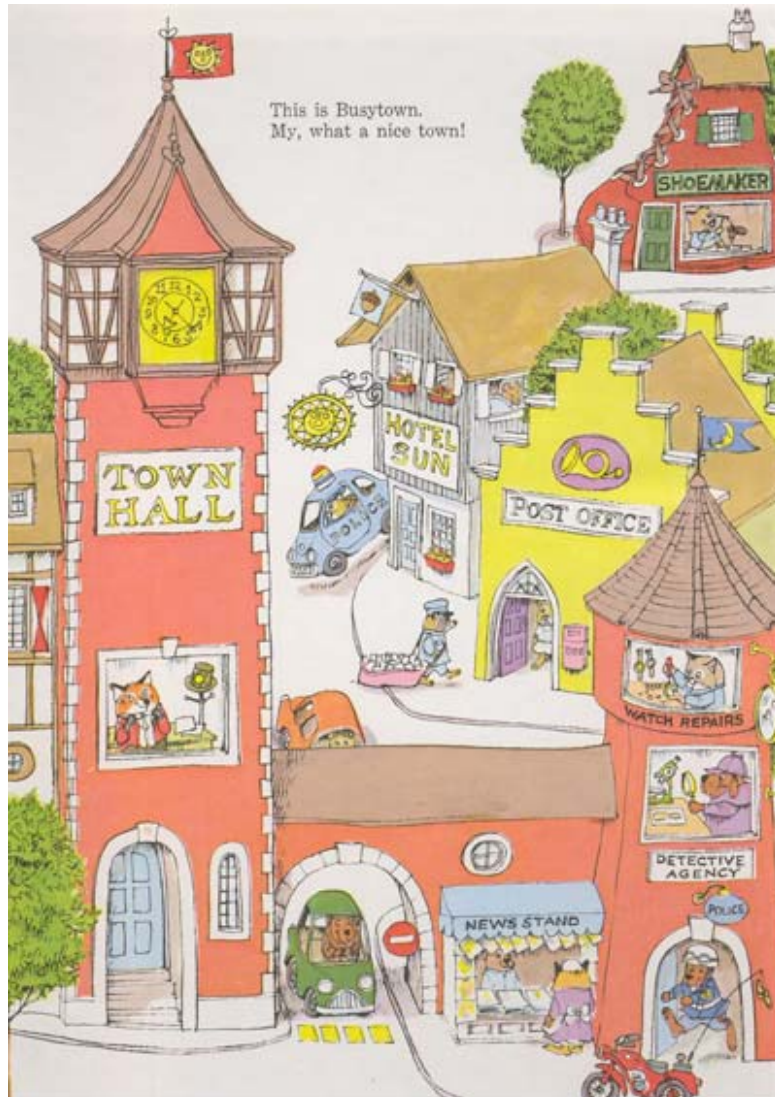


2002

# Insights and Inspiration...

A key underlying question in community economic development is, “What do people do all day?”





# Our Case Study Community

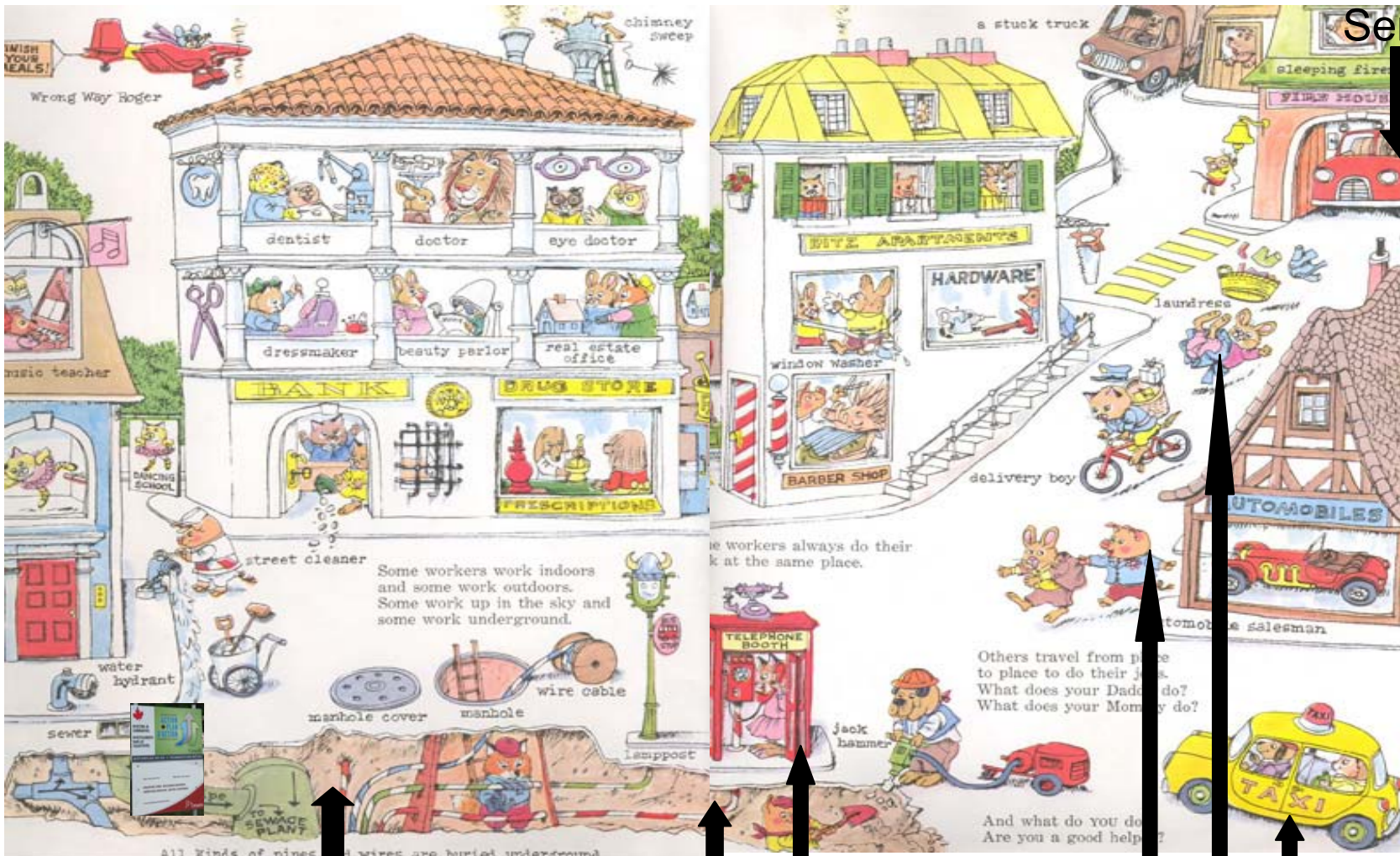
Let's begin by visiting the downtown...

# Evidence of Economic Development Activity?

Commercial/Residential Mix

Emergency Services

Signage



Retail & Service Mix

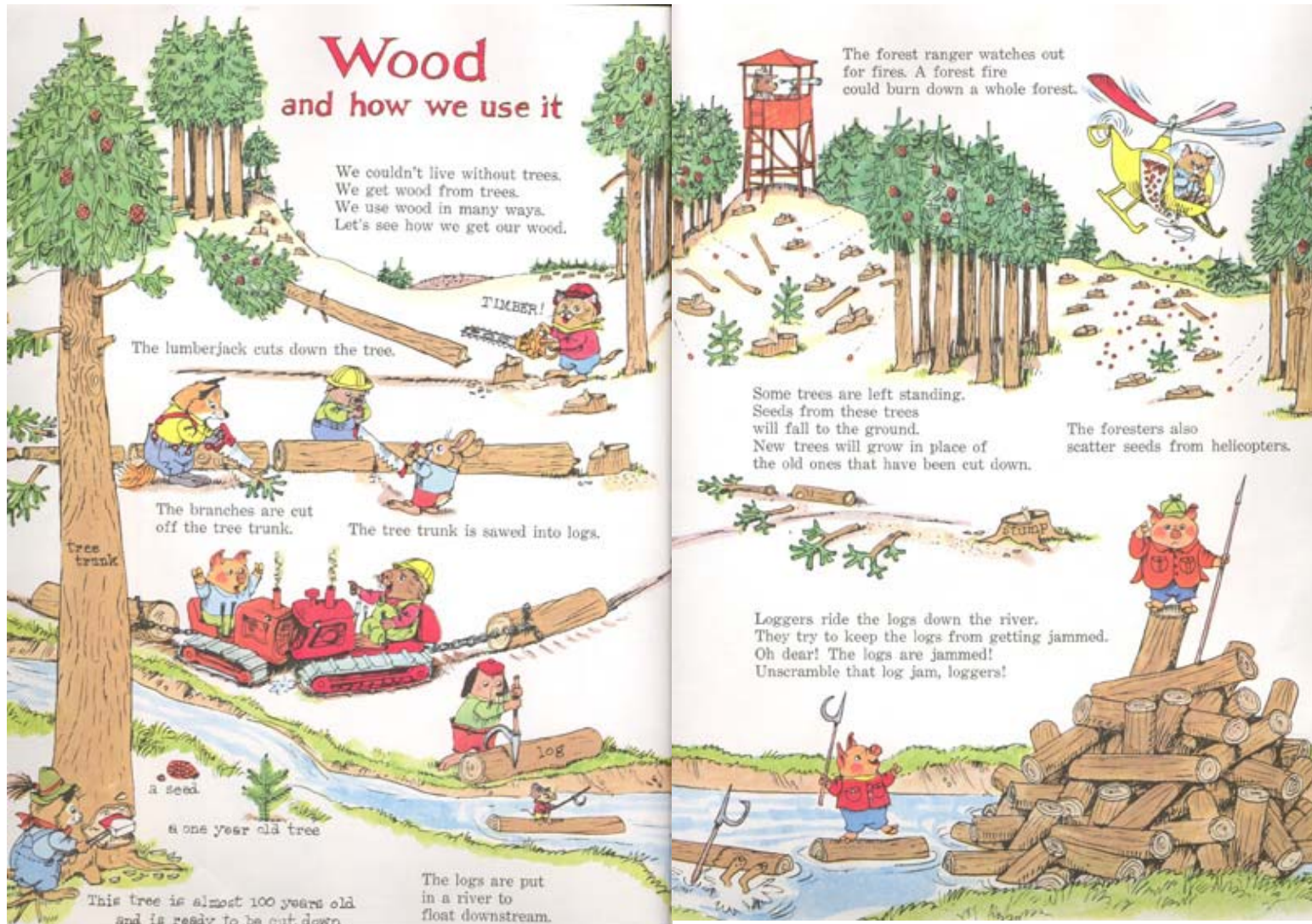
Facades

Infrastructure Improvements

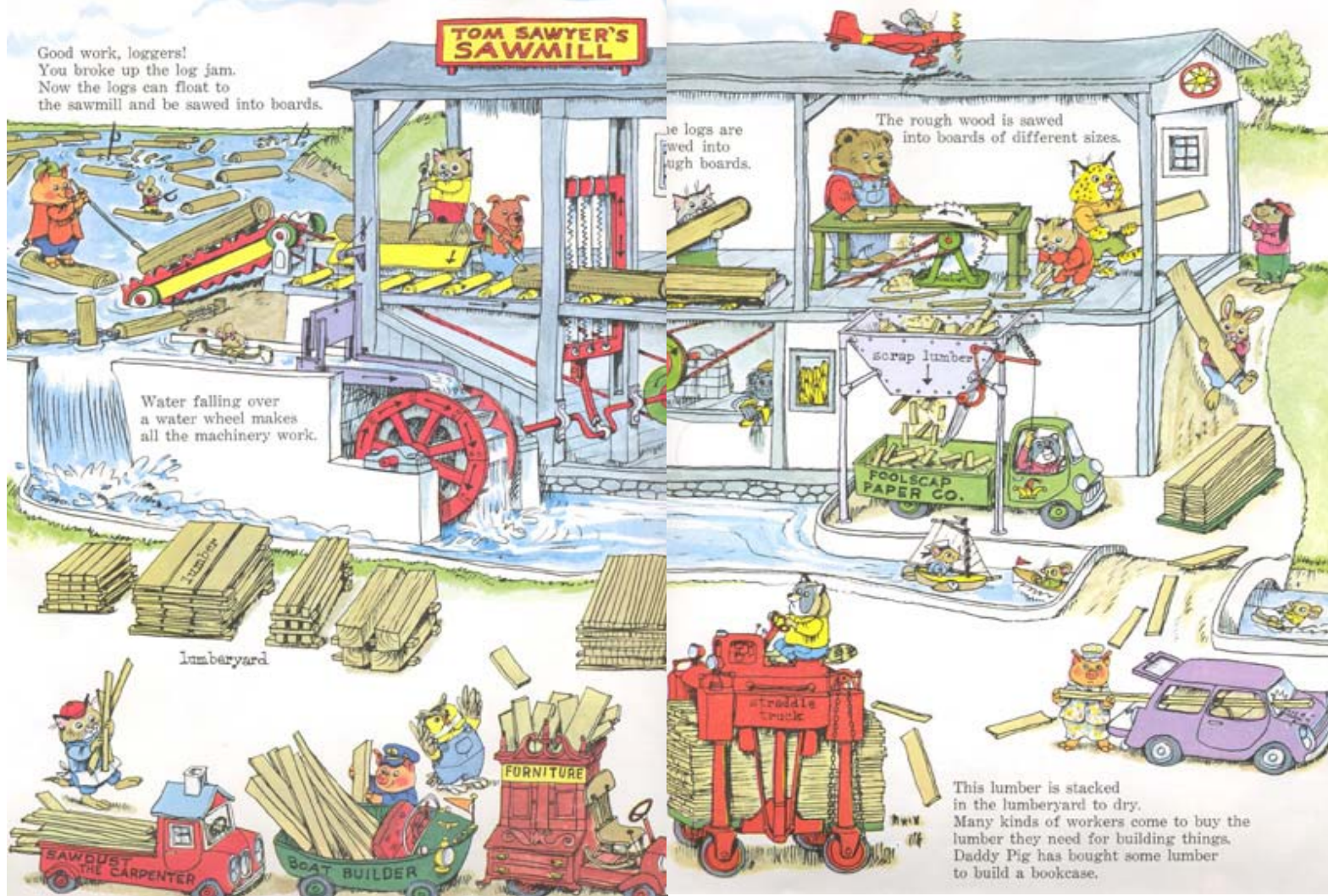
Telecommunications

Transportation

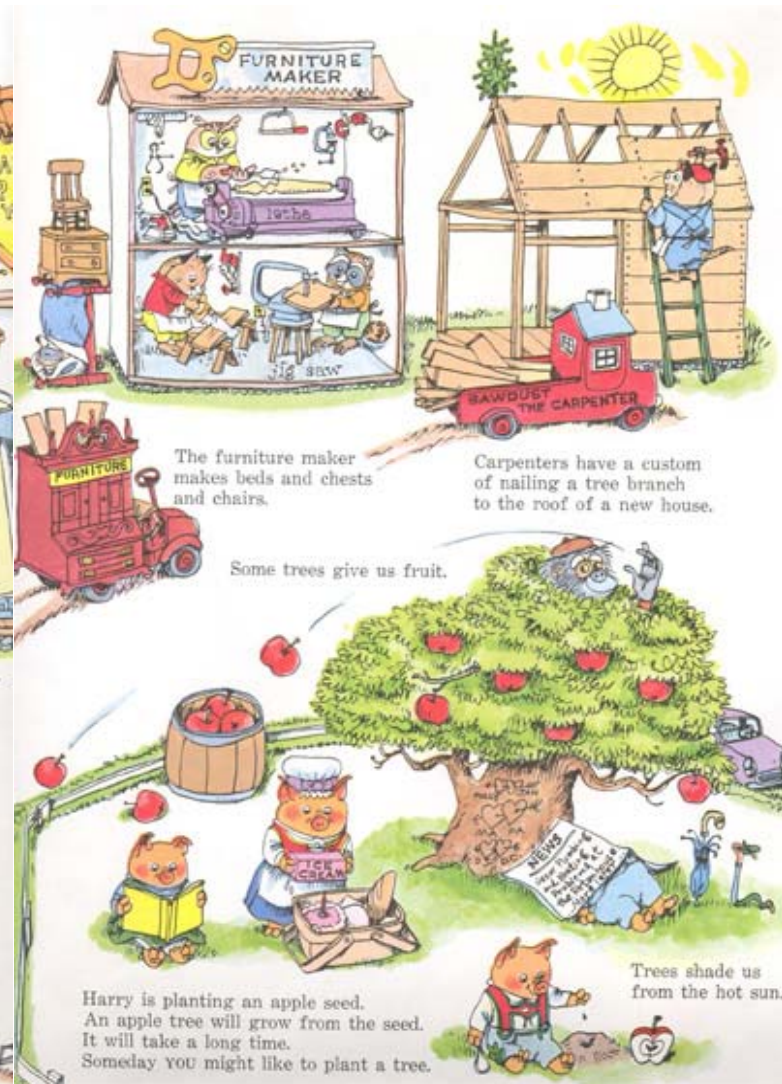
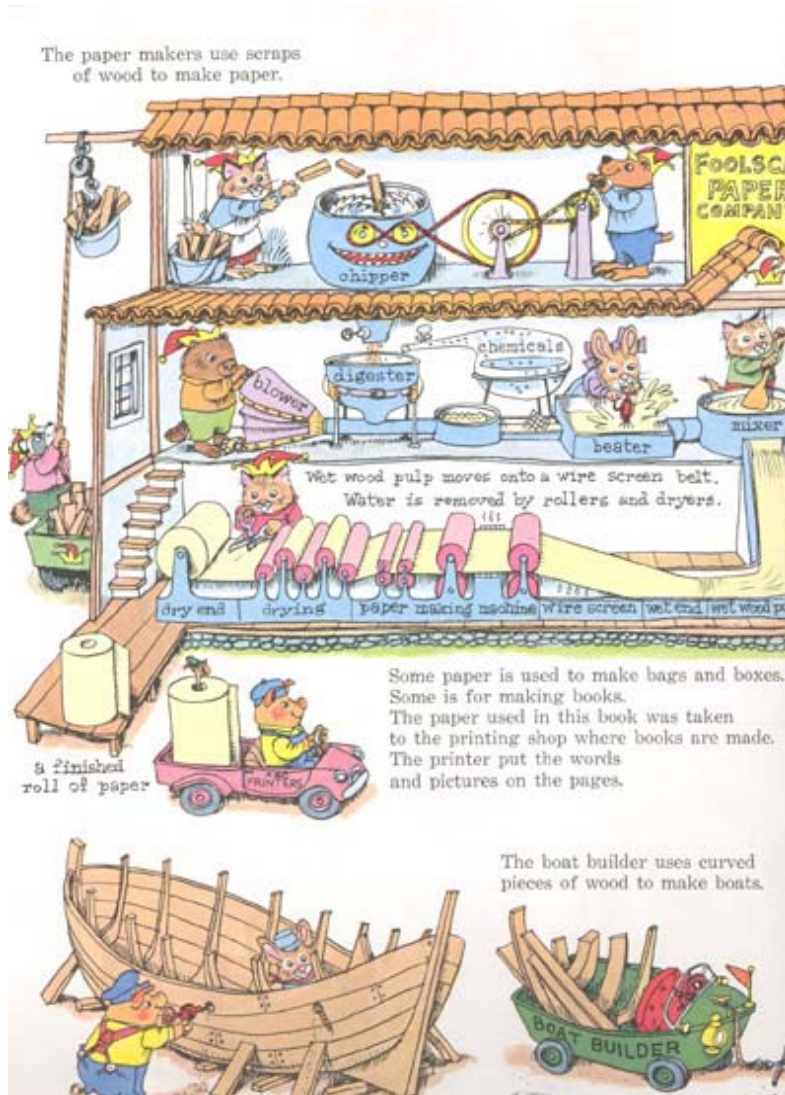
# Other Economic Activity in the Community



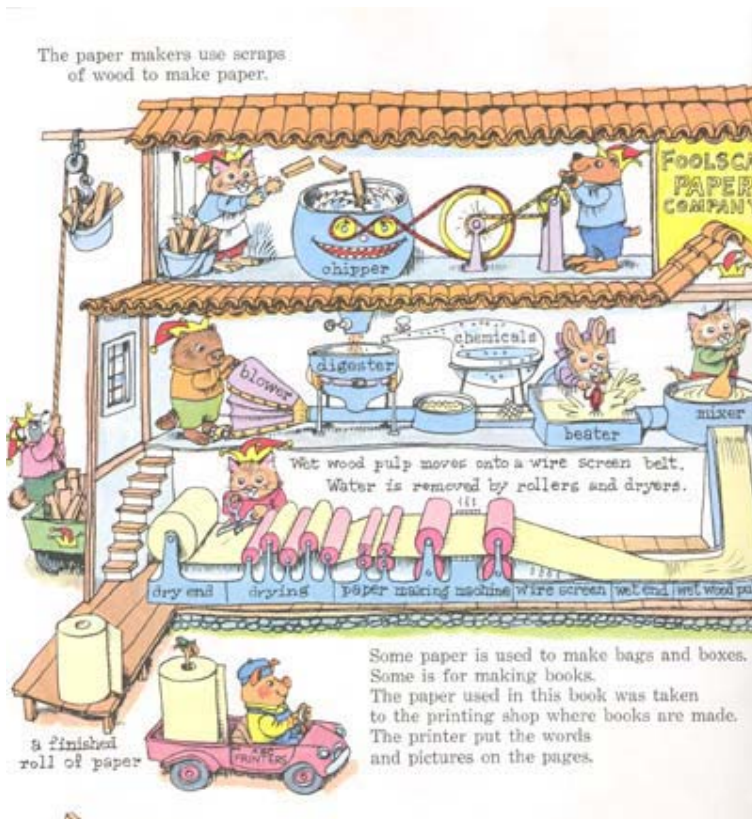
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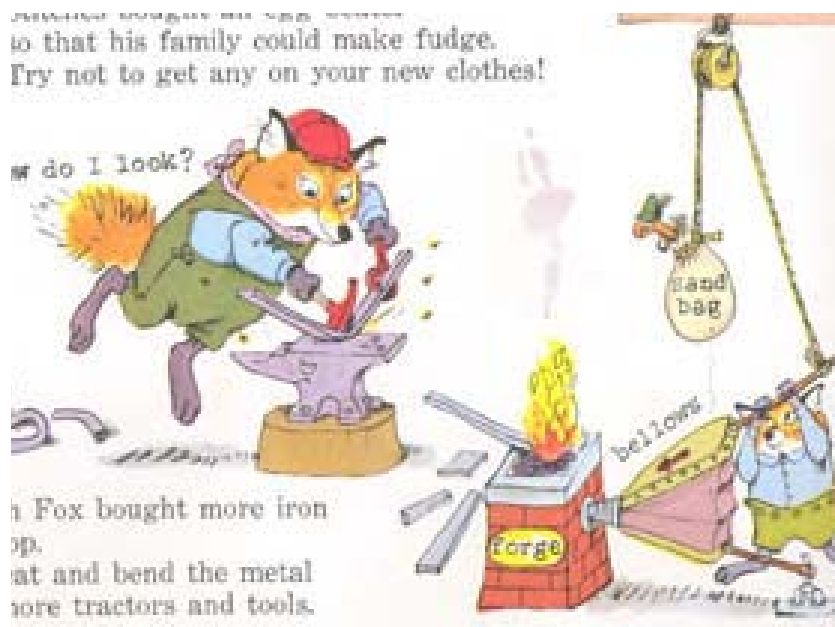


# Other Economic Activity in the Community



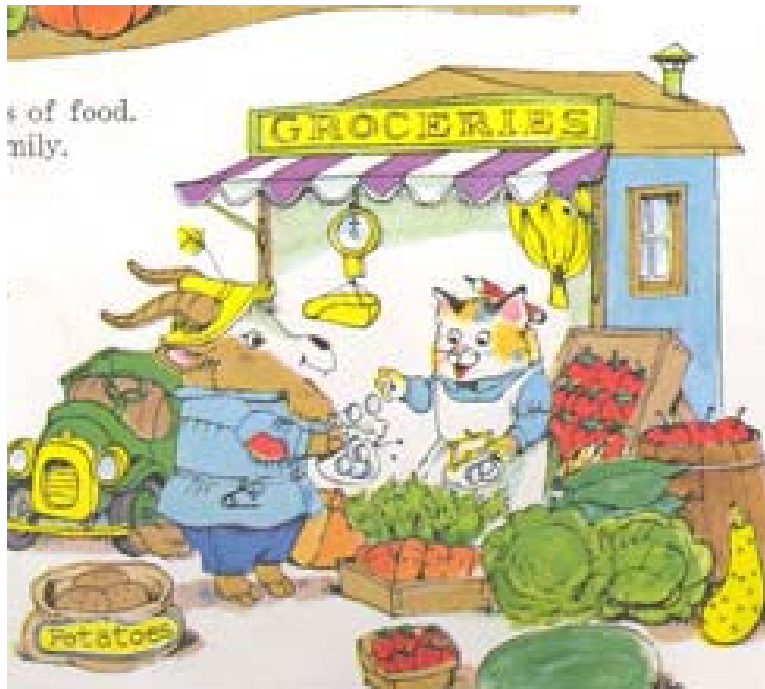
- **Direct Impacts** are the initial, immediate economic activities (jobs and income) generated by a project or development.

# Other Economic Activity in the Community



- **Indirect Impacts** are the production, employment and income changes occurring in other businesses/industries in the community that supply inputs to the project industry.

# Other Economic Activity in the Community



- **Induced Impacts** are the effects of spending by the households in the local economy as the result of direct and indirect effects from an economic activity.

**“Money is like  
manure, of  
very little use  
except it be  
spread.”**



Francis Bacon 1561-1626

# Keys to Success

1. Consider the full spectrum
2. Select activities that are appropriate
3. Set strategic goals and priorities
4. Develop realistic, community-based action plans
5. Resource the activities appropriately
6. Monitor progress
7. Adjust as necessary

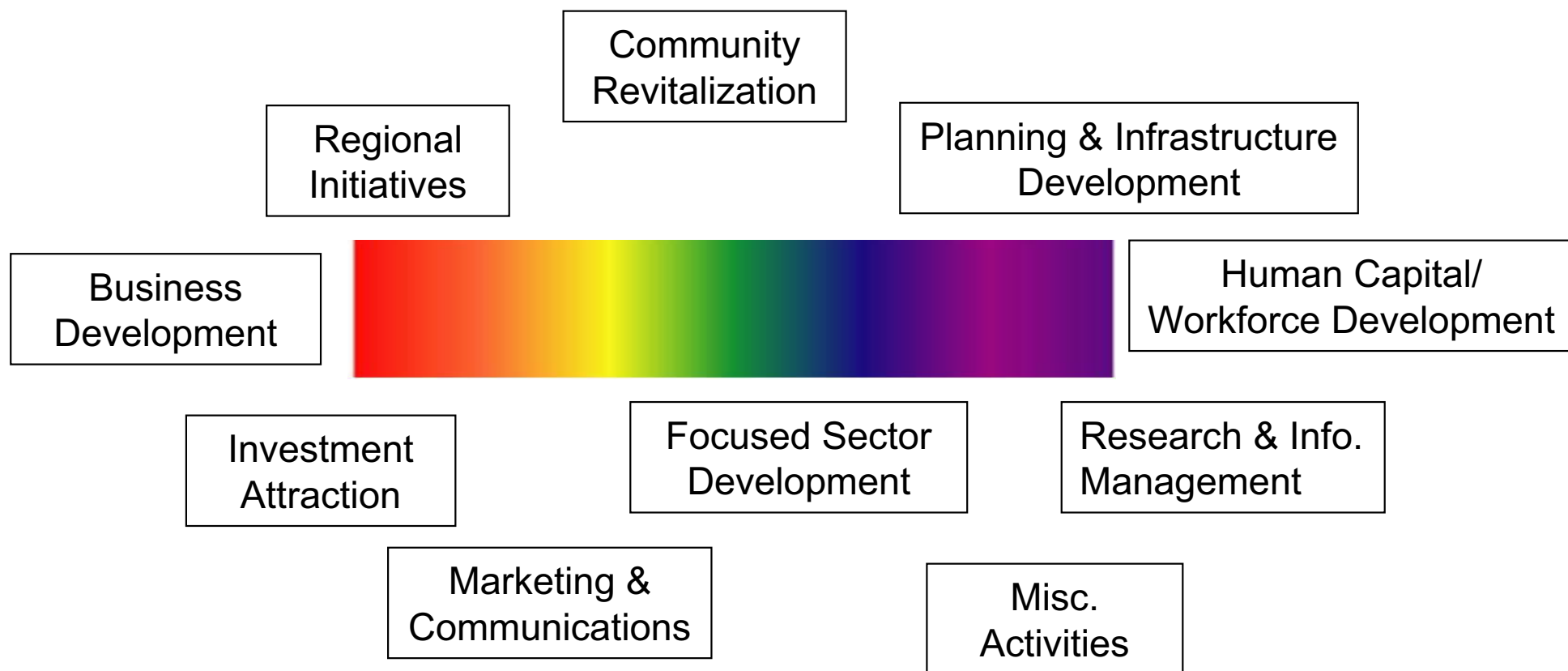


**Let's Begin at the Start...**



**Spectrum of Economic Development Activities**

# Spectrum of Economic Development Activities





# The Good News is...

- 
- You don't need to be doing them all...



## Rather...

- 
- You need to be ***STRATEGIC!!!!***

# Business Development

- **Business Retention and Expansion**
- **Entrepreneurship Development**
  - Business Counselling
  - Business Incubators
  - Mentorship Programs
  - Professional Development Workshops
- **Access to Capital**
- **Buy Local Initiatives (including local food)**
- **Export/Trade Development Services**
- **Business Networking and Recognition**

# Community Revitalization

- **Downtown Revitalization**

- Physical Improvements
- Promotion & Events
- Business Recruitment
- Management/Coordination of Downtown Revitalization Process

- **Healthcare Services**

- Recruitment/Retention
- Infrastructure

- **Education Services**

- **Culture & Recreation Infrastructure/Programs**
- **Environmental/Greening Activity**

# Human Capital / Workforce Development

- **Job Fairs**
- **Training/Education Programs/Apprenticeships**
- **Newcomer Attraction/Retention**
- **Youth Engagement/Retention**
- **Creative Economy**

# Investment Attraction

- **Lead Generation Activities**

- Cold Calls

- Participating in Trade Shows


- Connecting with Business Development Staff

- **Responding to Site Selector Inquiries**

- **Hosting Familiarization Tours/Investors**



# Involvement in Regional Economic Development Activities

- Ontario East Economic Development Commission
  - Eastern Ontario Wardens' Caucus
  - Greater Peterborough Area Economic Development Corporation
- 

# Marketing & Communications

- **Community Image and Brand Development/ Management**
- **Marketing Material Development**
- **Website**
- **Social Media**
- **Media Relations**

# Planning & Infrastructure Development

- **Land Use Planning - Industrial/Commercial Growth**
- **Brownfield Redevelopment**
- **Community Improvement Plans**
- **Sustainable Development**
- **Business Park Development/Ownership**
- **IT Infrastructure**
- **Residential Development**
- **Open for Business Approach**
- **Municipal Cultural Planning**



# Research and Information Management

- 
- 
- 
- 
- Economic Analysis
  - Community Profile
  - Business Directory
  - Land / Property Inventory
  - Tracking Progress



# Focused Sector Development

- **Tourism**

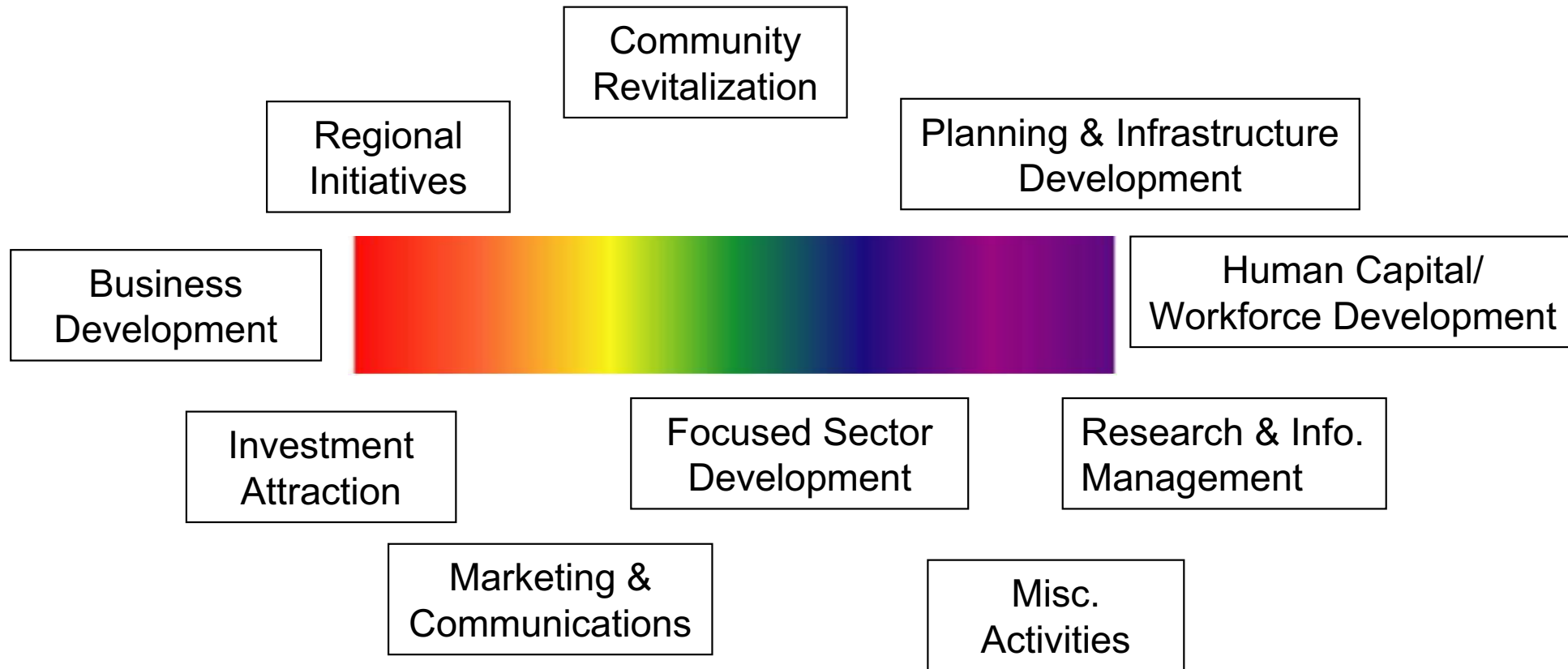
- Product Development
- Marketing
- Visitor Services
- Festivals and Events



# Misc. Activities

- **Grant Writing**
  - **Advocacy**
- 

# Comments/Questions About The Spectrum?



# Agenda

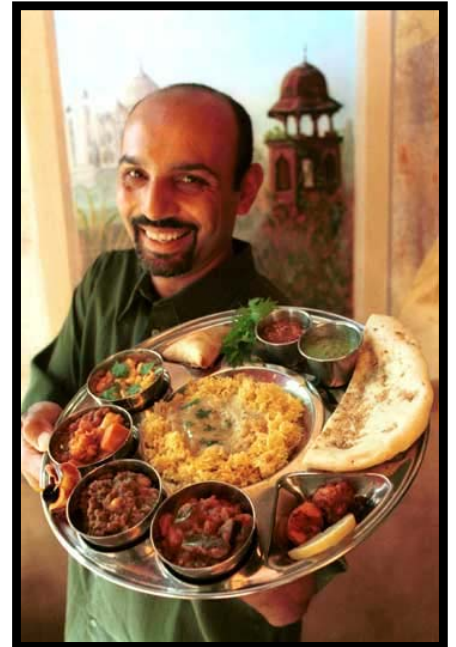
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  - Key Concepts
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- **Which Activities are Right for Us?**
  - Tools to Assist You in Answering this Question
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- Resources Available
- Conclusion & Questions

# So, what's next?

Now that you've seen the buffet, it's time for the really big question...



...what *should* you be putting on your economic development plate?



# Key Questions to Consider...

- Who Should be Part of the Discussion?
- What E.D. Activities are Currently Underway?
- What does your Economy Look Like?
- What key Opportunities and Threats do You See?
- What are Your Strengths and Weaknesses?
- How Much Effort Will an Activity Require?
- What is the Potential Impact of an Activity?
- How will you measure success?
- What is the Likelihood of Success?
- How does this Fit with our Community Vision?

# Who Should be Part of the Discussion?

- Unique to Each Community
- Economic Development Organizations
  - Council
  - Chambers
  - BIAs
  - CFDCs
  - Sector Organizations
  - Etc.

# Who Should be Part of the Discussion?



- Others?
- Basic Rule...if you want me to dance with you, I want input into the play list
- FYI...we've included sample Terms of Reference / Structures of Municipal Economic Development Committees in your resource package



# What E.D. Activities are Currently Underway?



## Community Economic Development Activity Matrix

- 
- 
- A systematic way to inventory economic development activity underway in a community


# Let's Look at the Activity Matrix

Activities	Organization(s)	Leading / Supporting	Comment / Nature of Activity
1. Business Development			
	i.e. South Erowin BR&E Committee	L	Leading multi-sectoral Business Owners Survey in 2011
a) Business Retention and Expansion			
b) Entrepreneurship Development			
i) Business Counselling			
ii) Business Incubators			
iii) Mentorship Programs			
iv) Professional Development Workshops			
c) Access to Capital			
d) Buy Local Initiatives (including Local Food)			
e) Export/Trade Development Services			
f) Business Networking & Recognition			

Page 2



# What E.D. Activities are Currently Underway?

- Completing the Matrix will...
    - Provide you with a snap shot of E.D. activities underway in the community, and who is leading/supporting those activities
    - Reveal potential gaps in E.D. activities
    - Assist you in identifying possible areas where there might be duplication of effort
    - Help you in identifying possible areas for increased collaboration
- 

# What E.D. Activities are Currently Underway?

- Completing the Matrix alone *will not necessarily...*
  - Tell you which activities are right for your community...
- To answer the “What is right?” question, the Matrix needs to be used in conjunction with the other filters

# Let's Look at the Activity Matrix

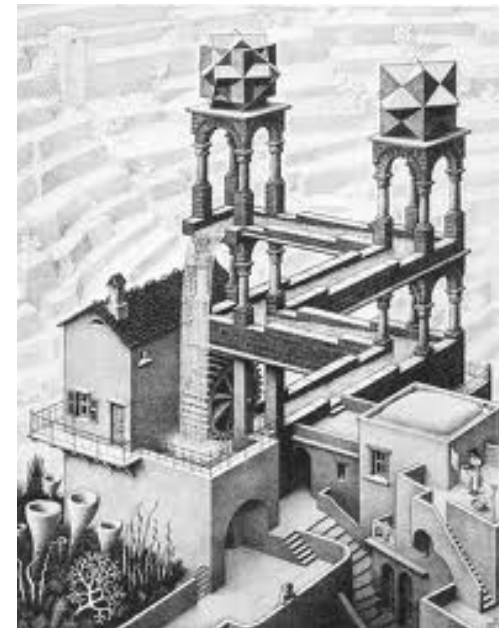
- The matrix can be applied in a number of ways:
  - Individual or group activity
  - Reflecting on work of one organization or the work of multiple stakeholders



**Let's get back to considering other key questions you might visit when filtering the activities in the Matrix.**

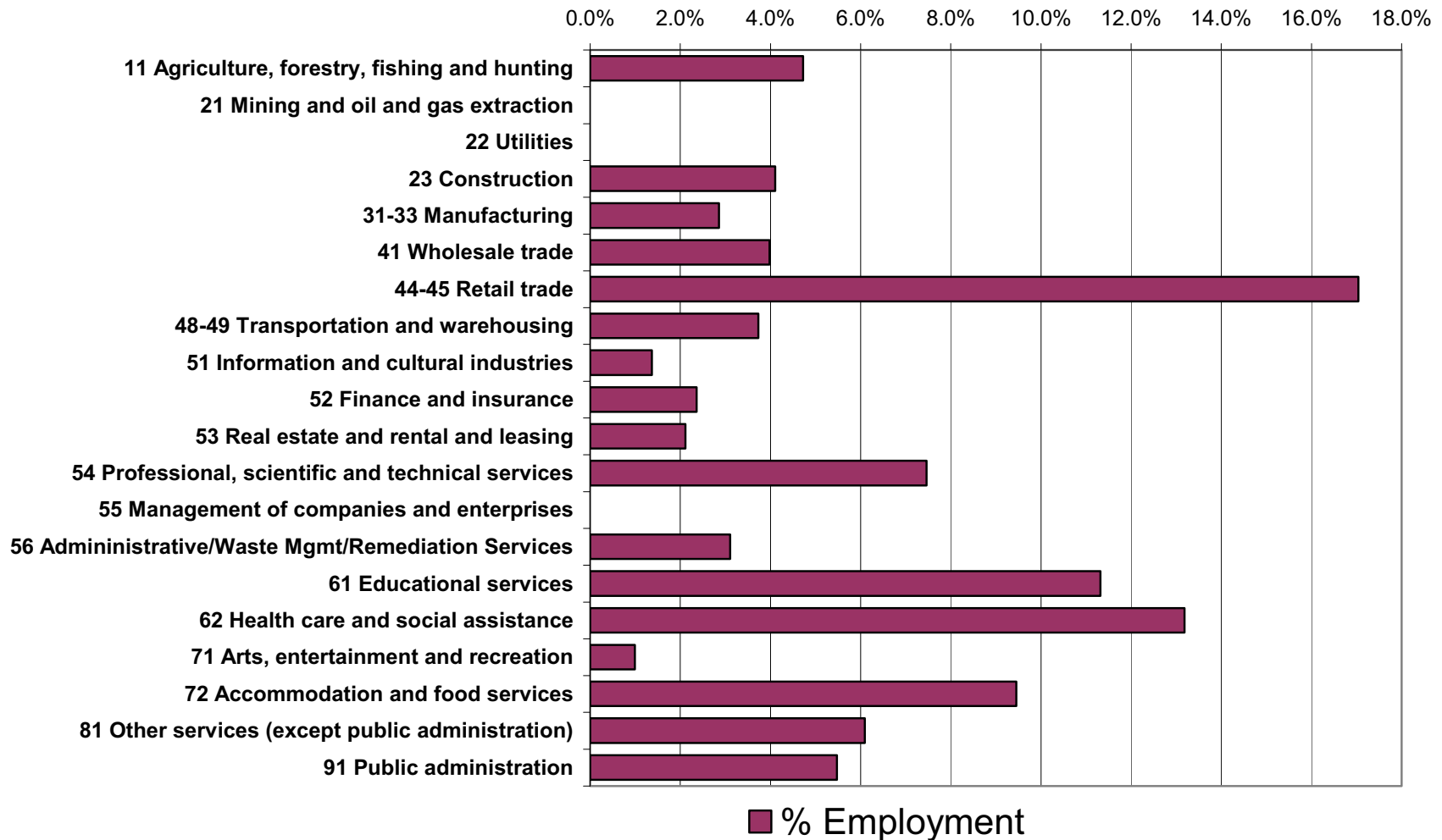
# What does your Economy Look Like?

- Community Economic Analysis Tools
  - Offer you quantitative insights into the nature of, and dynamics at play within your economy
    - Leading sectors
    - Labour flow
    - Etc
- Perception vs. Reality



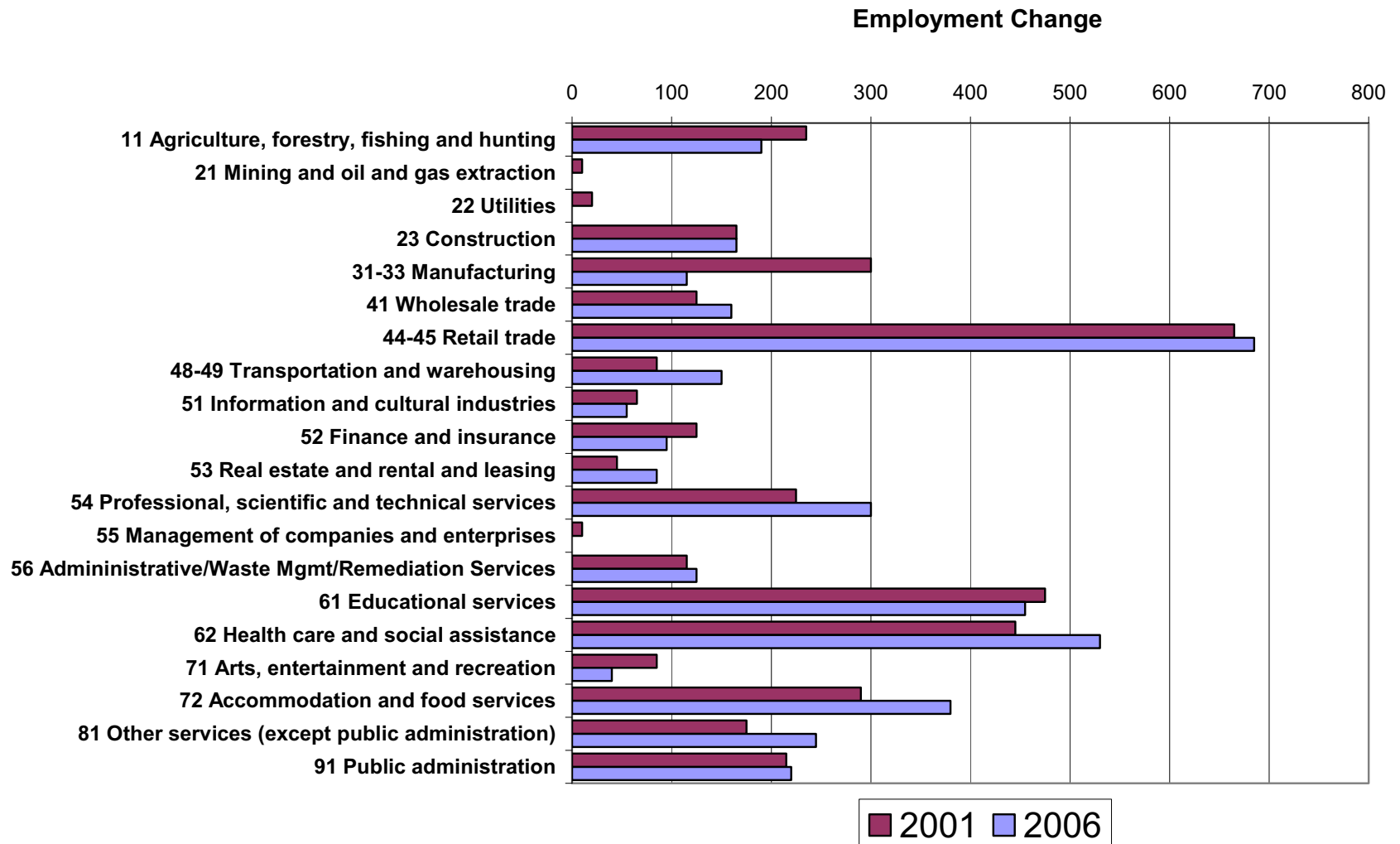
# What does your Economy Look Like?

## North Grenville - % Employment



# What does your Economy Look Like?

## North Grenville - Change in Employment 01 to 06



# SWOT Analysis

- **Strengths**

- **Weaknesses**

- **Opportunities**

- **Threats**

**Internal**

**External**

# Strengths and Weaknesses

- How do we stack up as a community/organization?
  - Location
  - Assets
  - Resources (Human, Financial)
  - Etc.
- Strengths and Weaknesses need to be assessed relative to the Opportunities and Threats in the external environment.

# Assets



**What are your whales and icebergs?**

(Brian Tobin)



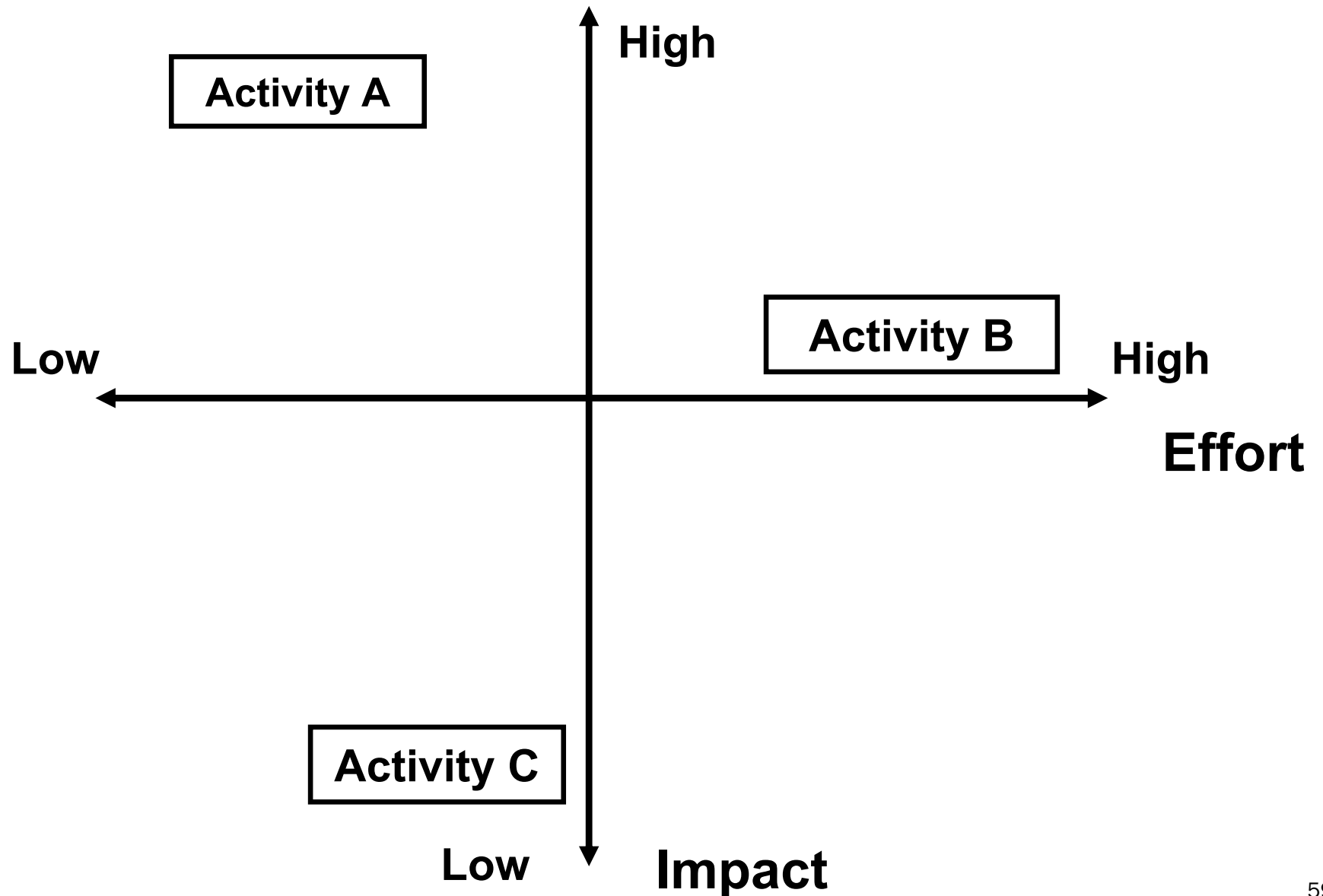
# Opportunities and Threats


- What are the key forces at play in the *external environment* that we should pay attention to?
  - Technological
  - Social
  - Regulatory
  - Etc.
- Opportunities and Threats need to be assessed relative to the Strengths and Weaknesses of your community/organization

# Effort & Impact Analysis

- How much effort will this activity require?
  - Time
  - Cost
  - Partnerships
  - Etc.
- What is the potential impact if we are successful?
  - High
  - Low

# Effort & Impact Analysis (Map)





**A community is considering six possible economic development activities. Where would they go on the Effort vs. Impact Grid?**

- 
- Develop a **Community Profile**
  - Complete a **Business Retention and Expansion Program**
  - Establish a **Community Improvement Plan**
  - Develop a **Business Park**
  - Establish a **Business Incubator**
  - Host a **Job Fair**

# Effort & Impact Analysis Activity Debrief

- Challenges?
- Surprises?
- Was there additional information you wished you had at your disposal in order to complete this task?
- Can you see this being used in your community?

# How Will You Measure Success?

- Job Growth
- Job Retention
- Capital Investment
- Increased Assessment
- New Partnerships
- Improved Internet Access
- Vacancies in Downtown
- Etc.



# Likelihood of Success?

- 
- All other things considered, what are the odds of us pulling this off?

## Reflect on These Questions:

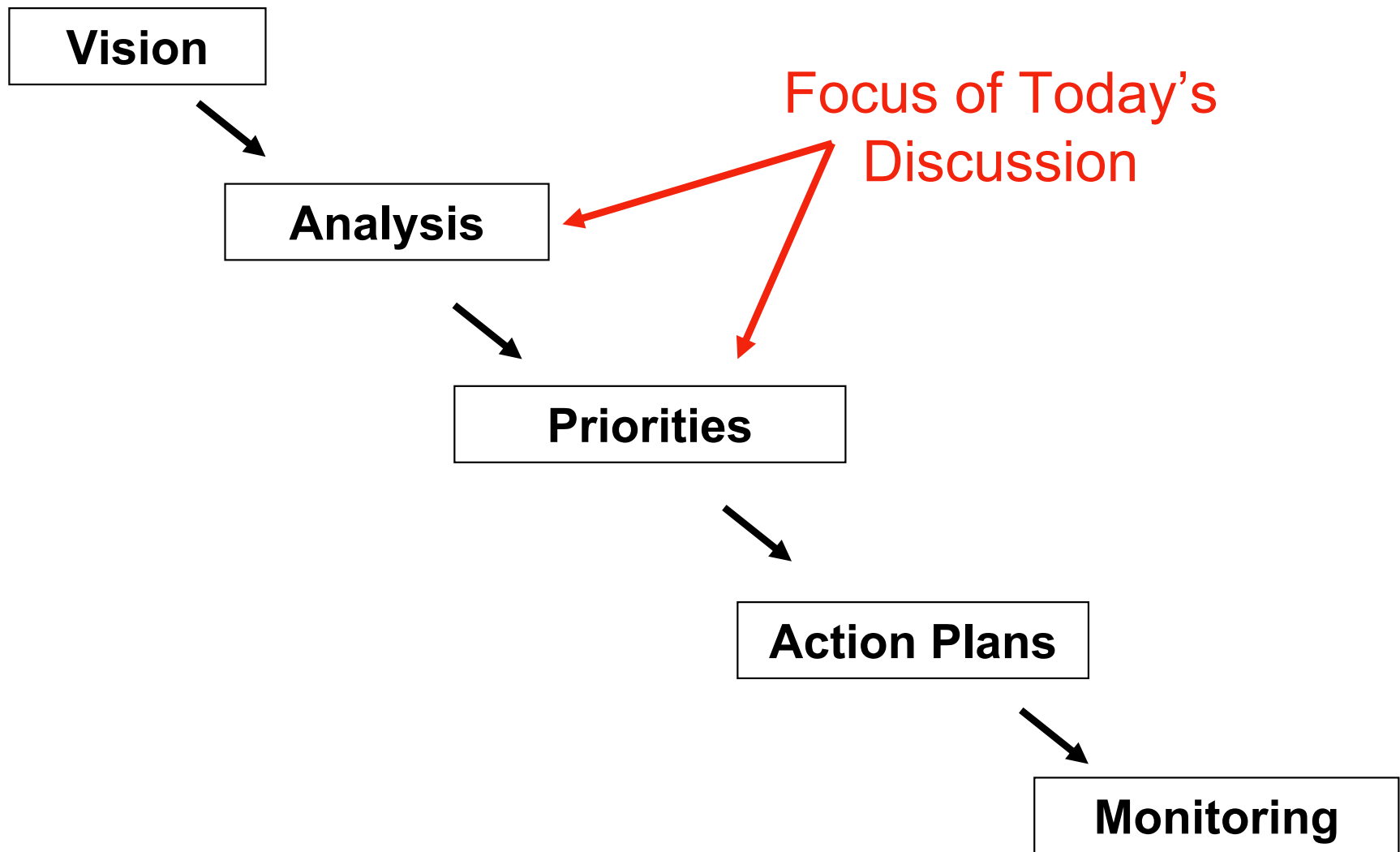
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## Process Question...

- 
- How does this all fit in with the concept of an economic development strategic plan?

# Economic Development Strategy



# Action Planning Worksheet

**ACTION PLANNING WORKSHEET**

**Major Gap / Critical Issue:**

**Objective:**

**Priority #:**

---

**Activity (What)**

---

**Task / Description / Process (How)**

---

**Responsibility (Who)**

---

**Timeline (When)**

---

**Resources (With What)**

---

**Evaluation (How do we know we achieved our objective?)**



**Any Questions?**

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# The Good News Is....



There's lots of support out there!!



## Other Support...


- 
- Professional Organizations
  - Regional Organizations
  - Colleges/Universities
  - Local Organizations
  - Federal Organizations
  - Provincial Ministries
  - OMAFRA

# Professional Organizations

- Economic Developers Association of Canada
  - Mission: To enhance professional competence, advance economic development as a profession, and contribute to Canada's well-being
- Economic Developers Council of Ontario
  - Mission: EDCO will provide leadership to enhance the professional development of its members; advance economic development as a profession and support our municipalities in fostering economic prosperity in the province of Ontario.




# Regional Organizations

- 
- Ontario East Economic Development Commission
  - Ottawa Valley Economic Development Partners
  - South Western Economic Assembly
  - South Central Ontario Region
  - Greater Toronto Marketing Alliance
  - Etc.




# Colleges/Universities

- 
- The Monieson Centre, Queen's University
  - University of Guelph
  - University of Waterloo
  - Local Community College



# Local Organizations

- 
- Chambers of Commerce
  - Business Improvement Areas
  - Sector Organizations

# Federal Resources

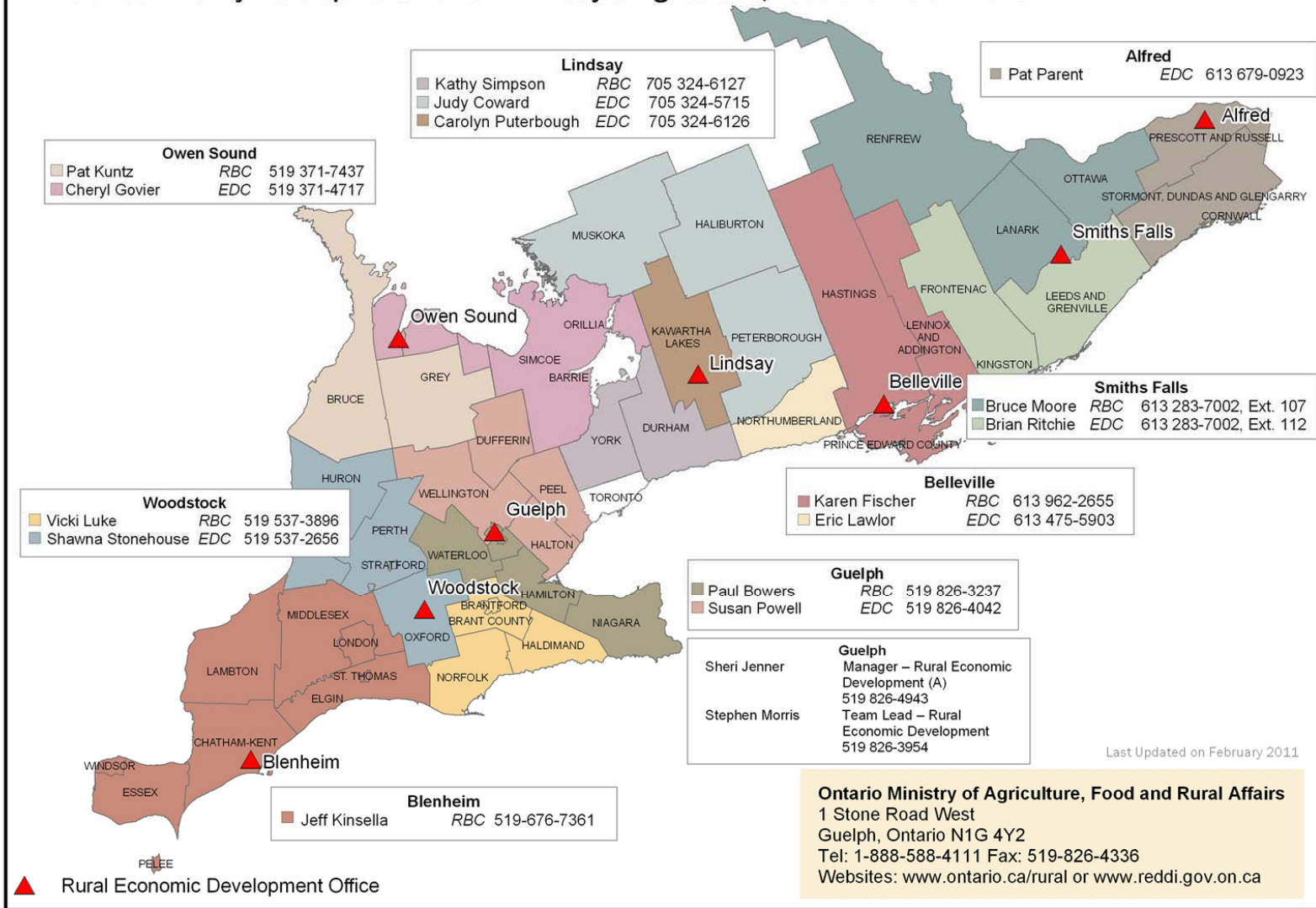
- **Federal Economic Development Agency for Southern Ontario (FedDev Ontario)**
  - support economic and community development, innovation, and economic diversification, with contributions to communities, businesses and non-profit organizations
- **Community Futures Development Corporations (CFDCs)**
  - Strategic community planning and socio-economic development
  - Support for community-based projects
  - Business information and planning services and
  - Access to capital for small- and medium-sized businesses and social enterprises

# Provincial Ministries

- Economic Development and Trade
  - Small Business Enterprise Centres
- Municipal Affairs and Housing
- Tourism and Culture
- Training, Colleges and Universities
- Infrastructure
- Research and Innovation
- Transportation
- Agriculture, Food and Rural Affairs
- Etc.


# Rural Economic Development Services

Rural Community Development Branch - Ministry of Agriculture, Food and Rural Affairs





# OMAFRA Tools and Services

- 
- Business Retention and Expansion
  - Community Economic Analysis Tools
  - Community Immigrant Retention in Rural Ontario
  - Downtown Revitalization
  - First Impressions Community Exchange
  - Strategic Planning and Facilitation

# Business Retention & Expansion (BR+E)

“breaking down the barriers to local business”

- A systematic business consultation program
- Focus on understanding needs of local businesses
  - 80% of job growth and investment comes from businesses already in a community
  - Remediation of barriers to business through local action

## Benefits/Outcomes

- Job creation/retention, increased tax base, increased investment, more positive business climate
- Local problems get solved
- Early warning of expansions and closures
- Closures are prevented
- Improved business – community relationship



# Community Economic Analysis (CEA) Tools

“rigorous technical support to understand local economies”

- Local economic data and technical guidance for incorporating economic analysis into strategy development and implementation
- CED Unit maintains a Statistics Canada database available to Ontario’s rural communities
- Community data on labour force, occupations, business sectors

## Benefits/Outcomes

- Identifies:
  - Business sectors that are main sources of wealth creation
  - Business sectors in which a community or region has a competitive strength
- ED strategies are developed that influence job creation and retention, improved tax base, improved quality of life

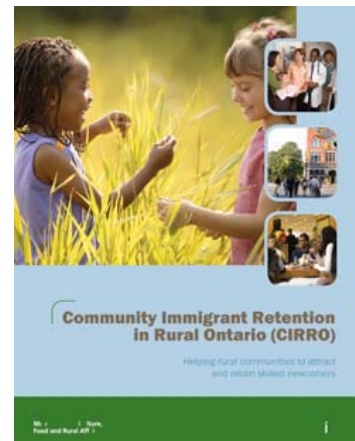
# Community Immigrant Retention in Rural Ontario

## “leadership in response to emerging rural ED needs”

- Focus on human capital challenges and opportunities
  - 2011: all net growth in Ontario’s workforce will be from new Canadian (StatsCan)
  - Three case studies: Chatham-Kent; Brockville; North Bay
  - Best practices for rural communities facing a decline in human capital

### Benefits/Outcomes

- Jobs created/retained – attraction and retention of skilled immigrants
- Community awareness through workshops and media
- Human capital forms part of a community’s economic strategy
- Funding approval from Federal and Provincial sources
- Inter-ministry collaboration MNDMF / MCI / MEDT / CIC / MTCU



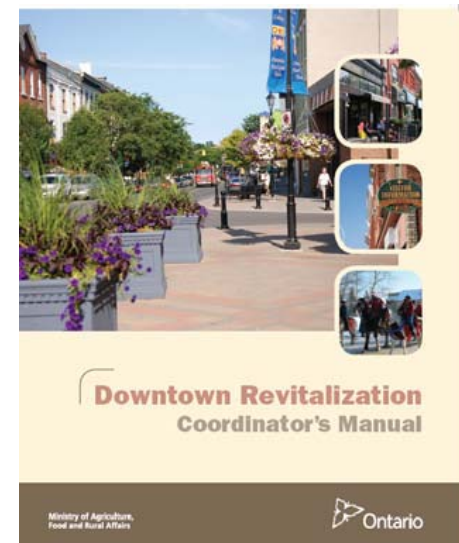
# Downtown Revitalization Services

“building on a community’s assets”

- Technical assistance and insight to support rural community efforts to strengthen downtown cores
  - Business Owners Survey; Resident Survey; Business Mix Analysis; Trade Area Analysis
- Insight and expertise for a market-driven downtown revitalization approach

## Benefits/Outcomes

- Job creation/retention
- Business openings/recruitment of new businesses
- Decreased commercial vacancy rate
- Sharpens the competitiveness of existing business owners



# First Impressions Community Exchange (FICE)

“building capacity from the ground up”

- Identifies opportunities and challenges for a community to begin developing an economic development strategy.
- Reveals how a community is perceived by visitors, potential investors or potential new residents.
- Identifies a community’s strengths and weaknesses in critical areas such as:
  - Key government & retail services
  - Education
  - Signage
  - Access/Amenities
  - Recreation

## Benefits/Outcomes

- Creates a shared sense of priorities among local leaders
- Community engagement: champions and teams are identified
- Sets priorities for local action
  - Tourism development
  - Community revitalization efforts
  - Approaches to attract and retain businesses



# Strategic Planning & Facilitation


- OMAFRA Regional Staff are trained and ready to offer support to communities interested in creating community economic development strategies
- Contact Information for Regional Staff can be found on the map in your folders

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## Final Thoughts...

- 
- No strategy is without risk
  - Your analysis should provide you with a strategy that is based on the best information available at the time
  - New information might warrant periodic adjustments in course, but frequent shifts in direction are more often symptomatic of a lack of analysis or trust in the plan



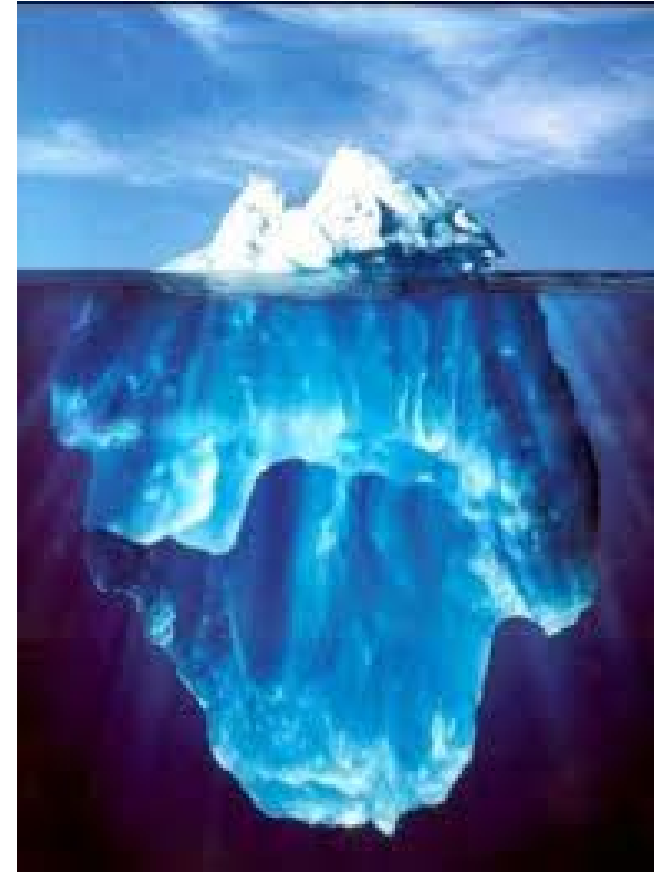
## Final Thoughts...

- 
- Economic Development Takes Time
  - Economic Development is Hard Work
  - Economic Development Requires Resources
  - Be Ready

# Final Thoughts...

Economic Development Activity is a bit like an iceberg in that...

...we typically only see about 10% of what's really involved.



# Thank You!!

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