

CAPITAL REGION BOARD



Economic Development Initiative

Volume 1: Edmonton Metropolitan Region Economic Development Framework

May 21, 2015



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Framework Approach

The Edmonton Metropolitan Region Economic Development Framework represents a long-term agreement between parties in the region relative to:

- Roles and responsibilities of local and regional stakeholders;
- The activities they will pursue together;
- The major areas of regional focus they will pursue together;
- The Mission, Vision, Values and Operating Principles for the collaboration;
- The governance, organization, financing, budget and accountability of the collaboration; and
- A written Memorandum of Understanding or Agreement.

Vision

To be a business location of choice for global investment, by collaboratively building on regional assets

Mission

Together, we strengthen the Edmonton Metropolitan Region's global competitiveness, growth and innovation

Values



- **Innovation** - The Edmonton Metropolitan Region Economic Development Framework values courageous and bold new development, and growth. Members embody a “can do” attitude.
- **Collaboration** – “If one wins we all win.” The Edmonton Metropolitan Region Economic Development Framework strength lies in its emphasis on collaboration and transparency between all members of economic development in both the public and private sectors to grow one of Canada’s largest economic engines.
- **Sustainability** – The Edmonton Metropolitan Region Economic Development Framework will strive to incorporate current practices to economic development that improve the triple bottom line.
- **Excellence** – Members strive to provide quality services and programs to stakeholders and developers by maintaining the highest standards of skills and knowledge.
- **Respect** – The Edmonton Metropolitan Region Economic Development Framework and its leaders treat each other with respect and professionalism.

Operating Principles

Operating principles are the code of conduct which guides the face-to-face relationships of the members of the Edmonton Metropolitan Region Economic Development Framework.

Operating principles are as follows:

- We are inclusive in all our activities and decision making, and seek to enhance collaboration among stakeholders;
- We respect local autonomy and understand the roles and responsibilities of our colleagues; and
- Once a consensus based, collaborative decision is made, we will each represent that decision and speak with one voice.

Economic Development Roles



Figure 1: Economic Development Role Levels

Local Level

- **Infrastructure:** Local governments, associations and organizations are responsible for developing and maintaining municipal infrastructure, such as roads.
- **Quality of Life:** Local governments, associations and organizations are responsible for offering residents a strong community culture, enviable social footprint and recreational activities to enhance quality of life in their municipalities.
- **Services and Amenities:** Local governments, associations and organizations are responsible for providing residents with basic services and amenities in their municipalities related to their health, safety, and education (K-12).
- **Marketing:** Local governments, associations and organizations advertise and promote their communities.
- **Strategic and Community Planning:** Through priority setting exercises, local governments, associations and organizations determine what key strategic priorities and focus areas their municipal planning will concentrate on.

- **Land Use Planning:** Local governments, associations and organizations are responsible for the management and development of land within their municipalities.
- **Business Attraction, Retention and Expansion:** The role of local governments, associations and organizations is to: plan for and draw in new businesses to their community; assess emerging opportunities; support businesses in their communities; and, work to attract new investment opportunities.
- **Advocacy:** Local governments, associations and organizations work to promote their communities.
- **Create a Business Friendly Environment:** Associations and organizations identify and eliminate policy barriers in order to foster a business friendly environment in the local area.

Sub-Regional Level

There are sub-regional associations and organizations that support and provide economic development functions to multiple municipalities. Sub-regional associations and organizations share not only the benefits, but also the costs of sub-regional economic development activities. Sub-regional associations and organizations collaborate in order to enhance planning and operational decision making. They link businesses with available programs and services in their sub-regions.

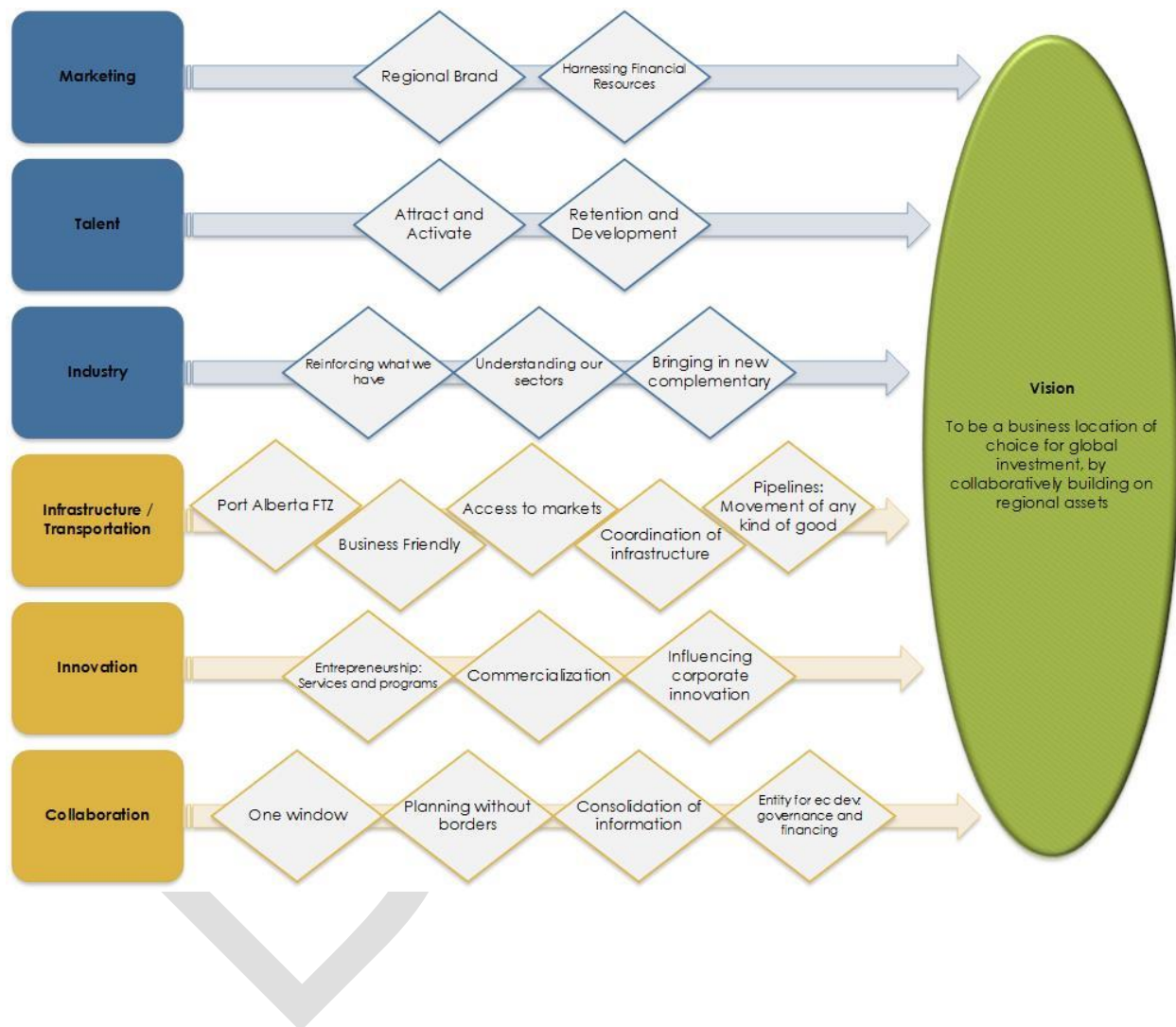
Regional Level

- **Coordinated Infrastructure:** Associations and organizations coordinate regional infrastructure such as major transportation corridors.
- **Talent Attraction and Training:** Associations and organizations provide training opportunities in order to build workforce capacity, and are responsible for attracting new talent to the region.
- **Post-Secondary Education:** Associations and organizations are responsible for promoting and supporting regional post-secondary institutions.
- **Marketing:** Associations and organizations are responsible for business attraction and provide business information and triage services to potential investors.
- **Destination Awareness:** Associations and organizations identify market opportunities, and strategically position the regional brand.
- **Manage Relationships:** Associations and organizations manage relationships with the province and promote intergovernmental collaboration on behalf of the region.

- **Regional Integration:** Associations and organizations assist with regional integration at the operational level in order to maximize local benefits, such as economies of scale.
- **Coordinated Planning and Development:** Associations and organizations are the trusted “funnel process” for economic development opportunities, and coordinate regional planning and development initiatives.
- **Capacity Development:** Associations and organizations facilitate a one-window approach to regional economic development. For example, developing regional site selection protocols and asset mapping.
- **Create a Business Friendly Environment:** Associations and organizations identify and eliminate policy barriers in order to foster a business friendly environment in the region.
- **Develop Shared Value:** Associations and organizations create a shared value proposition for local and sub-regional partners as well as potential investors.
- **Business Attraction, Retention and Expansion:** Associations and organizations support and nurture businesses in the region, and work to attract new investment opportunities.
- **Advocacy:** Associations and organizations work to promote the region.

Regional Influence Areas

Regional influence areas are the priority areas that the Edmonton Metropolitan Region Economic Development Framework will focus on over the next planning period. The top three areas are the particular focus of the Economic Development Strategy. The bottom three areas are the on-going support activities for success in the region. They are the functional requirements of the Capital Region Board.



Governance

Business Model

The business model for the Edmonton Metropolitan Region Economic Development Framework will be a new entity, referred to as the 'Entity'. The Entity contracts services to service providers with existing capacity in the region. If the capacity does not already exist, the Entity will develop it. The Entity is the initiative of the Capital Region Board. However, as long as the intent and authorities outlined in this Framework document are respected, the Entity will make the final decision on the details of its organizational structure. Structure options include a Part IX company, a Regional Services Commission or any other appropriate form.

Clients

The Entity will be customer service oriented. Service offerings will be based on feedback from clients and could be delivered through service level agreements. The primary client groups include:

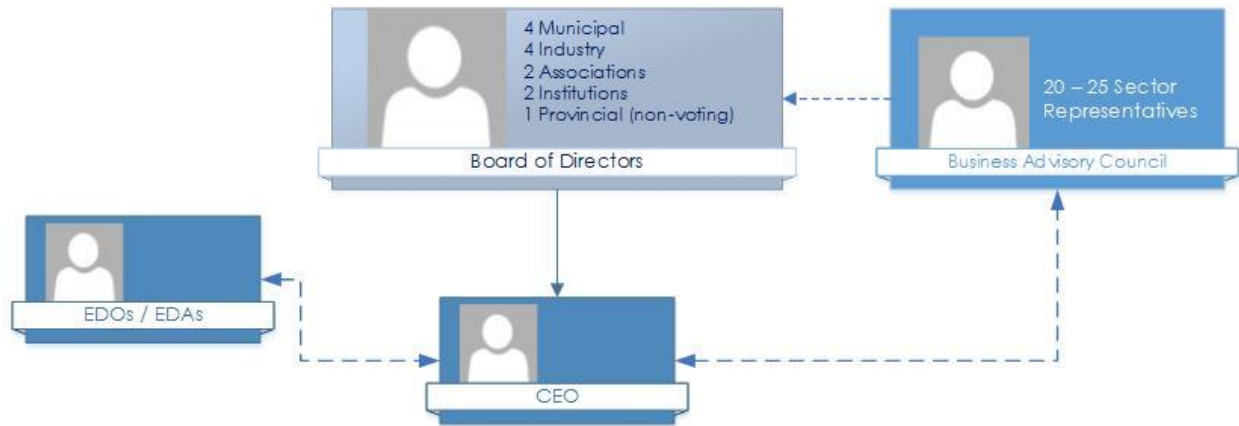
- Municipalities
- Industry
- Institutions
- Sub-regional economic development organizations

Management Structure

The Entity will be managed by a professional team, selected by the CEO. The CEO is the key enabler and will work with EDOs, EDAs, and others on strategic and tactical collaboration in the region.

The CEO will report to an independent Board of Directors. The Board of Directors will provide a report card to the Capital Regional Board annually to review progress and funding.

The Board of Directors and the CEO will seek guidance from a Business Advisory Council, which will include sector representatives.



Board of Directors

The Board of Directors will consist of 12 members. The CEO and a provincial representative, will attend Board meetings but are non-voting. All board members represent the region, not their local context.

Amount	Board Representatives	Description
4	Municipally appointed representatives	<ul style="list-style-type: none"> Councillors or employees of the municipality are not eligible Represent municipalities of varying population size (Counties, Towns, Cities, etc.) Competency based The City of Edmonton will have a permanent seat The remaining 3 seats will rotate (staggered 3 year rotation)
4	Industry representatives	<ul style="list-style-type: none"> Industry leaders with subject matter expertise Edmonton International Airport (EIA) will have a permanent seat The remaining 3 seats will rotate (staggered 3 year rotation)

Amount	Board Representatives	Description
2	Associations representatives	<ul style="list-style-type: none"> The 2 seats will rotate (staggered 3 year rotation) E.g.: Chambers, Urban Development Institute (UDI) or Building Owners and Managers Association (BOMA), and National Association for Industrial and Office Parks (NAIOP)
2	Institutions representatives	<ul style="list-style-type: none"> The 2 seats will rotate (staggered 3 year rotation) E.g.: Universities, Tech, Health and Social
Total Representatives		12

The initial board will be selected by the Steering Committee and will be approved by the Capital Region Board. Once the initial board is in place, it will decide future board selection processes.

Business Advisory Council

The Board of Directors will meet with a Business Advisory Council twice annually. The CEO may seek the Council's advice at any time considered necessary. The Business Advisory Council will consist of approximately 20 to 25 individuals. Business Advisory Council seats will rotate every two years (staggered rotation). Representatives will be sector based, and will represent their local context. Potential representative include:

1. Agriculture
2. Air
3. Construction
4. Energy
5. First Nations
6. Health
7. Heavy Industrial
8. Hospitality
9. Logistics
10. Manufacturing
11. Rail
12. Real Estate Development
13. Retail
14. Roads
15. Small Businesses

16. Science and Engineering Technology
17. Upgrading and Refining
18. Education

In addition to sector representatives, the Business Advisory Council may include geographical representation beyond the region.

Decision Making

As a matter of course, decisions will be made on a consensus basis. When consensus cannot be reached, each of the 12 members may cast one vote and the decision will be made by simple majority. Quorum is set at seven and the Board will meet at least quarterly. The founding board will establish the bylaws.

Funding (Potential Model)

Funding will be based on the following sources:

- Initial core funding will be provided primarily by municipalities and is anticipated to be additional funding, not a re-allocation of existing Economic Development resources. Municipal contributions will be based on assessment tax base and population; however, small municipalities will not be required to pay;
- Continuing and project based funding will be mixed source and rely on an ongoing provincial contributions, as well as contributions from industry and institutions;
- Annual federal contributions are anticipated through Western Economic Diversification Canada (WD); and,
- Alternate sources of sustainable funding will need to be considered in the long-term.

Memorandum of Understanding Edmonton Metropolitan Region Economic Development Framework

Wikipedia defines a memorandum of understanding as (amended):

"A multilateral agreement between two or more parties. It expresses a convergence of will amongst the parties, indicates an intended common line of action. It is often used in cases where parties either do not imply a legal commitment or in situations where the parties cannot create a legally enforceable agreement. It is a more formal alternative to a handshake."

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding (MOU) Among the Capital Region Board;
The Edmonton Metropolitan Region Economic Development Entity (the Entity);
And the participating municipalities

Covering the period from September, 2015 to September, 2020

The objective is to make the Edmonton Metropolitan Region a business location of choice for global investment, by collaboratively building on regional assets.

To support this objective, the parties agree to enact the Framework document titled "Edmonton Metropolitan Region Economic Development Framework, May 12, 2015".

The **Capital Region Board** agrees to:

1. Respect the integrity and intent of the Framework and provide ongoing support to the Entity in the fulfillment of its responsibilities.
2. Receive the Economic Development Framework progress report every 2 years at a regularly scheduled CRB meeting, and provide feedback to the Entity.
3. Advocate as requested by the Entity, with other orders of government to seek resources or support.

The **Edmonton Metropolitan Region Economic Development Entity** agrees to:

1. Enact the Framework including the governance structure, focus on regional influence areas, and operating principles.

2. Actively work with the identified client groups, and provide quality service offerings that meet their needs.
3. Recruit and be guided by a representative Board of Directors, in the execution of the work of the Entity.
4. Structure and actively engage with its Business Advisory Council and EDO/EDA group.
5. Provide Economic Development services that:
 - a. Are focused on the regional economic development areas identified in the framework;
 - OR
 - b. Are local / sub-regional in scope but are provided, at cost, at the request of a municipality (municipalities) or association(s).
6. Provide a progress report to the Capital Region Board annually, and attend a board meeting to discuss the report contents.
7. Operate with a funding structure as outlined in the Framework document.

The **signing municipalities** agree to:

1. Support the Economic Development Framework and the role and integrity of the Entity as described above.
2. Provide core funding to support the administrative costs of the Entity.
3. Advocate as requested by the Entity, with other orders of government to seek resources or support.
4. Carry out the local responsibilities as outlined in the Framework, for the local municipal area.

This agreement may be amended at any time with the mutual consent of the parties.

Capital Region
Board Signature _____ Date _____

Entity Signature _____ Date _____

Municipal
Signature _____ Date _____