



CORPORATION OF THE CITY OF VERNON

ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

THURSDAY, DECEMBER 19, 2019 AT 9:00 A.M.

OKANAGAN LAKE ROOM (COUNCIL CHAMBERS)

A G E N D A

1. ADOPTION OF AGENDA:

2. ADOPTION OF MINUTES:

a) June 27, 2019 (attached)

3. PRESENTATIONS

a) Jon Summerland – Okanagan Film Commissioner

b) Laurie Cordell – City of Vernon Climate Action Ambassadors

4. UNFINISHED BUSINESS

a)

5. NEW BUSINESS:

a) Business Walks – October 2, 2019 - update

b) Provincial Nominee Program – Entrepreneur Pilot Update

6. INFORMATION ITEMS:

a) **Tentative dates for 2020 – March 19, June 18, September 17 and December 17**

7. DATE OF NEXT MEETING:

The next meeting is TBA

8. ADJOURNMENT



THE CORPORATION OF THE CITY OF VERNON

MINUTES OF THE ECONOMIC DEVELOPMENT ADVISORY COMMITTEE HELD THURSDAY, JUNE 27, 2019 OKANAGAN LAKE ROOM

PRESENT: VOTING:

Mayor Victor Cumming, Chair
Dione Chambers, Greater Vernon Chamber of Commerce
Leigha Horsfield, Community Futures
Susan Lehman, Downtown Vernon Association
Annette Sharkey, Social Planning of North Okanagan
Alex Goodhew, Accelerate Okanagan
Tannis Nelson, Regional District of North Okanagan
Bud Mortenson, Director, UBCO

ABSENT: Jane Lister, Okanagan College
Richard Toperczer, Province of B.C. – Regional Ec. Dev.
Councillor Brian Quiring

STAFF: Kevin Poole, Manager, Economic Development & Tourism
Keltie Chamberlain, Planner, Economic Development
Janice Nicol, Legislative Committee Clerk

ORDER

The Chair called the meeting to order at 8:32 a.m.

**ADOPTION OF
AGENDA**

Moved by Leigha Horsfield; seconded by Annette Sharkey:

THAT the agenda for the Thursday, June 27, 2019 meeting of the Economic Development Advisory Committee be adopted.

CARRIED.

**ADOPTION OF
MINUTES**

Moved by Leigha Horsfield, seconded by Dione Chambers:

THAT the minutes for the March 20, 2019 meeting of the Economic Development Advisory Committee.

CARRIED.

**PRESENTATION:
CULTURAL
STATISTICS
STRATEGY
CONSORTIUM**

Tannis Nelson, Manager, Community Services presented on the Cultural Statistics Strategy Consortium. The following points were noted:

Culture Statistics Strategy

- Benchmarking the economic importance of culture in Greater Vernon
- Partnership of national, provincial and municipal partners – led by Canadian Heritage
- Partners hired Stats Can to produce economic indicators with the purpose of maintaining and continuing to enhance collection of cultural data
- Domains in the Canadian Framework for Culture Statistics reviewed – need to make sure we have data broken out and be sure to exclude non-applicable info
- **Project Overview**
 - Model relies on Business Register data to determine how much GDP an individual business generates
 - Determining this value allows calculation of the total GDP, by sub-domain, for any municipality run through the model
- Regional District of North Okanagan stats show a holistic decrease of jobs, need to draw correlations and be sensitive to external factors
- Challenge to provide data because of the sheer workload involved
- Comparative data can be interpreted using different slants
- Challenge having communities comfortable with using comparatives
- Major Assumptions/Limitations (generally):
 - Cities with larger concentrations of culture businesses generate more economic value
 - Larger businesses (based on # of employees) generate more economic value
- Because of above, Business Register data that includes the total # of businesses by province/territory/city and the same businesses, grouped by total number of employees
- This enables determination of respective share of municipal culture GDP as a proportion of the corresponding provincial/territorial culture GDP and corresponding number of jobs (subdivided in same domains and sub-domains)
- Need to figure out what was not captured in the data and why not
- Does Cultural Heritage include multi-culturalism? If yes, what is the comparison with other communities?
- Need to determine if people are registering their data and have they been asked?

- There was interest in how data is collected and what is being used for multipliers
- Would be interesting to find out the direct, indirect, and induced impacts and ensure that data is being collected
- How robust is the data and can this be shared with the Committee?
- Tannis to pass on additional background information to Committee.

Update on Cultural Centre

- Currently working behind the scenes on organizational health and capacity building – memberships, etc.
- Board just approved investment for business plan
- Need to understand operating costs and opportunities for open source revenue
- Consider endowment fund revenue and determine what amount is needed for fundraising and adjustments
- Need to develop a fundraising strategy.

NEW BUSINESS:

**RURAL AND
NORTHERN
IMMIGRATION PILOT**

The Staff Liaison provided the following update on the Rural and Northern Immigration Pilot Program:

- A joint application between the City of Vernon and Community Futures was submitted following Council endorsement
- Federal government advised there is no money to implement program so a consultant was hired for implementation
- 11 communities chosen for Pilot Program
- Program matches skilled workers with permanent jobs
- Vernon needs to identify skills gap by talking with employers
- Vernon can create an new permanent residency program
- Studies have shown that workers that came stayed in the chosen community
- Can accept up to 100 workers per year
- Applications not accepted until January 2020
- Need a steering group and terms of reference in place first, with criteria
- Provincial government also has nominees program

- Important to determine how to attract those that are a good fit and to ensure that Vernon is welcoming
- September is target for program formation with Committee
- Local employees to contact Community Futures if interested
- Suggestion to give this program information to international students at graduation from local post-secondary institutions
- Method to be developed to collect prospective employers.

INFORMATION ITEMS:

- Business Excellence Award nominations are open, details on the Greater Vernon Chamber of Commerce (GVCoC) website
- A business attraction tool is available on the GVCoC website under the 'Invest in Vernon' tab
- Community Futures (CF) is engaged in feasibility study for an Innovation Centre, consultant has been hired, community consultation are planned
- CF also running a pilot program for woman entrepreneurs
- There are two new student housing projects under construction at UBCO
- Accelerate Okanagan has partnered with the federal government – Alex to send details to the Committee.

DATE OF NEXT MEETING

The next meeting is scheduled for September 26, 2019 at 8:30 a.m.

ADJOURNMENT

The meeting of the Economic Development Advisory Committee adjourned at 10:00 a.m.

CERTIFIED CORRECT:



THE CORPORATION OF THE CITY OF VERNON

INTERNAL M E M O R A N D U M

TO: Will Pearce, CAO **FILE:** 6750-20

PC: Kim Flick, Director, Community Infrastructure and Development **DATE:** November 14, 2019
Kevin Poole, Manager, Economic Development and Tourism

FROM: Keltie Chamberlain, Economic Development Planner

SUBJECT: **2019 VERNON BUSINESS WALKS SURVEY**

The City of Vernon, in partnership with the Greater Vernon Chamber of Commerce, Community Futures North Okanagan and the Downtown Vernon Association, held its ninth annual Business Walks on October 2, 2019. A total of 30 volunteers split into 15 teams and met with 164 businesses in a variety of locations throughout the city during a two hour period. Each business was asked eight questions (Attachment 1) in order to gain a better understanding of the current economic conditions in Vernon and to learn how business service providers can better meet the needs of the business community. These questions are consistent across the province for similar initiatives in other communities.

The businesses that were interviewed were generally positive about their current state of business, with 88% stating that business was either “fair and steady” or “good and increasing”. This year’s results were the same as the 2017 results and are slightly lower than the 2016 and 2015 Business Walks survey (92%). The full results of the survey can be found in Attachment 2. In 2018, the City of Vernon trialled a “Virtual Business Walks”, as such the data is not comparable to previous years Business Walks.

The primary goal of the Business Walks program is to provide an opportunity for businesses to offer instant feedback to the City of Vernon and partner business service providers regarding any concerns or challenges they may be experiencing. Many of the items that were identified are known challenges. Common themes in this year’s survey include:

- 1) Labour Support Programming – Finding employees was identified by 35% of businesses as a current challenge. Community Futures North Okanagan is the primary service provider for employment services and delivers the WorkBC Employment Services contract. Staff refer businesses that are looking for employment programs such as the job creation partnerships or other wage subsidy programs to Community Futures. Community Futures is also the lead for the Rural and Northern Immigration Pilot Program that is scheduled to begin in January 2020. The three year pilot would provide employers an opportunity to attract skilled immigrant labour.
- 2) Community Safety and Homelessness – Similar to the 2017 Business Walks survey, safety was identified as a common business challenge. Safety concerns included comments regarding aggressive panhandling, increases in the transient and homeless population and the impact of drug use and addiction in terms of loitering. Business

concerns involved both the safety of staff and customers alike. These concerns were most pronounced among downtown businesses.

- 3) Lack of customers – This topic has a greater impact than it has had in previous years. The perception is that there are fewer people in the downtown area shopping. In addition, the businesses located in the mall perceive the lack of customers as a challenge.
- 4) Parking and Road Access – Concerns regarding parking and road access are commonly heard in the annual Business Walks. The need for more adequate and affordable customer and staff parking was identified by businesses located in the City Centre.




With the completion of this year’s Business Walks, Administration is following up directly with businesses that identified urgent concerns and challenges. Over the coming weeks, Administration plans to follow up with the remainder of businesses that identified concerns and challenges and direct them to the business service providers that can address their needs.

RECOMMENDATION:

THAT Council receive, for information, the memorandum titled “2019 Vernon Business Walks Survey” dated November 14, 2019 from the Economic Development Planner.

Respectfully submitted:

Nov 15 2019 11:01 AM

X  
Keltie Chamberlain 

Keltie Chamberlain
Economic Development Planner

Attach.

- Attachment 1: Vernon Business Walks Survey Questionnaire
- Attachment 2: 2019 Vernon Business Walks Survey, General Results

2019 Vernon Business Walks Survey

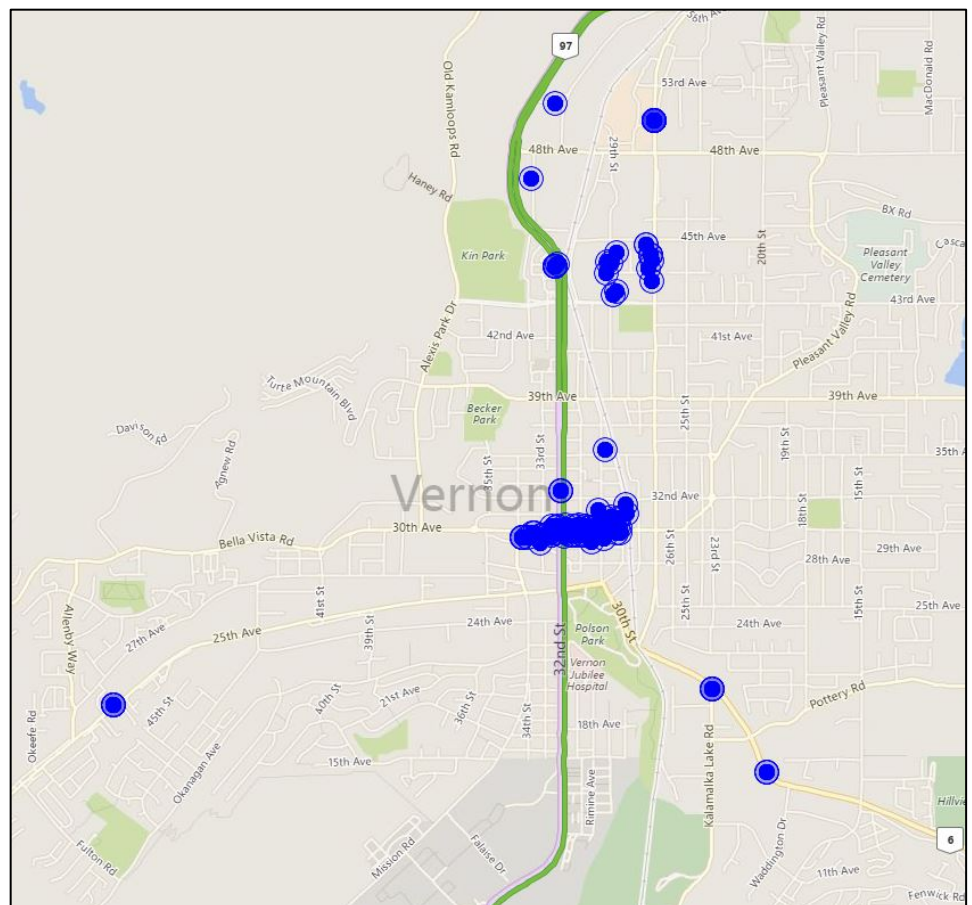
General Results

Within a two hour period, a total of 30 volunteers split into 15 teams and met with 164 businesses across Vernon. The volunteers included representatives from Greater Vernon Chamber of Commerce, Community Futures North Okanagan, Downtown Vernon Association, Okanagan College, City of Vernon and other professionals.

Most of the locations within the community were the same as in the previous surveys in order to provide comparable year over year data.

Businesses that were interviewed were located in the following areas:

- Downtown – 30th Avenue, 31st Avenue, 32nd Avenue and 29th Street
- Fruit Union Plaza and Highway 6
- The Shops at Polson Park and Kalamalka Lake Road
- Vernon Square
- Village Green Centre
- Anderson Way
- 4300-4420 27th Street
- 4300-4607 29th Street
- Okanagan Landing Plaza and 25th Avenue



Map 1: Business Walks Survey Location Map

Survey Results

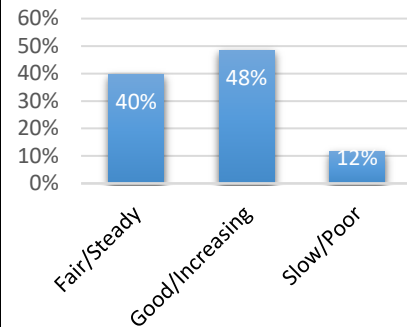
88% OF THE BUSINESSES IN THE 2019 BUSINESS WALKS SURVEY ARE EITHER STEADY OR INCREASING

THE 164 BUSINESSES INTERVIEWED EMPLOY A TOTAL OF 1,783 PEOPLE

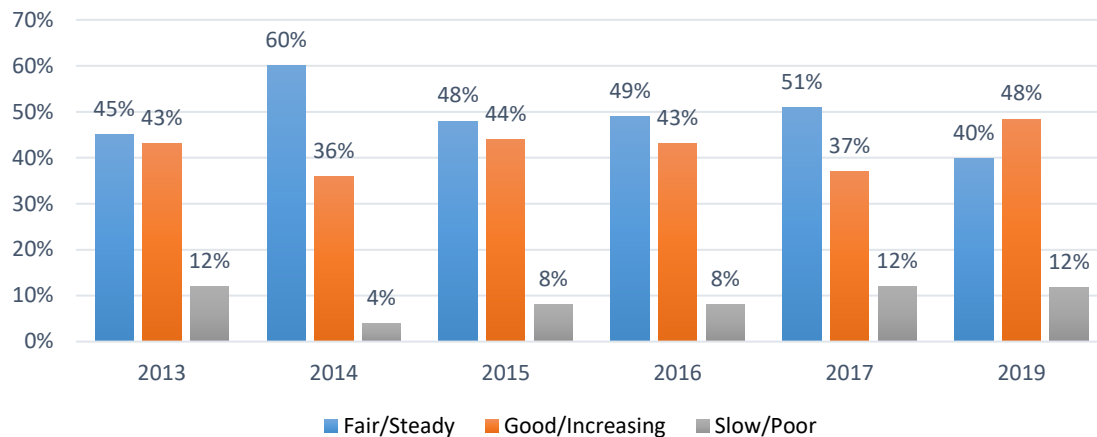
Question 1: Please rate the current state of your business?

In 2019, a total of 48% of businesses surveyed responded that business was **good/increasing**, slightly lower than the 2017 survey (51%). In 2018, a new method was explored for completion of the business walk and data collection was not possible as a result. In 2019 and 2017 88% of the businesses surveyed were either **fair and steady** or **good and increasing** compared to 92% in 2016 and 2015, 96% in 2014 and 88% in 2013. In 2019 and 2017 12% of respondents rated their business state as **slow/poor**, which is similar to 2013 and higher than 2015 and 2016 (8%), and 2014 (4%).

Graph 1a: 2019 Business Rating



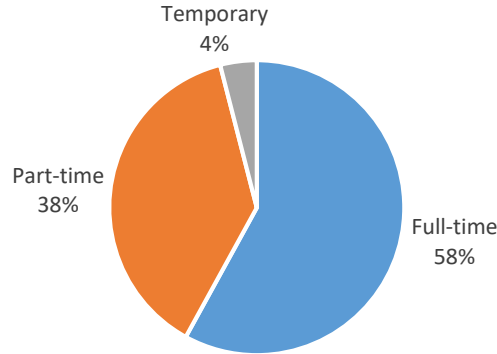
Graph 1b: Rating of state of business over time



Question 2: What is the average number of employees including yourself?

The 164 businesses interviewed employ a total of 1,783 people. 58% are in a full-time position and 42% are part time. The number of employees in each business ranged from 1 to 100 and the average number of employees per business was 11. 78% of the businesses interviewed employ 10 people or less.

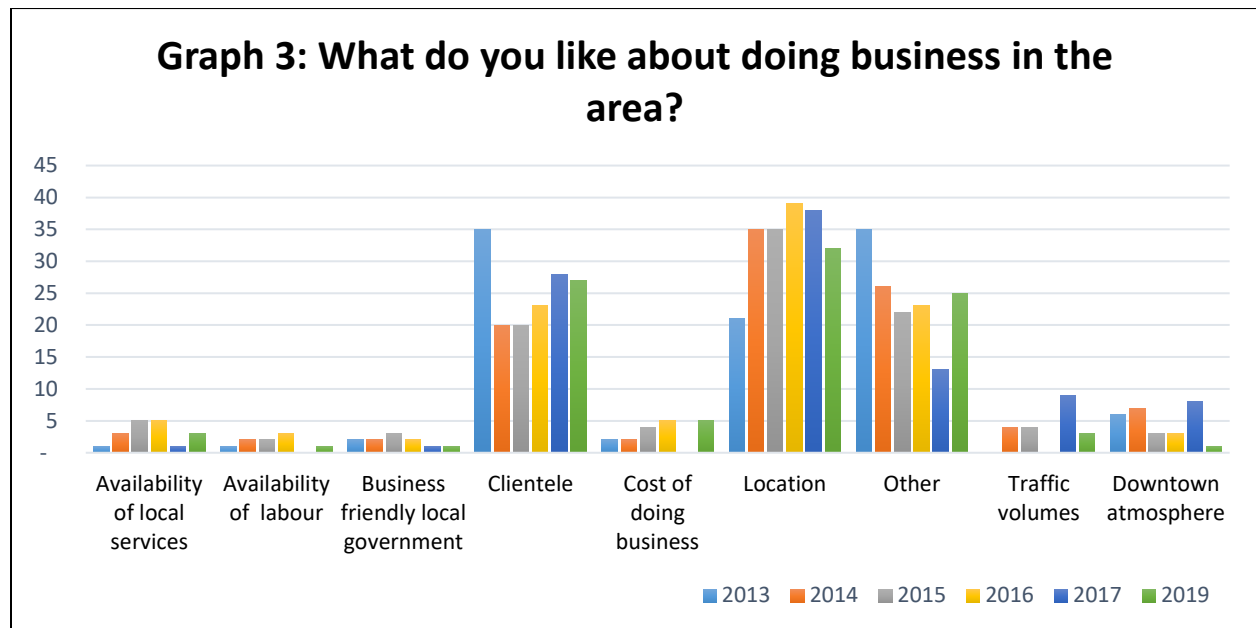
Graph 2: Full-Time and Part-Time Employment



Question 3: What do you like about doing business in the area?

The third question was asked to gain a better understanding of why businesses chose a particular area of the community, or Vernon in general, as a place to do business. In 2019, 32% of businesses highlighted that **location** was the key factor, while 27% highlighted **clientele** as the main factor. 25% of respondents choose **other** factors, such as availability of free parking, size of community, sense of place, affordability and the city demographic.

Graph 3: What do you like about doing business in the area?



Question 4: What are the biggest challenges facing your business?

Question 4 provides insight into the main challenges facing local businesses. **Finding employees** (35%), **other** (28%), and **lack of customers** (11%) were among the most common challenges in 2019. In 2017 Other challenges (41%), finding employees (18%) and parking availability (18%) were among the most common challenges.

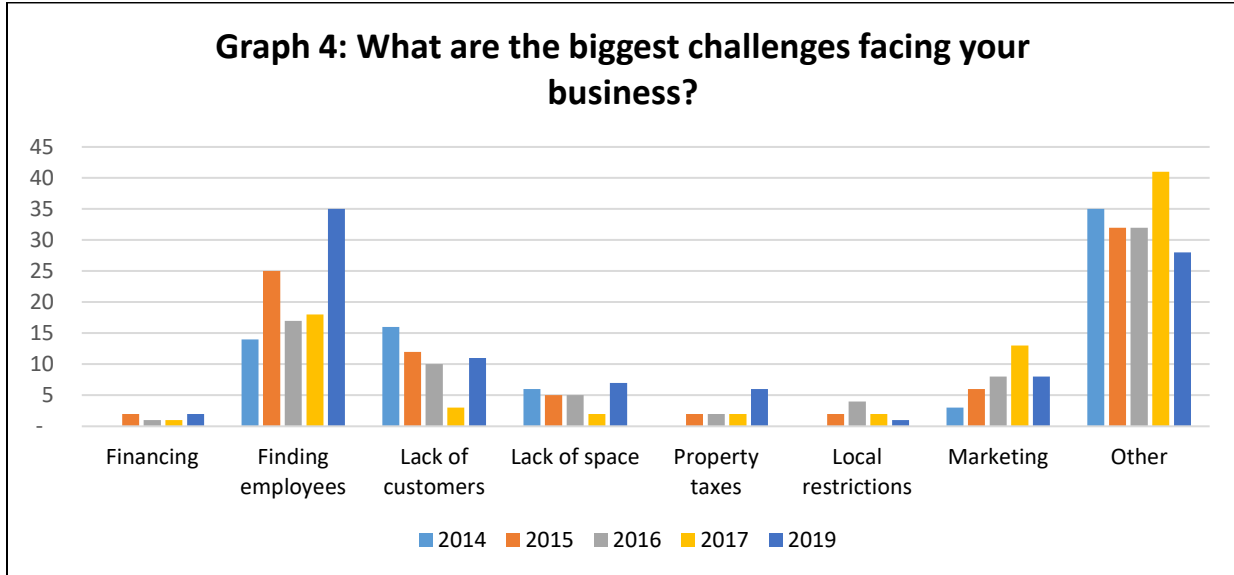


Table 1 provides a detailed breakdown of the concerns reported under **Other** in 2019 compared to the 2016 and 2017 survey. In 2019, 35% of the “Other” responses stated that **community safety and homelessness** was the main challenge compare to 27% in 2017 and 43% in 2016. The challenge of an **Aging community** increased from 5% in 2017 to 18% this year, and **road access and parking issues** was also cited frequently in this response.

Table 1: Other challenges local businesses are facing	% of “Other” Responses		
	2016	2017	2019
Community safety and homelessness	43%	27%	35%
Aging community	4%	5%	18%
Road Access and parking issues	22%	27%	18%
Competition	22%	16%	13%
Affordability	6%	16%	6%
Bylaw enforcement and City development process	-	14%	8%
Seasonal market	2%	11%	2%
Mall’s high vacancy and low traffic	-	8%	-
Lack of space	-	3%	-

Question 5: What can be done to help your business thrive?

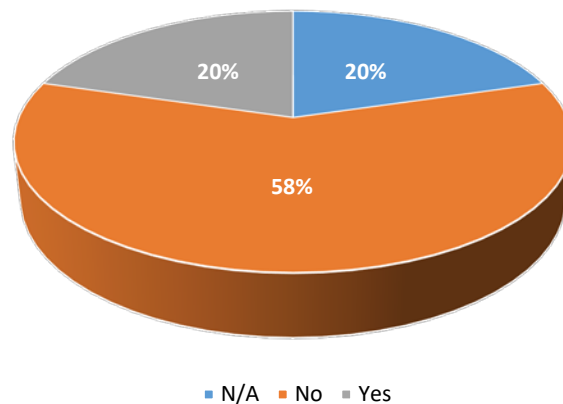
The responses for this question were the most diverse, ranging in comments about parking challenges, Bylaw enforcement, street safety, homelessness, crime prevention, marketing and advertising, City services and taxes, street maintenance, Downtown revitalization and community programs.

Table 2: What can be done to help your business thrive?	
Help with marketing and advertising	27%
Address safety concerns, homelessness and crime prevention	24%
Address parking issues (lack of supply, price, over-enforcement etc.) and improve road access	19%
Downtown revitalization	3%
Increased interaction with the Downtown Vernon Association	3%
Investment in private property (i.e. the mall)	1%
All other	23%

Question 6: Do you plan to retire or sell your business in the next 5 years?

Question 6 was added to the 2017 Business Walks Survey in order to gain insight into the future changes in the local business community. 20% of the businesses interviewed plan to retire or sell the business within the next 5 years. This is similar to the 2017 results for this question.

Graph 5: Do you plan to retire or sell your business in the next 5 years?

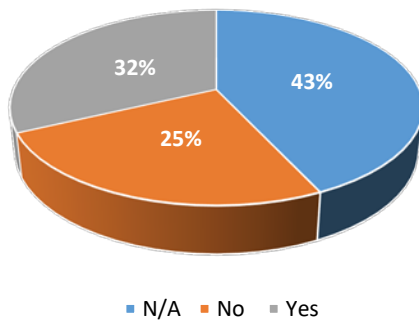


Question 7: Do you have a succession plan in place?

Question 7 was also added to the 2017 Business walks survey. In 2019, 32% of the businesses interviewed have a succession plan in place. 68% of the interviewed businesses stated a succession plan was not applicable. This is an increase from 2017 results that indicated 16% had a succession plan in place and 52% said no or not applicable.



Graph 6: Do you have a succession plan in place?



Question 8: What specific information would you like to have access to locally?

The final question was geared toward finding out what resources are required locally to better assist the business community. The most common assistance required was **hiring / human resources** (21%). 21% requested access to **marketing partnerships**.

21% of respondents requested **other** types of information, such as available incentives, local events and information on marketing, social media opportunities and campaigns.



Walkers' Question

Should this company be revisited to provide 1:1 assistance?

One of the primary objectives of the Business Walks is to find out if there are immediate concerns that businesses have that may need assistance from the City of Vernon or other business support organizations. This year 14% of businesses requested a follow up, a decrease from the 18% of the businesses which required some form of assistance in 2017. Staff have begun the follow up process and will have completed all of the follow up by the end of the year, based on the determined urgency level.

Graph 6: Should this company be revisited to provide 1:1 assistance?

