

The City of Cranbrook



Economic Development Strategy
2010—2014

October 30, 2009

City of Cranbrook
Economic Development
<http://www.cranbrook.ca/>



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Cranbrook at work for you

INTRODUCTION

This economic development strategy sets the direction and vision for Cranbrook' local economy and opportunities for creating employment and investment. The strategy is designed to articulate the City's fundamental attitude about economic development, to show how the local economy can be improved to enhance the quality of life, and to make use of limited resources to enhance community sustainability.

PROCESS

The consulting group employed the following research and community input methods:

- A comprehensive review of socio-economic data for the City and region.
- A review of current information on key sectoral economic drivers for the City and region.
- Local site visits focusing on commercial, industrial, and institutional.
- Visits to other communities in the region.
- A household opinion survey on economic development (597 responses).
- A comprehensive inventory of under-utilized industrial land.
- A comparison of available industrial land at airports in BC's interior .
- Sector focus group meetings (13) attended by 110 people.
- A one-day strategic planning session with Mayor and City Council and senior staff.
- Public Open House (36 attended).



The results of the research are provided in a separate document entitled "Technical Background Report", available through the City of Cranbrook and on the City's website at www.cranbrook.ca/. Presented here is a summary of the strategy portion, which is based on the research in the Background document to minimize the size of the document for review and discussion and to assist in focusing economic development activities.

OUTPUTS

- An economic vision for the City.
- A mission for the City's economic development function.
- Key medium-term goals.
- Specific short- and medium-term strategies.
- Recommendations on the development of the City of Cranbrook's economic development function.
- Summary of research in the Technical Background Report.



Current Situation

Table 1: Population for the City of Cranbrook & RDEK (1986-2007)

	1986	1991	1996	2001	2007
City of Cranbrook	16,465	16,885	18,830	19,280	19,410
City of Kimberley	6,940	6,690	6,985	6,765	6,640
Total East Kootenay RD	54,895	53,745	58,485	58,745	59,065
Town of Creston	4,225	4,301	4,980	4,820	4,920
Central Kootenay EA B*	n/a	n/a	4,725	4,740	4,575
Total Reg'l Population	n/a	n/a	68,190	68,305	68,560

Source: BC Stats. Population Estimates.

* Electoral Area data is not available prior to 1996.

POPULATION

The population growth in Cranbrook was 15% between 1991 and 2007, compared to 10% in the region (does not include part-time residents) and 29% for BC, as shown in Table 1. The City and RDEK population has a slightly higher percentage of population over the age of 65 than the province but also has a higher percentage of young (0-14) people as well, as shown in the Table 2.

EDUCATION

Compared to the province, Cranbrook has a higher proportion of its population with high school graduation or less, apprenticeship and trade certification, and college or other non-university certification. It has much lower proportions of people with university graduate and post-graduate degrees. See Table 3.

Table 2: Age Characteristics for Cranbrook, RDEK and BC, 2006

Age	City of Cranbrook	RDEK	BC
Age 0 – 14	17.7%	16.4%	16.5%
Age 15 – 24	13.0%	12.2%	13.1%
Age 25 – 44	24.3%	24.6%	27.4%
Age 45 – 64	28.6%	31.9%	28.4%
Age 65 – 74	8.5%	8.3%	7.6%
Age 75+	7.9%	6.6%	7.0%

Source: Statistics Canada, 2006 Census.

Table 3: Total Population Aged 25-64, Highest Level of Education Attainment, 2006

	Cranbrook	RDEK	BC
No Certificate, Diploma or Degree	13.2%	14.2%	12.4%
High School Certificate	30.8%	29.7%	25.8%
Apprenticeship, Trade Diploma or Certificate	14.3%	16.3%	12.0%
College, CEGEP or Other Non-university Diploma or Certificate	26.0%	23.8%	19.6%
University Diploma Below Bachelor Level	4.1%	3.7%	6.1%
Bachelor's Degree	8.0%	8.0%	15.2%
University diploma above a Bachelor's Level	0.8%	1.2%	2.4%
Degree in medicine, dentistry, veterinary medicine or optometry	0.4%	0.5%	0.7%
Master's Degree	2.3%	2.3%	4.9%
Earned Doctorate	0.1%	0.3%	0.9%
Total Population Age 25 to 64	9,600	31,240	2,284,460

Source: Statistics Canada, 2006 Census.

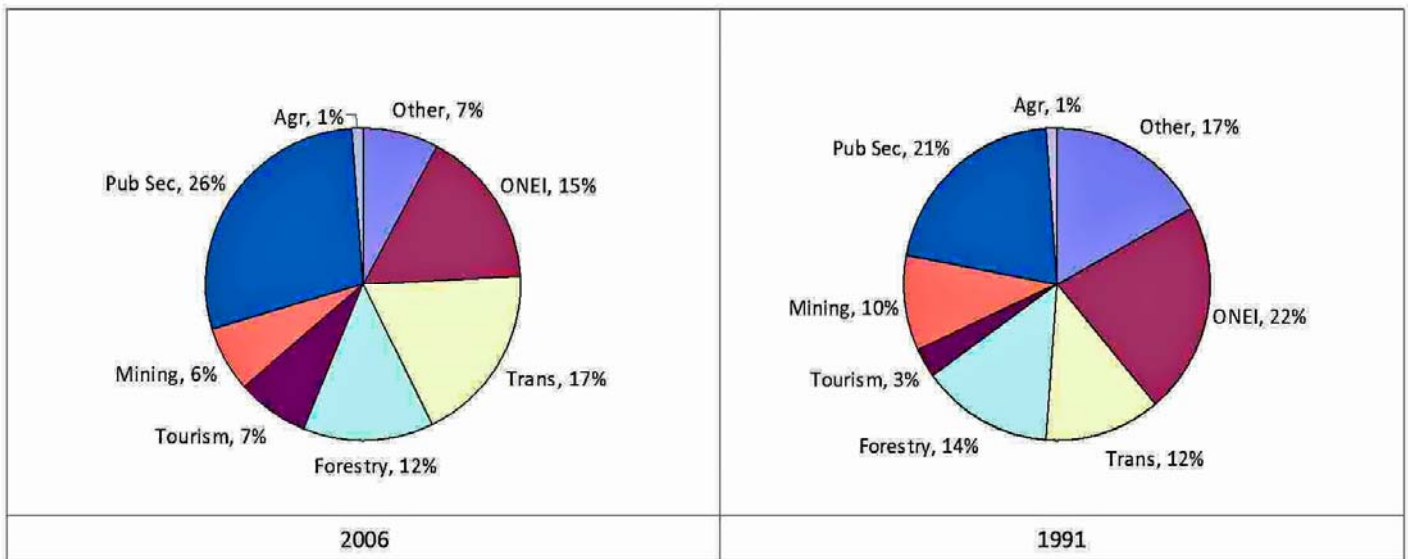


ECONOMIC DEPENDENCIES

Economic dependencies are premised on the fact that the economy of a community can be represented by income flows that can be classified as basic or non-basic, depending on the source of the income. Basic employment income flows into the community in the form of wages and salaries or self-employment income from three sources that produce employment including: producing goods and services that are exported; tourism (spending by outsiders); and public sector .

Figure 1 shows that between 1991 and 2006, the Cranbrook area economy saw the share from forestry and mining to community income decline, while the transfer payments, tourism and public sector share increased, highlighting that over the past 15-years tourism, public sector and transfer payments have grown at a faster rate than forestry and mining.

Figure 1: Cranbrook Area Economic Dependencies, 1991-2006³

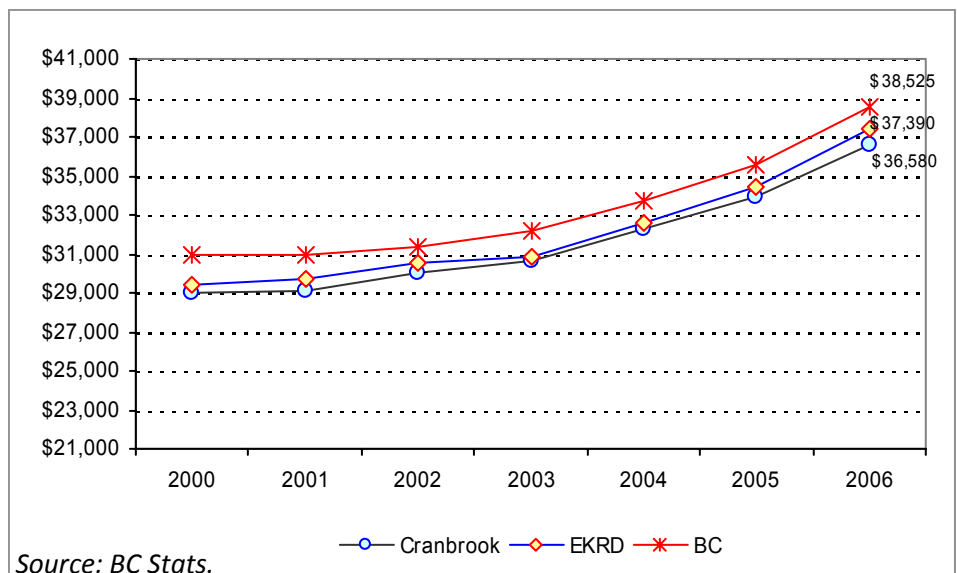


Source: BC Stats—Note: ONEI— Other no elsewhere identified.

Figure 2: Average Personal Income for Cranbrook, RDEK, BC and Canada, 2000-2006

INCOME

In Cranbrook, annual income levels in 2005 were about \$2,000 less than the provincial average and just slightly less than the surrounding region; this is most likely because of the City’s higher retirement population and the larger number of lower wage service jobs in the large retail and personal services sectors. Figure 2 highlights average personal income over the past six years between 2000 and 2006.



Source: BC Stats.



LABOUR FORCE

Review of the labour force by industry, as shown in Table 4, highlights that more than one in five jobs are in goods producing sectors which is a larger percentage in

Cranbrook than in the Province as a whole; while retail, health and accommodation and food services also made significant contributions.

Table 4: Labour Force by Industry for City of Cranbrook, 2001 and 2006

	Cranbrook		Cranbrook %	BC %
NAICS – Goods Producing	2001	2006	2006	
11- Ag. and Logging & Forestry Ind.	275	335	3.5%	3.4%
21- Mining	195	205	2.2%	0.9%
22- Utilities	30	55	0.6%	0.5%
23 - Construction	555	735	7.7%	7.5%
31-33 - Manufacturing	785	740	7.8%	8.5%
Total Goods Producing	1,840	2,070	21.8%	20.8%
Service Producing				
41- Wholesale Trade	245	285	3.0%	4.1%
44-45- Retail Trade	1,455	1,540	16.2%	11.2%
48-49- Transportation & Storage	585	510	5.4%	5.2%
51 - Information & Cultural Ind.	180	155	1.6%	2.6%
52 - Finance, Insurance	405	320	3.4%	3.8%
53 - Real Estate, rental & leasing	175	120	1.3%	2.3%
54 - Prof., science & technical	300	315	3.3%	7.3%
55 Mgmt. of companies & enterprises	0	10	0.1%	0.1%
56 - Admin., support, waste mgmt.	335	355	3.7%	4.4%
61 – Education	455	575	6.1%	6.9%
62 - Health Care & Social Assistance	1,065	1,090	11.5%	9.6%
71- Arts, entertain. & recreation	200	270	2.8%	2.3%
72- Accommodation & Food Services	825	785	8.3%	8.1%
81- Other Services	450	475	5.0%	4.9%
91 - Public Administration	515	500	5.3%	5.0%
Total Services Producing	7,190	7,305	77.0%	77.8%
Not Applicable	245	125	1.2%	1.4%
Total Labour Force	9,275	9,500	100.0%	100.0%

Source: Statistics Canada, 2001 and 2006 Census.



FOCUS GROUPS—INPUT

The focus groups generated considerable discussion concerning the issues affecting key economic sectors

and opportunities for future development. The priority opportunities are summarized below.

Tourism

- Prioritize existing plans
- Coordinate by-laws
- Website update
- Higher council profile
- Lead key events
- Establish DMO
- Coordinate marketing
- Beautification

Forestry

- Coordinate land use
- Fire-proofing
- Co-generation
- Pellets and other value-added
- Changes to tenure system
- Trail development
- Business resource centre

Agriculture

- Ag awareness
- Abbatoir
- Community ag plan
- Farmers' market
- Food charter
- Encouraging local production

Mining

- Improve incentives
- Find home for core library
- Regional mining vision
- Aggregate extraction plan
- Regional training centre
- Industry forum to build support
- City mining liaison

Manufacturing

- Local business statistics
- Business directory
- Business attraction package
- Website alpha listing
- Labour development

Manufacturing-cont.

- Supportive by-laws/policies
- Infrastructure plan

Transportation

- Downtown beautification
- Road repairs
- Heavy goods route
- Rail underpasses and overpasses
- North access to airport
- Bonded warehouse at airport
- Helicopter services
- Flight centre and maintenance

Housing & Construction

- Affordable housing program
- Increase downtown housing
- Village concept with mixed zoning
- Seniors and health infrastructure

Retail

- Increase downtown activities and events
- Attract an anchor retailer
- Promote downtown activities
- Program for encouraging use of under-utilized properties and space (e.g. 2nd floors)

NGO/Social

- Improve accessibility of infrastructure
- Establish Arts and Culture liaison
- Funding strategy for supporting Arts and Culture
- Revisit and update 2020
- Follow up on Arts Scan/Plan
- Form alliances with community groups

Business Services

- Expand broadband
- Liveable downtown plan
- Enhanced air service to short-haul destinations
- Labour force and skills development
- Affordable housing plan
- Downtown walkways and paths



KEY SECTORS AND TRENDS

As previously noted, the background document presents a situation analysis and review of each major economic sector. A summary of these results are presented below.



TOURISM

- 8% of total community income; 11% of labour force
- Mainly BC and Alberta Markets; several strong regional attractions
- Challenges—signage, highway gateway presence, hospitality amenities and more activities and attractions for children and younger groups

MANUFACTURING

- 7.4% of the labour force; high wages; strong contributor to economic base
- Wood, minerals, concrete, fabricated metals, machinery are major products
- Challenges—Keeping business costs reasonable and infrastructure in good shape

FORESTRY

- 12% of total community income; 11% of labour force
- AAC of 904,000 m³; one major licensee
- Steady decline in last 10 years
- Challenges — US housing demand, MPB, diversification

TRANSPORTATION & STORAGE

- 6.3% of labour force; high wages; critical support for major industry
- Rail, airport, road transport major sub-sectors
- Challenges—Expanding infrastructure and services, maintaining regional role

AGRICULTURE

- 1% of total community income; 1.4% of labour force
- 132 farms; mainly cattle and forage production
- Challenges—Lack of arable land, small sector production levels

RETAIL, COMMERCIAL & PROFESSIONAL SERVICES

- 28% of labour force; payroll relies on export sector spending
- Challenges—Maintain regional hub status, population growth, labour availability
- Regional leakages

MINING

- 6% of total community income; 2.5% of labour force
- Employment is mainly in the Elk Valley or in related service businesses
- Challenges—Maintain access to the land base for future development, maintaining oil and gas potential as another economic stimulus

EDUCATION, HEALTH & GOVERNMENT

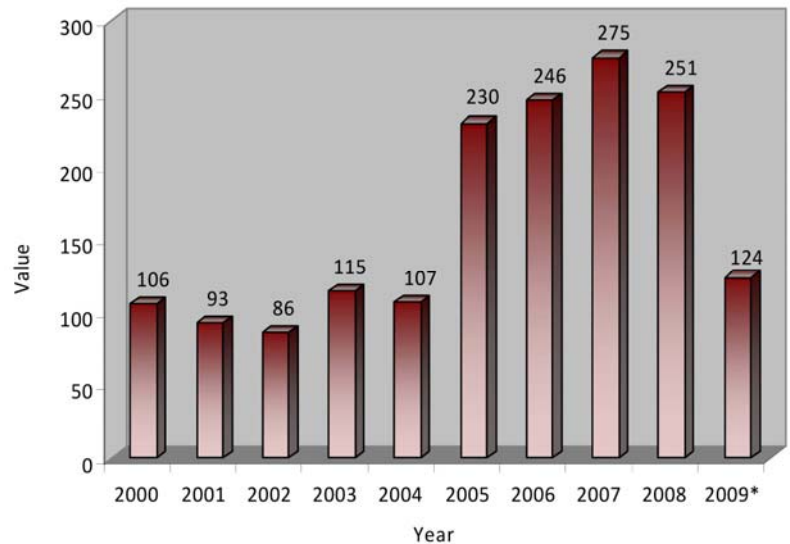
- 30.2% of labour force
- Major employers in education and health
- Small professional and high tech component
- Challenges—Provincial budget constraints on education and health



CONSTRUCTION

Cranbrook is a key service centre for both retail and wholesale construction materials for the region and it supplies many of the sub-trades and speciality labour in the sector. As shown in Figure 3, construction activity in region in the years 2005 through 2008 were approximately 2 ½ times greater than the annual average from 2000 to 2004 creating a large increase in the construction workforce and sales of building and related products (e.g. furniture). The building permits in the first seven months of 2009 are 50% lower than the same period in 2008, indicating the front end of a rapid decline in new building activity in region in 2009 returning to levels more consistent with 2003–2004 levels.

Figure 3: Total Building Permits (\$millions)



**Projected for 2009—based on Jan-Jul 2009 actual figures.
Source: BC Stats: Quarterly Regional Statistics, Interim Report, First Quarter 2009*

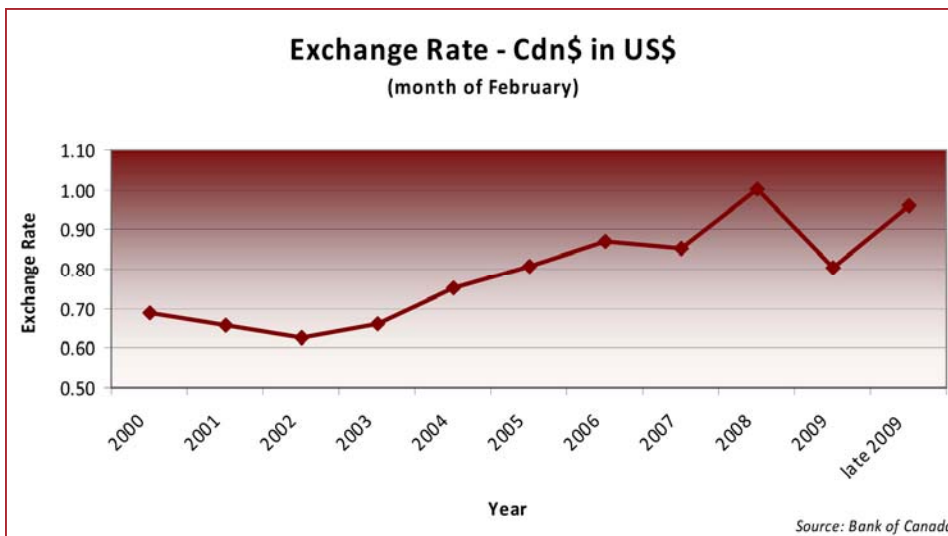
EXCHANGE RATE VOLATILITY

An export-oriented economy like the East Kootenays, where most wealth is generated by export-oriented activities such as tourism, wood manufacturing, mining and transportation, is subject to currency exchange rates, as shown in Figure 4. As the value of the Canadian dollar rises in relation to the US dollar, Canadian goods become more expensive in the US. For base commodities like construction grade lumber, Canadian wood either becomes less competitive on price thus lowering export sales and Canadian production or

Canadian manufactures are forced to lower production costs and try continuing to manufacture wood products at the new US dollar price. All things being equal a fall in the value of the Canadian dollar as the reverse affect.

A steady increase in the value of the Canadian dollar between 2002 and 2008 made exports to the key US market relatively more expensive, while the large drop in late 2008 reversed this trend. Rates are rapidly returning to par value in late 2009. This has created uncertainty for many exporting companies and in the case of forestry, led to curtailments in production.

Figure 4: Currency Exchange Rate



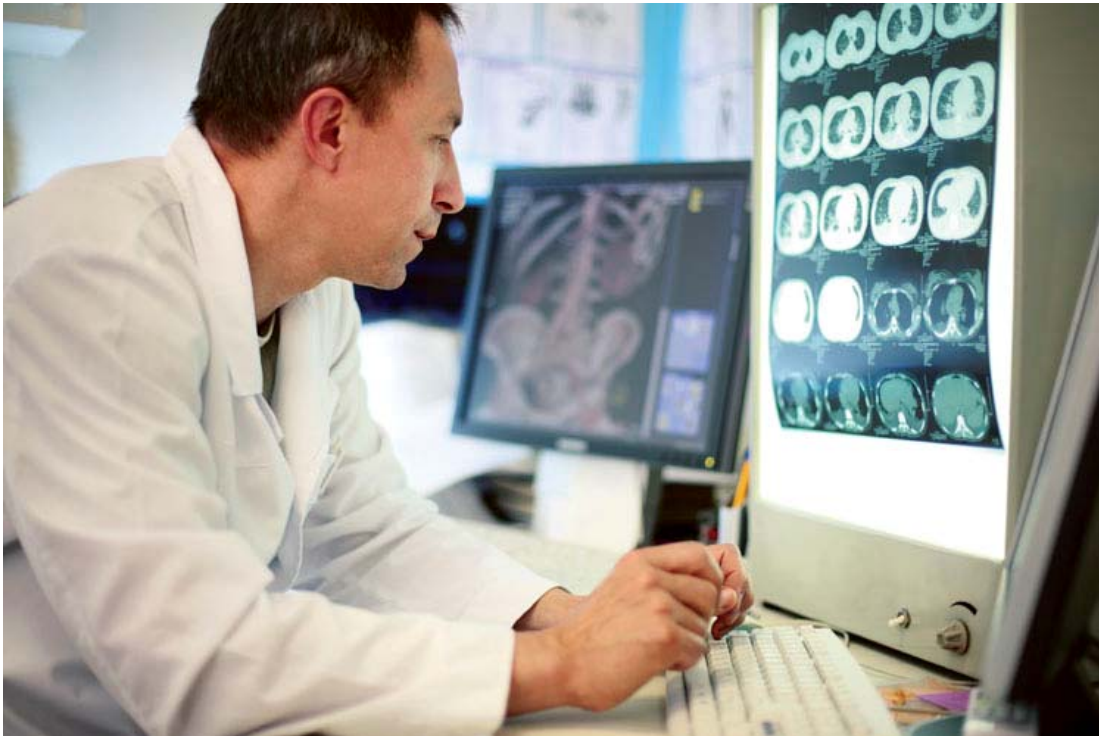
COMPETITIVE ADVANTAGE

The level of competitive advantage that Cranbrook enjoys depends on the sector and boundary of the area to which advantage is being compared. For basic consumer goods, the retail stores in Cranbrook have a competitive advantage locally over similar stores outside the region. For higher order goods, e.g. home building supplies, office supplies or specialized services, the competitive advantage extends to the sub-region - the East Kootenay Regional District including Creston. For skiing, or snowmobiling the areas in the region compete successfully with others in the region in Western Canada drawing visitors from Central and Southern Alberta, Northern Washington and Idaho. For other products, like metallurgical coal, the region successfully competes in

Figure 3: Competitive Advantage—Cranbrook, BC



the international raw materials commodity market – clearly a competitive advantage at its extreme. See Figure 3. It is in this floating competitive advantage context that Cranbrook needs to see its potential futures.



KEY ASSETS

Cranbrook's key assets as an economy can be summarized into the following components:

- **A central location and cluster of services that acts as a hub for the southeast BC region economy.**

- Immediate regional population of 68,000+
- 1500 businesses
- Leading distribution and service centre for the regional mining, forest industries and agriculture
- Big box stores for a population of 68,000+
- Neighbouring regional population of 1.7 million, 1.2 million in Alberta-Calgary area and 329,000 in neighbouring US counties.
- 30,000 vacation residents in Invermere/ Radium/Windermere/Kimberley/Fernie using Cranbrook as a service center. Part-time residents, potentially, will be full time residents.
- Central hub for East Kootenay communication delivery—cable, wireless, phone, etc.
- Regional health care and government services centre. Full complement of health support services
- Main campus of the College of the Rockies.

- **Access to natural resources that is the basis of wealth-creating mineral and timber commodities destined for international markets**

- Range of manufacturing companies supporting a stable and established skilled manufacturing labour force.
- Wood manufacturing including: sawmills, wood window and door manufacturing, and miscellaneous wood products.
- Food manufacturing including: a brewery in Creston and retail bakeries.
- Metal fabricating including: plate work and fabricating structural product manufacturing, machine shops, construction machinery manufacturing, sawmill and wood machinery manufacturing, and other.

- **Quality supportive transportation infrastructure**

- Major sub-sectors include CP rail transportation, with direct access to the US, and truck transportation—several fleets and independent operators.
- Four common carriers with local terminals serving Cranbrook, and one bonded warehouse. Over 45 trucking establishments serve the region.
- Cranbrook is central to an expanded bus transit service for the East Kootenay.
- Emerging as a transportation growth engine for the region's burgeoning tourism industry. Cranbrook is the 10th busiest airport in the province with 106,000 passengers in 2008, a 38% increase over 2005 passenger levels of 76,825.
- Cranbrook air links to Salt Lake City, Utah via Delta Airlines
- Regular schedule daily flights to and from Vancouver and Calgary.
- Provincial air tanker sub-centre for the region
- In 2008, Canadian Border Services Agency moved into new offices and begins full-time custom services at the airport
- Runway extended to 8,000 feet in 2006 and major facility upgrades
- Airport has runway accessible industrial land for aerospace logistics sector development



KEY ASSETS—CONT.

● **A natural environment with exceptional recreation features that underlies a strong tourism sector**

- 62% being non-residents, primarily from close in regions (e.g. Alberta, Washington), but also an important contingent of long haul and overseas visitors
- Two tourism peak seasons—summer (the higher peak) and winter
- Sports and tournament facilities—anchored by the Cranbrook RecPlex and an inventory of indoor and outdoor recreation facilities
- Key service hub for resorts and tourism facilities. (ski, hot springs, golf)
- Central to a series of historical and museum attractions and historical services
- Fort Steele, Railway Museum,
- 34 accommodation properties—over 1,000 bed units and meeting facilities
- Close to 800 camp and RV sites in neighbouring parks and private facilities.
- Approximately 80 food and beverage establishments
- Excellent golf courses in the region—at least 16 are considered world class
- Wildstone – Gary Player Black Knight Title Course Status & Community (2500 homes at build-out as well as retail, food, and wellness centre) - is one of only two in existence; the other is Gary Players’ own course in South Africa
- Shadow Mountain—golf course and community (500+ homes at build-out)



● **A liveable community**

- Rockies, forest, wildlife provide natural background to attract visitors & new residents
- Commercial and residential with room to grow more building lots
- Crime rates in the East Kootenay are among the lowest in the province
- Low unemployment rate from 2003 to 2008.
- High quality of life, with good access to health, education, recreation and community services.
- A reasonable cost of living, including real estate and housing suitable for all ages
 - Inexpensive Housing - Real estate in the East Kootenay amongst the lowest in the province.
- Most diversified economy in the Kootenays
- Positioned to grow through amenity migration, retirement living, tele-commute businesses and footloose service industries
- Positioned to attract manufacturing
 - Ranks competitively on highway access, labour availability, land costs and energy costs and access to the marketplace (Calgary, Spokane, etc.)
 - Skilled workforce attracted by the many industrial and construction jobs
 - Abundance of hydroelectric power, natural gas, water and land

● **Available and affordable land and water for future development**

- Industrial Property – City, Airport and surrounding communities
- Availability presently and in the future – Note: Attractive space in the US is now \$5 per square foot (expected to fall) and approximately \$1.5 in Cranbrook
- Fill-in areas for development
- Ample municipal water
- Climate change is expected to add to the agriculture potential with increased degree days and moderation of the climate



Regional Economic Assumptions

The economic development strategy for Cranbrook is based on the following regional mid-term (3-5 years) economic assumptions, which are based on the best available socio-economic forecasts:

1. The provincial economy in general will rebound from lows in 2008 and 2009 in the medium term, allowing the Provincial government to continue with its funding of health care and education.
2. The US economy will slowly improve maintaining significant levels of trade between Canada and the US and between the US/Canada and Asia. Expected return of demand and higher prices for commodity products will increase trade flows and support a strong transportation sector, led by rail services. Demand for metallurgical coal in Asia will remain strong, successfully supporting the mining and mining communities in the Elk Valley.
3. Demand for oil and oil-based products will continue to be strong, supporting a financially strong Alberta economy. Residents from Alberta will continue to see the Columbia Valley as a top choice for their holidays and second-home purchases. Continued population growth and strong growth in the regional economy of Alberta, and stabilization of the Washington and Idaho economies will contribute to Cranbrook's evolving role as a regional service centre.
4. Demand for wood products in North America will

SHORT-TERM BC ECONOMIC FORECAST (ANNUAL % CHANGE)

	2009	2010	2011	2012	2013
Real GDP	-3.4	2.4	2.8	4.3	4.4
Employment	-2.5	1.8	2.5	3.0	2.9
Unemployment Rate (%)	7.8	7.5	7.0	6.3	5.9
Personal Income	-1.6	3.3	4.1	6.3	6.6
Housing Starts (units)	15,300	21,400	24,600	30,500	35,200

Source: Central 1, BC Economic Forecast 2009-2013, Economic Analysis of BC.

slowly climb and prices will increase well above the current record lows as the US housing market recovers in the medium term, allowing the forestry sector in the region to stabilize.

5. The demand for oil and natural gas will also stimulate commercial production of coal-bed methane resources in the Elk Valley and create a new source of wealth and employment.
6. Global warming will reduce snow levels world-wide, but it will do so less in the BC Rockies limiting the negative impact of global warming on resorts in the region and giving them a potential competitive advantage. It will also put significant pressure on decreasing greenhouse gas emissions extending the opening for "green energy" projects.
7. As an additional impact from global warming a decrease in production of agriculture products in dryer areas of North America will increase the price and the production of agriculture products, locally and regionally.



Economic Vision—Cranbrook

Cranbrook is at a crossroads of three major transportation modes; road, rail, and air. The efficient movement of goods and services is key to generating industry success. Cranbrook will continue to be the region's transportation centre serviced by rail, highway and an international airport. The City will also continue to be the commercial and industry service centre to the East Kootenay region. "Big Box" national and local retailers will anchor the City's role as a regional commercial hub. Regional business and personal services will focus their operations in Cranbrook, spurred on by the marketing of commercial and industrial lots.

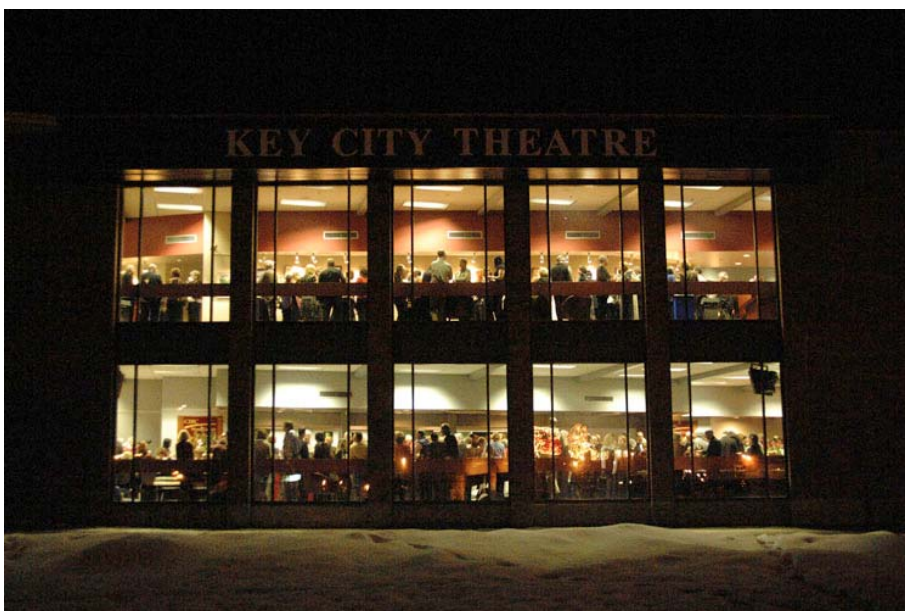
Wellness services including the Regional Hospital with associated specialist and acute care services will continue to be a strong base for the economy, along with a variety of health practitioners, e.g., clinic counsellors, physiotherapists, chiropractors, massage therapists, and naturopaths serving the region. Cranbrook will support neighbouring communities to grow based on their high-quality natural environment.

Industrial operations will occupy much of the industrial land, including the airport, that was vacant a decade ago providing cornerstone industrial jobs. The new fibre-optic high speed internet will enable knowledge-based industry to expand or locate in Cranbrook. The College of the Rockies will be a partner in building this and other employment bases. Home-based businesses will offshoot



from this entrepreneurial mindset, and will be encouraged to grow through the development stages.

The downtown will be a more attractive and vibrant place for businesses and residents, following a revitalization process. The professional and financial services will drive the speciality shopping, cafes, etc. The rejuvenated downtown core will incorporate personal, business, and social services, as well as entertainment and visitor amenities. Built on the success of Fort Steele, the Canadian Museum of Rail Travel, St. Eugene Resort and Casino, the Cranbrook RexPlex, and Moir Park facilities, culture and recreation will flourish, and be a major draw for new residents and tourists. The performing arts, and Key City theatre will also continue to be a large draw. A convention centre will complement established hotels and motels.



Local food production and buying will be a staple of the Cranbrook lifestyle, thanks to an enhanced relationship with food producers in the Creston Valley and a re-emergence of market gardening and small livestock production locally. Taking advantage of long hours of sunlight for solar power and the available fibre supply for wood-fired co-generation of electricity, Cranbrook will be a model for energy conservation and alternative energy generation. Worker-affordable housing is available and will attract workers who will grow the labour force for the expanding tourism, retail, and service industries. The City will have expanded its population by another 10,000 people.



Mission—Cranbrook’s Economic Development Department

The City of Cranbrook’s economic development function serves Cranbrook residents and businesses, plus those in



the trading area, and takes into consideration Cranbrook’s role as a regional service centre. The function focuses on business and labour-force retention and attraction, along with the identification, and development of economic infrastructure, including downtown revitalization. It also focuses on general community marketing.

The function participates in marketing the community (including tourism), industrial land and airport lands. At this point, Cranbrook’s economic development focuses its tools on promotion and brokering, infrastructure (including investments in economic infrastructure), and economic planning and research. The City has structured the economic function to allow it to develop the capacity to assist the City to deal effectively with increasingly complex economic development issues.

Economic Development Goals

The planning horizon for this strategy includes both medium (3 to 5 years) and long-term (5 to 10 years) goals. They flow from the community’s vision for economic activity and prioritized to account for the resources available for implementation. The goals are designed to be measureable and reasonable in light of what the organization is capable of influencing within the regional economy. It is important to note that there are many other private and public organizations and individuals within and outside the region pursuing similar goals that

will greatly assist the achievement of these goals as set forth by the City.

The following goals are aligned with a series of related strategies, although some strategies will assist with the achievement of more than one goal. The following section provides additional details of the strategies including key objectives, rationale, actions, lead organization, required resources and expected constraints.

GOALS

1. **Expanded business sector**—measured by number of business licenses (City) and total employment (BC Stats).
2. **Enhance employment and income growth**—measured by changes in employment (BC Stats) and income (Canada Revenue Agency).
3. **Increased population**—measured by BC Stats.
4. **Increase visitors and their spending**—measured by annual room revenue (BC Stats) and total sales by selected retail and service categories (Stats Canada).
5. **Enhance amenities**—measured by an asset inventory list and grading scale (City).

Each of the five goals and the thirteen strategies has their own metric or measure for success. AND it is the combination of the implementation of the strategies that will enable Cranbrook to meet its economic development goals. This economic strategy will be implemented during a period of significant global economic change bringing many external forces to bare which will either enhance or dampen the success of the strategy’s implementation. The strategies are designed to maximize the impact where local effort has the most influence and strength local capacity to deal effectively with the ever changing external forces.



Enhancing the Foundation—Strategies

1. BUSINESS CLIMATE

Objective:

- **Bylaws and policies that facilitate development and encourage investment.**

Rationale:

Business climate refers to the general economic environment comprising economic conditions as well as institutional and government attitudes toward businesses and business activity. Business climate is affected by both major cost factors (e.g., land, labour, taxes, regulations) and non-cost factors (e.g., quality of life, attitudes toward business). The local business climate factors include business set-up conditions, taxation, investment environment, and the availability of skilled labour. The extent to which a community’s political and policy environment is seen to support or inhibit businesses is an indicator of the business climate. Business climate is important because it affects how companies inside and outside the community perceive business and financial risk and this, in turn, will affect investment and job creation potential.

Actions:

1. The City should review best practices in municipal service delivery. Based on suggestions made by industry participants in the focus groups, City Hall could take some steps to improve its image as a facilitator of investment and business development. Potential focus areas include:

- a. A single point-of-entry and assigned personnel for helping new businesses navigate through local approval processes.
 - b. Determine five or six benchmark communities recognized as having highly positive and customer-first attitudes. This could lead to case examples showing how key success factors and best practices might be adopted locally.
 - c. Outline costs and recommendations for incorporating best practices into service delivery.
2. Provide research to council and staff on potential development incentives and their utility, cost-effectiveness, and application. Several provinces of Canada, including BC are restricted from engaging in many of the tax and financial incentives deployed in the United States. If incentives are to be viable, they would likely be targeted to specific program outcomes such as downtown development. The latter could include tax incentives for the redevelopment of heritage buildings, for use conversions (e.g., industrial or commercial to residential), and for those properties which have the opportunity for employment-generating activities. Property tax holidays, as an example, can help offset the additional construction costs of redeveloping heritage properties. Developer’s Cost Charges (DCCs) forgiveness in downtown areas with in-place infrastructure is another strategy.

<p>Lead:</p> <p>City of Cranbrook</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Council concerns that the public may see it as being too “business friendly” ● Costs and administrative barriers to changing and enforcing new by-laws
<p>Resources:</p> <p>Minor time commitment</p>	



2. FIBRE TO BUSINESS FOR CRANBROOK’S COMMERCIAL AND INSTITUTIONAL CORE

Objective:

- **Lit fibre-optic cable available for businesses and institutions to connect to starting in 2010, with the central business area completely wired by 2015.**

Rationale:

In 2001, only a few businesses and institutions required “real” high-speed internet access—4 MB/sec and above. By 2009 many, many businesses and institutions require “real” high-speed (well above 4 MB/sec) to remain competitive and many more would find the service to be cost effective if it were available at prices similar to those offered by other BC municipalities’ lit fibre-optic systems (e.g., Kamloops and Penticton). Having access to “true” high-speed internet is critical to many businesses and institutions and is becoming more important for individuals who work remotely using digital media, streaming video, and any other business applications requiring the transmission of large amounts of digital data. The major Internet carriers have been slow to

provide “real” high speed at a competitive, affordable cost given that most of their infrastructure (glass, hubs, and switches) were installed when their cost to purchase and install was much, much higher than it currently is.

Providing fibre to business would put many businesses on an equal footing with those in major centres allowing them to effectively compete by removing much of the cost of operating from a distance. It is also critical for developing and attracting new knowledge-based and higher technology businesses.

Actions:

1. Prepare a business case for lit fibre-to-business and core institutions which includes explorations of potential joint partners.
2. Based on the business case, prepare a phased business plan for a venture (potentially a joint venture) that has the City (with or without partners) providing true high-speed internet access for themselves and other businesses and institutions.

<p>Lead:</p> <p>City of Cranbrook</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> • Initial funding • Support from “trunk line” capacity • Support from City Council to operate additional infrastructure is needed
<p>Resources:</p> <p>\$15,000 for the preparation of the business case</p> <p>\$30,000 for the preparation of the business plan</p>	



3. DOWNTOWN REVITALIZATION

Objectives:

- Improved downtown visuals and streetscape.
- Coordinated, cohesive property infill and development.
- Increased residential development.

Rationale:

The consultation process indicated that an improved central shopping area was a major concern of residents and business owners. The potential for a vibrant town centre incorporating core personal, business, and social services, as well as entertainment and visitor amenities, could reinvigorate the City’s business and cultural life. Combining more mixed-use residential and commercial activity in and around the downtown core could be explored in the next OCP and coordinated with a community housing strategy. Stakeholders suggested attracting significant new investment into the downtown may not happen soon enough to maintain the current merchant base. They also acknowledged that this particular issue would have to be implemented over the long term because the concept encompasses multiple activities based on partnerships among local government, downtown merchants, and landowners.

Actions:

1. Consider the development of a Town Centre Concept Plan as a follow-up to the Advisory Planning Commission’s proposed Smart Growth principles. The concept of the downtown as a “neighbourhood centre” was proposed, as was provision for neighbourhood secondary plans. If adopted, the plan could be integrated in whole,

and in part, into a number of related initiatives in this strategy. The EDC’s role in this initiative could focus on the relationship between the development/building sector and the City, as well as greater acceptance and application of proposed Smart Growth strategies (e.g. If there is no industry interest in building affordable, multi-residential unit development in downtown, why is that the case and what steps could the City take to make investment more attractive?).

2. Set up a research program to determine potential downtown niches. The basic process for identifying existing and potential niches involves:
 - a. Compiling a list of existing niches (e.g. tourism, seniors, students, culture/entertainment).
 - b. Reviewing best practices from other similar downtowns.
 - c. Compiling an inventory of commercial and retail space containing ownership, square footage, tenancy and business classification.
 - d. Determining the adaptive reuse or redevelopment potential of the existing inventory.
 - e. Identifying the most efficient economic uses of under-utilized buildings.
 - f. Considering a shopper intercept survey to confirm niche potential for services. Based on the current situation, analysis niches with downtown potential include technology, students, seniors, and arts/culture/tourism.
3. Developing a gateway strategy for east and west community entrances.

<p>Lead:</p> <p style="text-align: center;">City of Cranbrook</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Funding for a plan ● Potential reluctance on downtown landlords to redevelop or sell ● Potential reluctance of developers/builders if returns are better on conventional projects.
<p>Resources:</p> <p style="text-align: center;">Major time commitment</p> <p style="text-align: center;">Council by-law amendments</p> <p style="text-align: center;">\$20,000-\$30,000</p>	



4. DAILY COMMUTER SCHEDULE ADJUSTMENT

Objective:

- To have daily “commuter type” passenger air service between Cranbrook and Calgary.

Rationale:

Air transportation is an important element in Cranbrook’s growing role as the hub of the East Kootenays. The city promotes itself as a quality place for professionals to locate and from which to operate their businesses. Calgary is a key business and tourism link, while connections for government and public services are via Vancouver/Victoria. Many of the part-time and telecommuting residents in the Columbia Valley have home offices and primary residences in Central Alberta. The driving time to Calgary from Cranbrook via Fernie or Radium is approximately 4.5 hours (mid April to mid October), making same-day return business trips very challenging.

Communities that have successfully housed professional business-service practices outside metropolitan areas have early morning and evening connector flights to and from their key hub cities to enable business travellers to access their customers. The Canadian Rockies International Airport currently has five daily flights to Vancouver, successfully providing same-day connections with Vancouver and Victoria. The airport also has three daily flights to Calgary; however, the first flight to Calgary is late morning and last flight from Calgary is late afternoon, making this far less “successful” at providing for same-day return business activities from other

locations north or east of the Calgary hub. Adjustments to scheduling—earlier in the morning to Calgary and later in the day from Calgary—would increase the appeal for potential telecommuters and business-service providers connected to Central Alberta .



Actions:

1. Undertake primary market research focused on current Central Alberta telecommuters and business services providers.
2. Initiate discussions with Air Canada to assess the feasibility of adjusting the Calgary/Cranbrook/ Calgary schedule.
3. Support Air Canada’s and Pacific Coastal’s marketing activities with products and marketing programs focused on telecommuters and business-service providers.
4. Include the telecommuters and business service providers in business and entrepreneur attraction strategies.

<p>Lead:</p> <p>City of Cranbrook</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Lack of “proof of concept” ● Current recession and reduced air travel demand
<p>Resources:</p> <p>\$20,000 for primary market research</p> <p>Moderate staff time</p> <p>A focus for marketing programs</p>	



5. HOUSING

Objective:

- **To have an adequate supply of resident-affordable housing available in Cranbrook.**

Rationale:

One of Cranbrook’s key economic roles is the retail, service, recreation, and resident hospitality centre of the East Kootenays. All of these sectors are worker-intensive and most of them have wages scales that are considerably lower than other key community economic base sectors, e.g., manufacturing, mining, health care, and government services. A key component in attracting and maintaining a quality workforce in these lower wage sectors is adequate housing that is available at costs that these workers and their families can afford. It is also important to have housing available for business owners and managers.

Making sure that an adequate supply of resident-affordable housing is available is an on-going challenge experienced by many communities over many decades (centuries). The City controls some of the cost elements that contribute to encouraging resident-affordable housing, for example Developer’s Cost Charges (DCCs) on new developments, DCCs on brownfield and infill lots, size of lots, general municipal property tax levels,

minimum/maximum house size requirements, zoning, and DCCs for secondary suites. The often low return-on-investment for more affordable housing usually attracts limited private sector development to this area of need.

Yet, to maintain Cranbrook as a service centre, affordable housing for lower wage workers is mandatory.

Actions:

1. Review lot size requirements for housing within easy access to employers in lower wage sectors and, where possible, allow sub-division to the former narrow lot widths.
2. Review secondary-suite zoning, DCCs, and other limitations and, where possible, revise these regulatory limitations to increase the development and availability of quality secondary suites and carriage houses.
3. Encourage more multi-residential development in the town centre (see the downtown revitalization strategy).
4. To complement the above, consider creating a housing authority with the mandate and capability to purchase land, build, and renovate lower-cost housing to ensure an adequate supply of “resident-affordable” housing.

<p>Lead:</p> <p>City of Cranbrook</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Potential negative public opinion from existing homeowners ● Potential opposition from full market-cost housing providers
<p>Resources:</p> <ul style="list-style-type: none"> ● Moderate staff time ● Initial investment for Housing Authority purchases and investments (\$500,000) 	



6. COMMERCIAL BUSINESS ATTRACTION & RETENTION

Objective:

- Higher commercial occupancies
- Diversified retail and service options
- More active, vibrant downtown
- Retention of existing commercial enterprise mix.

Rationale:

Cranbrook is the commercial hub for the East Kootenays. Maintaining and expanding Cranbrook’s commercial role is key to its economic development. Expanding commercial activity requires focused specific niche strategies. Recruitment programs structured by a niche strategy are likely to be more focused, efficient and effective. A significant number of business owners are nearing retirement so to maintain the business requires an internal business succession strategy and or external business owner recruitment.

Actions:

1. Establish a Merchant Retention and Recruitment Committee that would:
 - a. Attract new merchants primarily through website advertising and merchant tours; and
 - b. Assist with identifying merchants requiring assistance with succession planning and business selling, and then link them to appropriate services.
2. Support the ongoing efforts of the Downtown Business Association (DBA). The DBA has had successes with revitalization projects such as the “Arches” and similar projects could be developed in the future.
3. Implement a low-cost, passive recruitment program using real estate associations and other key stakeholders to build awareness of Cranbrook as a place to invest and do business.
4. Develop supportive City policies by:
 - a. Facilitating, where applicable, the permitting and approval process;
 - b. Considering a tax abatement program to encourage more façade and building improvements;

- c. ensuring new development enquiries are informed of commercial opportunities for occupancy or redevelopment; and,
 - d. furnishing site-related information on specific properties that are empty or targeted for redevelopment/upgrading.
5. Develop a more proactive recruitment program. Specific activities would include the following:
 - a. Recruit one or two major downtown retailers who would contribute to producing an investment brochure based on one or more of the above niches.
 - b. Work with businesses and real estate professionals to establish a closer relationship with property owners to educate them about the types of quality tenants they could attract.
 - c. Recruit a developer /real estate professional who could assist with overseeing the program.
 - d. Target tenant prospects within identified niches.
 - e. Conduct initial outreach through direct contact with commercial site location consultants who could advise on site location trends and prospective companies.
 - f. Maintain information resources to help prospective tenants with site location decisions.
6. Establish a program to recruit home-based businesses to commercial areas.
 - a. Quantify the number of home-based businesses and determine the pre-feasibility of a recruitment program.
 - b. The recruitment strategy should target home-based operations that are a good fit for commercial niches and complementary to the current merchant mix.
7. Recruit potential business purchasers by:
 - a. Creating a focused electronic “businesses for sale” listing that is regularly shared with Canada’s immigration and entrepreneur attraction services;
 - b. Creating and sending out business specific sales marketing products to similar business owners and staff in targeted recruitment areas, e.g. Central Alberta, the Okanagan and Greater Vancouver/Fraser Valley.

<p>Lead:</p> <p style="text-align: center;">City of Cranbrook</p> <p>Resources:</p> <ul style="list-style-type: none"> ● Major time commitment ● \$5,000 	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Small pool of entrepreneurs and merchants ● Competition from malls and other commercial areas
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7. INDUSTRIAL LANDS

Objective:

- **To facilitate new business investment on currently underutilized private and city-owned industrial lands in Cranbrook. The focus will be on attracting new businesses and expanding existing business activities that will support economic growth and diversification.**

Rationale:

A recent land inventory of underutilized industrial lands in Cranbrook (Westcoast CED, 2009) highlighted 50 parcels that range in size from 0.15 acres to 22.9 acres with most of the parcels in the 1.5- to 5-acre size plus city-owned airport lands. The total available acreage of the 50 privately owned parcels (excluding airport lands) collectively represent more than 150 acres. In addition to these 50 parcels, Tembec has a large industrial site in the centre of the community that is now also underutilized.

These underutilized lands represent a diverse and valuable source of serviced industrial land within the community. They need be used to attract new businesses or relocate existing businesses in the community that may be looking to expand locally. However, as a first step, the plans of the current landowners for these lands need to be determined. Many of these landowners are business operators already and they may have plans to eventually expand or relocate their current business onto these underutilized lands.

Close collaboration between the landowners, realtors, and the City is anticipated to ensure a cohesive and efficient use of existing resources for this initiative.

Actions:

1. Review the industrial land inventory and confirm the available industrial land. Each landowner should be interviewed by the City to identify the vision for the land and confirm the role that the City can play in developing the parcel. On-going follow up will be required with all interested businesses.
2. Begin working with those landowners interested in selling/leasing their land to a business or planning to locate a business on the land. This could involve subdividing properties or undertaking preliminary planning to ensure that new activities can take place on the proposed site.
3. The City should confirm which strategic sectors or business areas could form the primary focus for an external business attraction campaign. In addition, realtors with expertise in selling/leasing industrial lots should be encouraged to become actively involved in the actual marketing and to play a role in facilitating transactions and searching out potential clients.
4. Complete a comprehensive industrial land-attraction strategy that involves the participating landowners and other key business stakeholders. Ensure the attraction strategy is implemented.

<p>Lead:</p> <p>City of Cranbrook and Landowners</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Gaining support from land owners to participate ● Ensuring the realtors are willing to participate with the City in selling private industrial land ● Committing City staff resources from various departments on a forward looking planning exercise ● Securing on-going funding for business attraction
<p>Resources:</p> <ul style="list-style-type: none"> ● City of Cranbrook, landowners, and business realtors' time and effort ● Establish a dedicated attraction budget of approximately \$10,000 (could link to Airport industrial land) 	



8. AIRPORT LANDS

Objective:

- **Retain existing businesses and expand airport and related business activities at the Airport with noticeable new private sector investment and activity on airport lands to be realized by 2013.**

Rationale:

The Canadian Rockies International (CRI) Airport has undergone several upgrades in recent years, including extending the runway to 8,000 feet and navigational aid upgrades. The Airport now has a category 1 Instrument Landing System and can accommodate Boeing 767 and Airbus A321 aircraft. The terminal has also been modernized and expanded to 33,000 square feet and now accommodates international arrivals and departures with the addition of the Canadian Border Services. Passenger numbers at the Airport have risen steadily over the past six years from 63,800 passengers in 2002 to 106,800 in 2008.

In addition to the terminal and runway work, the Provincial Air Tanker base has recently invested \$1 million on revamping ramps and upgrading pavement standards for their operations at the Airport. Overall, the public sector investment at the Airport has resulted in positive growth and new activities; however, the future opportunities for diversification and economic activities associated with the Airport will likely come from private sector investment and activity.

The Airport has approximately 50 acres of vacant land available for aerospace-related business activities. This is a relatively unique situation in southern British Columbia as most similar-sized airports only have a minimal amount of available commercial and industrial land. Also, the CRI Airport has a very small number of businesses providing airport maintenance and services to the aerospace industry. However, there appears to be issues that will need to be resolved to better position the airport for private business expansion and diversification and ensure maximum use of current vacant lands.

Actions:

1. Complete “Airport Land Use and Commercial Park Development Plan”.
2. Establish an Airport Business Retention and Expansion Steering Committee consisting of Airport, City, and existing Aerospace business representatives. The goal of the committee will be to address business impediments and to identify activities and policies that will foster business development on Airport lands.
3. With guidance from the Steering Committee, establish a business marketing and attraction program. The attraction program would include networking and research activities to support business attraction and would build on the initial retention and expansion work .

<p>Lead:</p> <p>City of Cranbrook and Airport</p>	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Lack of support for existing aerospace businesses ● Need to consider greater flexibility on activities and taxation on the Airport industrial lands ● Need for on-going funding for attraction
<p>Resources:</p> <p>Steering committee activities will require staff time and have minimal project costs</p> <p>Attraction program will require staff time and a dedicated marketing budget of \$5,000 to start (potentially linked to in-town industrial land utilization)</p>	



9. DESTINATION MARKETING

Objective:

- Establish a community destination marketing organization by the end of 2010.

Rationale:

The concept of community or place marketing is based on fact that the rapid changes occurring in the general economy and the marketplace are exceeding the abilities of communities to react to that change. Businesses, investors, entrepreneurs and tourists can shift their buying and investment patterns much more quickly than a community can possibly react. Strategic community marketing can offset some of these potentially adverse effects by clearly identifying Cranbrook’s position in the marketplace (i.e., What is Cranbrook and how is it different from other communities), understanding its distinct assets and advantages and then promoting these in a way that appeals to favourable target markets.

Actions:

1. Establish a small taskforce to oversee this initiative.

2. Prepare a community marketing plan that expands on the programming recently prepared for the City’s brand initiative. Specifically:
 - a. First (highest priority) and second-order target markets by sector;
 - b. Development of an economic development web portal;
 - c. Coordination of theming/messaging in all City-related web pages;
 - d. Compilation of community profile information in according to International Economic Development Council (IEDC) data standards (see <http://investbc.gov.bc.ca/> for example or http://www.iedconline.org/?p=Data_Standards for further discussion);
 - e. Compilation of other site location assistance tools such as a searchable industrial land database; and
 - f. Promotional tools and materials (e.g. investment guide, advertising, direct recruitment, trade shows).
3. Develop a business and economic development web page on the City’s website.

<p>Lead:</p> <p style="text-align: center;">City of Cranbrook</p> <p>Resources:</p> <ul style="list-style-type: none"> ● Major time commitment ● \$25,000 expenses ● Web page development — \$15,000-\$30,000 	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Consistent follow through ● Funding for marketing programs
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10. MINING CLUSTER

Objective:

- Formation of an industry-led mining cluster.
- To establish policy direction on Cranbrook’s future role in the industry.
- Enhancement of mining related economic activity in the region.

Rationale:

Mining and mineral exploration play a major role in the regional economy and contribute to Cranbrook’s role as a regional service centre. With favourable geology and the potential for new developments such as Coal Bed Methane (CBM), this sector represents arguably the single-best opportunity for regional expansion and diversification in the years ahead. Even though mining is influenced primarily by international supply, demand, and investment factors, regions can create a supportive business and investment climate that could potentially deliver real economic benefits from existing and future developments. By working with regional agencies such as the East Kootenay Chamber of Mines, the City can pursue diversification strategies in this important economic sector.

Actions:

1. Monitor project developments for opportunities to service the industry through periodic review of BC Stats’ Major Projects Inventory, the BC Mineral Exploration Review, and project progress through the environmental assessment process
2. Monitor the commercial development of coal bed methane in the Elk Valley. The Ministry of Energy,

Mines and Petroleum Resources estimates reserves in the Elk Valley at about six trillion cubic feet. All existing land-use plans recognize and allow for the commercial development of this resource. The first commercial production CBM well commenced operation in Hudson’s Hope in early 2009 so production in the southeast is anticipated in the near future. The major licensee at this time is British Petroleum (BP). Cranbrook should be positioning itself as the regional service centre for this new industry.

3. Promote education and public awareness around the role mining plays in the regional economy.
 - a. Sponsor or participate in mining events, including Minerals South, Resource Investment Conferences, Coal Symposiums and events associated with the BC and Yukon Chamber of Mines and Association for Mineral Exploration BC (AMEBC).
 - b. The hosting of a mining/energy forum could be themed around a specific aspect of industry development such as labour market issues.
4. Raise Cranbrook’s mining and minerals profile by investigating a future home of the drilling core library and by publishing a directory of supplies and services. These efforts should contribute to the City’s central location for mining exploration.
5. Explore opportunities for value-added processing of minerals, including coal and industrial minerals. Clean coal options such as gasification and the use of quality industrial minerals such as silica could be the foundation of new processing opportunities.

<p>Lead:</p> <ul style="list-style-type: none"> ● East Kootenay Chamber of Mines ● Mining and support companies 	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Lack of long-term vision and plan ● Reluctance to participate by major mines ● Public resistance to mining in some areas
<p>Resources:</p> <ul style="list-style-type: none"> ● Moderate time commitment 	



11. MULTI MODAL TRANSPORT HUB

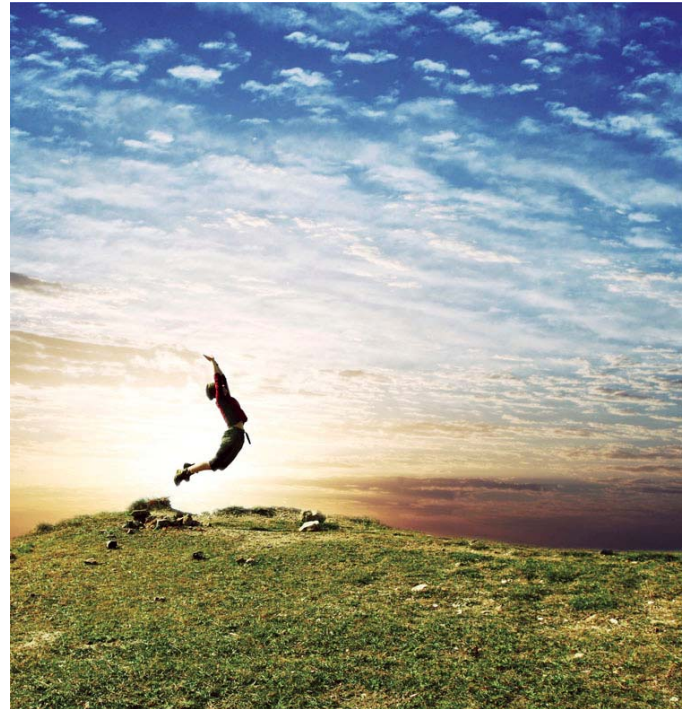
Objective:

- To expand Cranbrook’s role as a multi-modal transportation and logistics hub.

Rationale:

Cranbrook is located at the road junction of Highways 3 and 95 and is the key stopping point before crossing the Canada/US border at Kingsgate on Highway 95 to Spokane, Washington, and connecting to Highways 2 and 90. It is also the key junction for the CPR’s southern lines which connects across the Canada/US border to Sandpoint (Idaho) and Spokane (Washington) on the Union Pacific railroad, plus the Columbia Valley line from Fort Steele to the mainline in Golden.

The CPR-Union Pacific line connects the Port of Portland directly to Canadian prairie cities and US mid-west through southern Saskatchewan and Manitoba. The extension of the runway at CRI Airport now allows for jet air cargo planes to this airport. This combination of transport nodes in other locations has spawned a significant intermodal transport hub and, therefore, is worth serious investigation. The expansion of multi-modal transportation hubs in other locations have also expanded the potential for goods producing operations to locate in the region as their transportation costs – both goods in and goods out – are minimized.



Actions:

1. Assess existing highway truck, storage, and rail-truck intermodal infrastructure, capacity, and physical constraints in Cranbrook.
2. Clarify the markets that are, and could be, serviced by expanded intermodal, storage, and distribution operations in Cranbrook including CRI Airport.
3. Conduct research to investigate the logistics and transport services niche opportunities for Cranbrook.

<p>Lead:</p> <ul style="list-style-type: none"> ● City of Cranbrook including CRI Airport ● Regional trucking companies ● Canadian Pacific Railway 	<p>Constraints:</p> <ul style="list-style-type: none"> ● Funding for a plan ● Lack of community commitment to smart growth principles
<p>Resources:</p> <ul style="list-style-type: none"> ● Moderate time commitment ● Research funding \$20,000-\$30,000 	



12. SPECIFIC SERVICES ENHANCEMENT

Objective:

- Increase availability of services for seniors.

Rationale:

The percentage of seniors in Cranbrook exceeded the provincial average for both the 65-74 and 75+ age groups. In addition the percentage of seniors in the 65-74 age group, in the Regional District exceeded the provincial average in 2006. Given the mix of services including health services, the quality of life including an active life style and relatively low cost of housing, Cranbrook will continue to be a destination for those retiring in the 60 to 75 age groupings. Also given Cranbrook's role as the major health care provider in the region, and seniors general increase in health care needs, Cranbrook is expected to continue to have an

influx of seniors in the 75+ category as well. Given these growing population age groups demand for specific services will grow annually.

Actions:

1. Complete a comprehensive inventory of current services for seniors.
2. Prepare a gap analysis for seniors' services based on other communities with similar and slightly larger seniors' population sizes.
3. Prepare a business development or expansion strategy in conjunction with the Chamber of Commerce focused on expanding demand for specific services for seniors.

Lead: City of Cranbrook Seniors' Services providers	Potential Constraints: <ul style="list-style-type: none"> ● Funding for service inventory and gap analysis
Resources: <ul style="list-style-type: none"> ● Minor time commitment of Staff ● \$20,000 for service inventory and gap analysis ● \$5,000 for marketing of commercial opportunities 	

Objective:

- Increase affordable quality day care availability for children ages 0-12.

Rationale:

Cranbrook's role as a regional retail and services centre will continue to attract and hold young adults. Many of these young adults will chose to have children. Given the general desire/requirement for all adults to have employment, daycare is required for children. The recent analysis of day care availability in the East Kootenay (2009) shows a decline in available spaces and an

absence of day care availability during evenings and weekends which is a prime working time for employees in the service and retail sectors. The lack of affordable quality day care for children creates a drag work force growth and at times reduces the ability to attract young families to jobs in the region.

Actions:

1. Facilitate the preparation of a child care expansion strategy based on expanding or establishing additional viable business operations.

Lead: Child Care Providers and Child Services providers City of Cranbrook	Potential Constraints: <ul style="list-style-type: none"> ● Funding for service inventory and gap analysis
Resources: <ul style="list-style-type: none"> ● Minor time commitment of Staff ● \$20,000 for child care expansion strategy ● \$5,000 for marketing of commercial opportunities 	



13. RENEWABLE RESOURCES AND CLEAN ENERGY

Objective:

- Establish the business case for a co-generation facility in the region by the end of 2010.

Rationale:

The demand for “green/clean electricity” is expected to keep growing in North America—as is the price. BC Hydro’s recent Calls for Proposals resulted in them choosing independent power-producing proponents whose proposed prices for wood-fired co-generation of electricity are between \$.11 and \$.12 per kilowatt hour (kwh), up from previous purchase agreements at half that price. The region has substantial volumes of decadent fir that are inhibiting the development of enhanced grazing for both ungulates and livestock. The region also has other potential feedstocks that may be of use in a co-generation facility, including household waste that currently represents a considerable disposal cost to communities in the region. A co-generation facility of “green power” based on wood combustion has the proven potential to generate positive net cash flows in electricity and low heat steam use.



Actions:

1. Obtain an initial estimate of the decadent fir in the East Kootenay region and other potential feedstocks.
2. Prepare a pre-feasibility business analysis on a co-generation facility for the region that takes into account the variety of feedstock materials.
3. If the pre-feasibility analysis indicates strong viability potential, then with key partners, prepare a business case for a co-generation facility in the region.

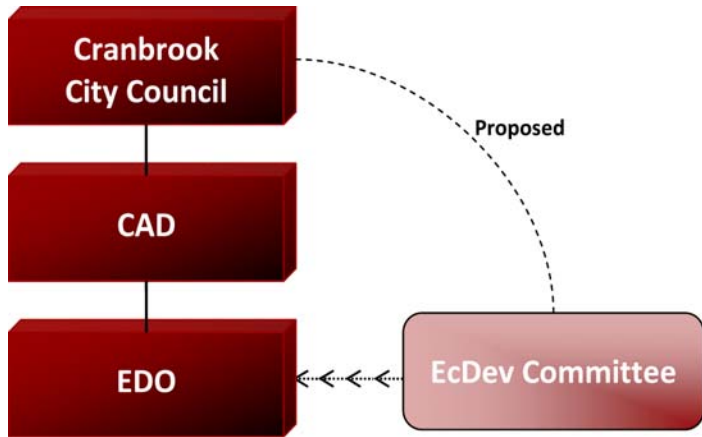
<p>Lead:</p> <ul style="list-style-type: none"> City of Cranbrook BC Ministry of Forests and Range Tembec RDEK Personnel 	<p>Potential Constraints:</p> <ul style="list-style-type: none"> ● Initial funding ● Identifying a lead proponent ● Access to feedstocks ● Cost of feedstocks
<p>Resources:</p> <ul style="list-style-type: none"> ● \$5,000 for the initial decadent fir estimate by sub-region ● \$25,000 for a pre-feasibility analysis on a co-generation facility 	



Organizational Development and Capacity

The organization development objective is the expanded participation by Council and key local advisors in planning and overseeing economic development activities. City Council should increase its profile in economic development by overseeing and promoting economic development initiatives outlined in this plan.

A close working relationship with the economic development office should be pursued through the creation of a committee/board that can provide executive oversight and management direction. The legal status of the committee is usually an advisory committee to council.



Actions:

1. Establish an Economic Development Committee of Council.
 - a. Review different committee structures and prepare new evaluation criteria for selecting board members.
 - b. Prepare a policy for appointing new board members.
 - c. Prepare a clear policy spelling out the duties and relationship between the City, the board, and the EDO.
 - d. Recruit and appoint board members.
2. Identify individuals from key sectors which could be involved in the committee, improving communications and increasing involvement in economic development planning. Suggestions include:
 - a. Arts and culture
 - b. Mining and minerals
 - c. Tourism
 - d. Transportation
 - e. Downtown
 - f. Agri-food
 - g. Health and education
 - h. Energy
 - i. Technology
3. Prepare an annual report card on the progress of strategies.
4. Set a schedule of periodic meetings with city staff to provide updates on plan progress and to discuss new initiatives.

This organization development initiative will be led by the City of Cranbrook's EDO and will require a minor time commitment. The key constraints will be finding volunteers willing to participate on committees and maintaining their focus.

In addition to the recommended structure adjustment, the economic strategy recommends a substantial

increase in work load for the single economic development staff person. It is recommended that funding to the economic development department increase enough to add a full-time assistant for the current EDO as other successful economic development functions find this to be the lowest cost method of obtaining the greatest initial capacity gain.



Priority and Timing

Priority

All the suggested strategies are key to the long term economic development of the City of Cranbrook. Unless resources for economic development were increased significantly a priority list of activities is required. A base tool of a matrix with employment impact and/or population growth on one axis and effort/cost on the other axis has been used for the initial assessment.

The results of using the tool do not provide decisions, instead it provides information on which to make choices which probably involve immediately starting (or continuing) on a mix of projects that have a mix of effort required and are expect to have a mix of results. Using the matrix generated the following preliminary results:

Low impact/Lower effort/cost expected (Short term)

1. Adjust daily commuter flight times to Calgary
2. Retention and attraction of businesses to CRI Airport lands
3. Expansion and attraction of businesses on underutilized lands (large potential impact in the medium term)
4. Downtown business attraction – linked with fibre to business
5. Business Climate

Medium Impact/Medium cost expected (Short to medium term)

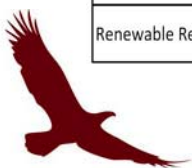
1. Fibre to business in the downtown
2. Multi-modal assessment and program implementation
3. Destination Marketing — “DMO”

High Impact Potential/Medium effort expected (Medium to Long term)

1. Labour Attraction to specific markets
2. Mining cluster development
3. Availability of resident affordable housing
4. Downtown revitalization

Timing

Quarter	2010				2011				2012				2013			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Business Climate				Research	Policy Change				Implementation							
Fibre-to-business for Cranbrook’s Commercial and Institutional Core		Business Plan			Financing Plan				Implementation							
Downtown Revitalization		Plan							Implementation							
Daily Commuter Schedule Adjustment	Initiate Research &															
Housing				Research	Strategy			Implementation								
Commercial Business Attraction & Retention		Org. Enhancement					Implementation									
Industrial Lands				Market Program				Implementation								
Airport Lands	Airport				Marketing											
Destination Marketing		Target						Implementation								
Mining Cluster Group		Establish Cluster			Activities Plan			Implementation								
Multi-modal Transport Hub		Intermodal Assessment														
Specific Services Enhancement - Seniors' Services - Daycare							Inventory	Gap Analysis & Expansion Strategy								
Renewable Resources and Clean Energy				Pre-feasibility			Feasibility									





Notes





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