

COLLABORATIVE ECONOMIC DEVELOPMENT

Initiative Orientation

RECOMMENDATION

That the February 22, 2022, Urban Planning and Economy report UPE01044, be received for information.

Report Purpose

Information Only.

Council is being informed of the current work the City of Edmonton is conducting with our regional municipal partners. This collaborative initiative will help generate Regional Prosperity in alignment with ConnectEdmonton.

Executive Summary

- This report provides Council with an overview of the Collaborative Economic Development initiative, the ongoing activities and planned future phases.
- The Edmonton Metropolitan Region's 13 municipalities have agreed to work together through the Collaborative Economic Development initiative to attract business investment, as well as create jobs and work toward a sustainable future.
- Together, the municipalities will develop a model of economic development that will achieve shared success by providing the municipalities opportunities to invest in projects outside their municipal boundaries and receive direct returns on their investments.
- Municipalities participating in Collaborative Economic Development will pool their resources to help better align investment opportunities and development sites with local investment needs.

REPORT

The City of Edmonton is committed to the success of the Edmonton Metropolitan Region by working together with its neighbours to attract investment, build communities and drive innovation.

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The 13 members of the Edmonton Metropolitan Region, who are working together with the shared goal to facilitate business investment and support COVID-19 recovery by creating jobs and building for the future, are:

City of Beaumont	City of Leduc	City of St. Albert
Town of Devon	Leduc County	City of Spruce Grove
City of Edmonton	Town of Morinville	Town of Stony Plain
City of Fort Saskatchewan	Parkland County	Strathcona County
		Sturgeon County

The Collaborative Economic Development (CED) initiative is an innovative scalable model to advance borderless economic growth across the entire region. It provides a framework for municipalities to invest in projects outside of their municipal boundaries and share the direct financial benefits (e.g. tax revenue) of jointly developed 'shovel ready' land that is tailored to, and successfully attracts, non-residential investment opportunities.

The overarching goals of the CED initiative are:

- Attract new non-residential investment to the region.
- Improve coordination between the municipalities in the region so that investors view them as cohesive.
- Enable businesses to make investment decisions that align with their business needs without making trade-offs (e.g. location, taxes, service levels, etc).

Strategic Alignment

The CED initiative supports The City Plan by working in partnership with the municipal, industry, and business community to strengthen and diversify Edmonton's economy through:

- promoting and developing regional opportunities for growth and investment,
- improving multi-modal connectivity with neighbours, and
- advancing Edmonton's role as a major transportation, logistics, and employment hub within the national and international economies.

This work also directly contributes to the City's Economic Action Plan, and in particular action 23 (advance collaborative Shared Investment for Shared Benefit initiatives with regional partners). A key outcome of the CED initiative is to help area residents to thrive where they live - which directly supports the City's guiding values.

Collaborative Economic Development in practice

The following six guiding principles in the MOU, which was signed by the region's municipalities in April 2021, are fundamental to the project. By joining the initiative, the partners agree:

1. To share revenue proportionate to level-of-investment.

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2. To be prepared to invest in property outside of municipal boundaries.
3. To focus on attraction and expansion of net new non-residential growth.
4. To build upon regional agreements surrounding economic development.
5. That all policies and processes in the focus areas (potential locations based on demand) will be analyzed and optimized whenever possible.
6. That participation is voluntary.

There is an existing need to reduce red tape at the regional level and support provincial economic development activities. The CED initiative will strengthen existing collaboration efforts and complement the work already being done by various orders of government, economic development organizations and industry to attract and support investment.

This initiative is not creating another economic development organization; it has been designed to supplement and coordinate existing economic activities and to bridge any gaps. The work of the CED initiative complements the work done by Edmonton Global through reducing intermunicipal competition (race-to-the-bottom competition) between regional municipalities. The region's combined resources can now be directed towards meeting the needs of each investor and increasing jobs. In turn, this will reduce the regulatory burden on businesses and developers by eliminating duplication of services.

COMMUNITY INSIGHT

Informing the CED initiative to this point and in future work is what we have heard from the community as represented by the member municipalities. Members have emphasized that partnership and collaboration are necessary to realize each municipality's individual economic goals. The parties concur that the Edmonton Metropolitan Region's municipalities have a better chance of success if they take a shared approach that builds on individual strengths.

A public announcement and dedicated website are part of the ongoing public communications regarding the Collaborative Economic Development initiative. Major announcements and website updates are planned for future project milestones. These will primarily be facilitated by the project team, with specialized support as needed from individual partners. To implement the Collaborative Economic Development Framework, various public engagement activities - including targeted stakeholder engagement with financial experts, economic development groups and the business community - will be conducted in Q3 and Q4 2022.

GBA+

The team will apply a GBA+ lens throughout the development of the CED framework. This GBA+ analysis will be reflected in the project plan and ultimately integrated into the project deliverables. Although the framework is still being developed, the most likely use of GBA+ principles will be in the application of financial and non-financial incentives.

Prior to receiving any incentive through CED, potential investors will need to demonstrate that they will meet specific criteria to benefit both the regional economy and contribute to the regional community. GBA+ principles will be incorporated into this criteria.

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Some examples of the incentive criteria may include:

- Number of jobs and expected salary/wage,
- Meeting supply chain needs and sector alignment,
- GBA+ focused items such as:
 - [GBA+] Employment of target cohorts (e.g. First Nations, recent immigrants)
 - [GBA+] Significant level of ownership from these same groups

Finally, the CED model is inclusive and can thrive with the participation from non-municipal organizations such as First Nations and religious communities.