

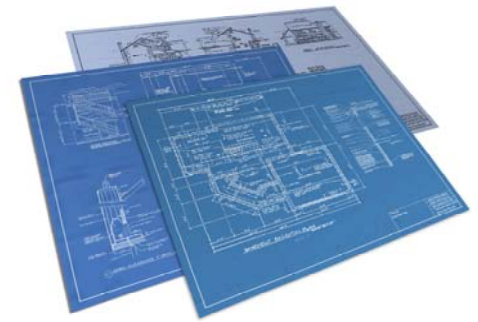
Greater Victoria Enterprise Partnership Society
**Economic Development Opportunities Blueprint –
Summary Report**
October 2004 UPDATE

A Strategy for Regional Economic Prosperity

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*Readers' Note: This document is a summary of a detailed study entitled **Greater Victoria Economic Development Opportunities Blueprint: Technical Report.***



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- Bruce Carter, Greater Victoria Chamber of Commerce
- Lorne Whyte, Tourism Victoria
- Linda Lee Brougham, Greater Victoria Chamber of Commerce
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- Ken Stratford, Greater Victoria Economic Development Commission
- Glenn Terrell, Victoria Real Estate Board
- Tom Walker, Saanich Peninsula Chamber of Commerce

The consulting team would like to thank the numerous individuals and organizations who contributed their knowledge and expertise to this project, including the update. It was clear from the feedback provided during the earlier public consultation process that people are passionate about the future of our community and the local economy. It is hoped that this Blueprint will provide clear directions regarding the steps that should be taken to ensure a future of economic prosperity for the region.



The Need for an Update

The Greater Victoria Economic Development Opportunities Blueprint was initiated in October 2002 and both the Summary and the Technical Report were completed in May of 2003. When the Blueprint was initially prepared, the local economy was not in very good shape: unemployment was almost seven per cent (7%), economic growth rates were low, the region was dealing with government lay-offs, and the tourism industry was struggling to deal with the fall-out of challenges that ranged from 9/11 terrorism to Mad Cow Disease.

However, since the publication of the original Blueprint, unemployment has dropped to just over five per cent (5.5%) -- the lowest level in four years, provincial real GDP projections for 2004 and 2004 are healthy, the effect of public sector lay-offs appears to have been absorbed, 2004 tourism activity to date has been strong, and the region is hopeful that it will benefit from the awarding of the 2010 Olympic and Paralympic Games to Vancouver and Whistler. In addition to these economic changes, the region's development policy environment has changed as a result of the Regional Growth Strategy which was adopted by the CRD Board in August of 2003.

Due to these changes, together with the passage of time, some of the statistics in the original Technical Report

and Summary Report are now dated. Although the Technical Report has not been changed (with the exception of adding a new Appendix on the 2010 Games), this Summary Report has been updated as part of the commitment by the GVEPS to ensure that the Blueprint remains a relevant and living document. As such, this version of the Summary Report updates selected socio-economic statistics (note that some statistics such as those drawn from the Census can not be updated) and addresses the economic opportunity associated with the 2010 Games.

The obvious question that many may ask is whether the region still needs an Economic Development Blueprint if the economy is currently doing so well? The answer to this question is "absolutely". Anyone who has lived in the region for any length of time is familiar with the fluctuations that characterize our economy. Key objectives of the Blueprint are to establish a diversified and sustainable economy that will both minimize these fluctuations and the associated challenges they represent to individual's jobs and income, as well as lay the groundwork for regional prosperity. These objectives are consistent with the Regional Growth Strategy which identifies the strengthening of the regional economy as one of its strategic initiatives. Given this environment, the validity of the economic strategies presented in the original Blueprint has not changed.



Strategic Context

What led to this Blueprint?

Although residents of the Capital Regional District (CRD) have historically enjoyed a high standard of living and a good quality of life, the region cannot be complacent about the ongoing health of its economy. While the regional economy is currently quite strong, history has shown us that this strength can be undermined by factors that are often beyond our control. When the economy declines, the region typically experiences increases in poverty levels, in the percentage of well-educated people who are underemployed or unemployed, and in other social issues.

These challenges and the need to foster sustainable economic prosperity were acknowledged in the Regional Growth Strategy and led to the establishment of the GVEPS. To help fulfill its mandate, the Partnership retained Grant Thornton LLP and Westland Resource Group to prepare an economic development “blueprint.”

Purpose of the Blueprint

The purpose of the blueprint is to:

- Identify and analyze the region’s advantages and constraints in terms of fostering economic development;
- Determine key industry and business sectors that present new or expanded investment potential; and,
- Identify strategies to achieve a prosperous and sustainable economy.

In preparing the blueprint, economic conditions and trends were analyzed, interviews were conducted with municipal government, business, and social service representatives, and economic opportunities were studied. This process concluded with a workshop that asked civic, business, agency and community leaders to identify actions needed to make positive progress in improving the region’s economy.

Why Should We Want Economic Development?

There are many compelling reasons for fostering economic development in the region. A structured, thoughtful and focused approach to economic development can play a significant role in helping to:

- Ensure that the community remains vital and innovative and provides meaningful employment;
- Encourage a skilled, creative and well paid workforce;
- Attract high quality investment to support and grow local industry;
- Increase funding available for community and public services, environmental sustainability, and renewal of aging infrastructure;
- Recognize the contribution made to community activities by locally based entrepreneurs;
- Contribute to the financial ability to achieve social progress targets (e.g., affordable housing, community support services, environmental stewardship initiatives) and to respond to provincial downloading of social service responsibilities; and,
- Reduce reliance on the residential tax base (i.e., a larger commercial/industrial tax base will lessen municipal government dependence on residential property tax revenue).

External Trends Affecting The Regional Economy

A successful economic development strategy is always based on a thorough understanding of the local economic, social and political environment. It is also critical to understand how the local economy relates to the broader context of a geographic region or country. The economic development recommendations provided in this Blueprint reflect consideration of the following key economic, social and political conditions and trends.

- Current global economic and geopolitical conditions are uncertain and while the long-term outlook for the global economy appears positive it remains vulnerable to the impact of stock market volatility, terrorism, and investment weaknesses.
- Canada's economic performance within the global economy has been relatively strong in recent years although the country remains heavily dependent on continued access to U.S. markets (which has been experiencing weak performance). Inflation is expected to remain relatively low but the value of the Canadian dollar relative to the US dollar has increased significantly in 2004. While the population is expected to experience modest growth, labour force shortages are anticipated due to an aging, retiring population. The country will remain challenged by high debt loads for the foreseeable future.

- After ten years of sub-par economic performance, British Columbia's economic growth rate is projected to match the national average in 2004 and 2005. While the province continues to be challenged by declining forestry resource revenues and a high debt load and deficit, revenues from oil and gas have been increasing and general confidence in the economy is improving. Public sector lay-offs appear to have stabilized although forestry dependent communities are still struggling. The trend toward a service-based economy will continue and the demand for services will be driven by an aging, increasingly multi-cultural society. Encouraging investment will continue to be a problem for the next few years.
- The CRD economy benefits from significant strengths relative to such things as quality of life, visual appeal and profile of the area, economic niche businesses, high quality post-secondary institutions, and a well-educated labour force.
- The multiple jurisdictions and associated bureaucracies of the CRD represent a challenge to economic development in the region as turf protection, lack of unity, and differing zoning and development application processes discourage investment and make it difficult to achieve the consensus needed to move forward in an efficient manner.

CRD Socio-Economic Profile

- In 2001 the population of the CRD was 325,754 which represents a growth rate of 2.4% relative to 1996. By comparison, the estimated 2004 CRD population is almost 350,000 which represents a growth rate of 7.3% relative to 2001.
- The CRD population is projected to increase to almost 428,000 by 2026 (78,000 more residents) meaning the region will need to house and employ almost one-quarter more people than it does currently.
- Residents of the CRD are older and better educated relative to provincial averages. In 2001, 18.6% of the population was under 18 and 17.8% was over 65. By 2011, these percentages are projected to be 16.3% and 18.4% respectively suggesting that within eight years the number of seniors will increase by 7,600 while the number of children will drop by 2,600.
- While the average income of CRD residents is \$33,015 (based on 2001 taxation data), 41% of taxfilers earn less than \$20,000.
- As of the first quarter of 2004, the Census Metropolitan Area (the CRD less the Gulf Islands) had a total labour force of 163,700 (an increase of 1,700 compared to 2002) of whom approximately 8,800 (5.4%) were unemployed. This compares to

11,200 (6.9%) people who were unemployed in the second quarter of 2002.

- Of the 154,900 residents employed in the first quarter of 2004, 13% (19,700) were engaged in goods producing industries while the remaining 87% (134,760) were accounted for in service producing industries.
- Economic dependency data indicates that while the trade sector provides the most employment in the region, it is the public sector that generates the greatest income dependency. Overall, income generated by the private sector is only marginally higher than transfer payment income (e.g., EI, SA, CPP).
- There were an estimated 17,010 business establishments in the CRD in 2001. Of the 15,433 businesses for which information is available, 60.2% had between one and five employees, 24.4% had between six and ten employees, 9.5% had between 11 and 25 employees, 1.4% had been 51 and 100 employees, and 0.9% had more than 100 employees.
- In December 2003, 12 of the top 20 employers, accounting for 41,813 jobs, were public sector agencies (i.e., municipal, provincial, federal governments and Crown corporations). In 2000, 15 of the top 20 employers, accounting for about 48,000 jobs, were public sector agencies. Even

accounting for the change in status of BC Ferries (which has more than 1,100 employees), these figures reflect a decreasing dependence on the public sector for jobs.

Regional Planning and Governance Context

The CRD is one of 28 regional districts in the province. Within the CRD, there are 13 municipalities (including eight District Municipalities, two Cities, and three Towns), three Electoral Areas, and nine First Nations. Since 1996, the Capital Regional District has been working on the development of a *Regional Growth Strategy* (RGS) that aims to set out the vision and guiding principles for a region that is economically vital, where communities are livable, where the environment and natural resources are stewarded with care, and where residents enjoy a healthy and rewarding quality of life. This strategy was initiated in response to the requirements of the provincial *Growth Strategies Act* (now Section 25 of the *Local Government Act* entitled *Regional Growth Strategies*).

From the outset of the growth strategy planning process, it has been a challenge to achieve consensus among the various municipalities and, so far, some of the municipalities still have not approved the RGS. The RGS includes the following commitment:

“The Regional Growth Strategy intends that residents of the Capital Region enjoy economic prosperity as a foundation of high regional quality of life. It does this by supporting the preparation and adoption...of a Regional Economic Development Strategy that aims to enhance regional economic sustainability. Economic sustainability means the production and distribution of wealth to meet the needs of present and future generations for goods and services in ways that ensure the long-term promotion of a satisfying and high quality of life for all residents. A sustainable economy is one that exhibits diverse and viable economic opportunities and is resilient and responsive to changing circumstances.”

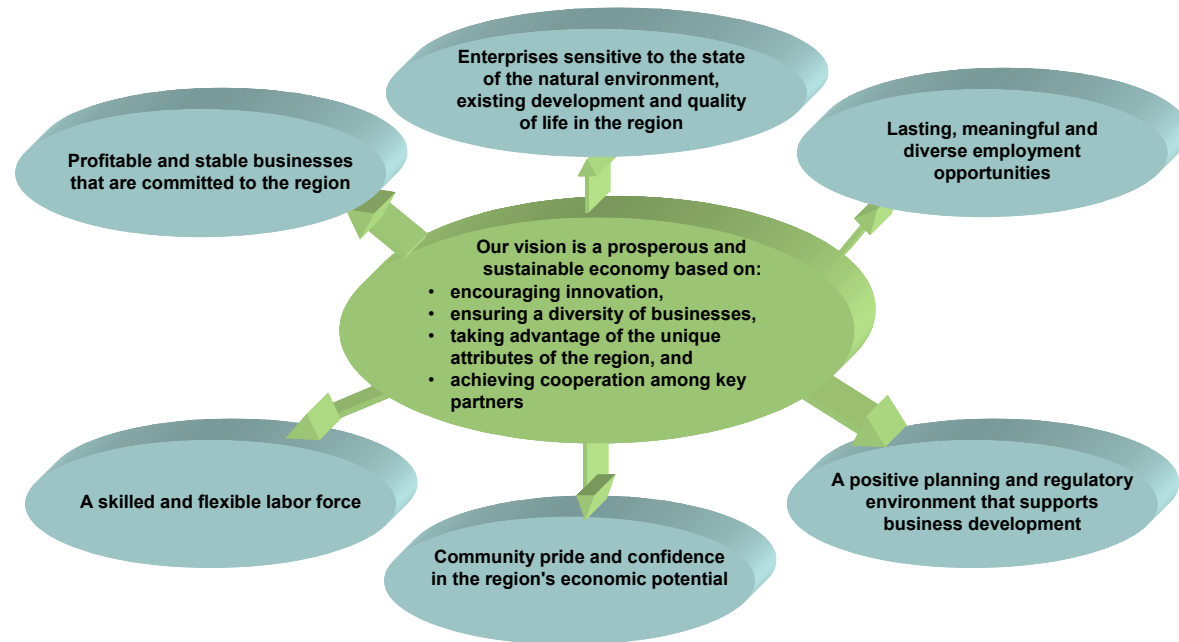
This commitment led to the establishment of the GVEPS which has been given the mandate to oversee the development of this Economic Development Opportunities Blueprint. This Blueprint must be consistent with the vision and principles reflected in the Regional Growth Strategy.

In general, it is anticipated that the biggest challenge to achieving unanimity and support for the Blueprint will be dealing with the competing or conflicting interests of so many local governments. Overall, the CRD is a very small player in the global, national and, to some extent,

even the provincial economy. Thus, the more that individual municipalities can work together to achieve common goals (e.g., providing meaningful employment opportunities for residents), the more likely it is that results will be demonstrated.

What Do We Want the Region To Be?

A vision statement describes a desired future state – in the case of this Blueprint or strategy, the state and characteristics of the future economy. A solid and shared vision creates commitment and understanding. A well-formulated strategy also identifies specific goals (i.e., intended results or outcomes of economic development) associated with achieving the vision. The following figure presents a vision for the region that was developed based on a review of past economic development strategies and the RGS, a review of municipal Official Community Plans, interview and steering committee input, and feedback received during a workshop with civic, business and community leaders.



Where Are We Now?



There are a number of opportunities and challenges that arise from the strengths and weaknesses inherent to our regional economy and that influence the region’s ability to achieve the desired vision and goals for economic prosperity. These factors, as identified through the public consultation process, are outlined below. Note that the information presented in this section represents a summary version of a more extensive and detailed analysis contained in the Technical Report.

Regional Strengths and Weaknesses

Strengths	Weaknesses
<p>Quality of life: Attractive setting with amenities, a clean and safe environment, mild climate, a comparatively affluent population, and manageable size.</p> <p>Location: Strategic Asia-Pacific location; proximity to Vancouver and Seattle; and the provincial capital.</p> <p>Infrastructure: High quality educational, research, health care, and high technology infrastructure. Reasonable marine and air-based transportation infrastructure given island setting.</p> <p>Governance: Geopolitical stability.</p> <p>Labour Force: A generally competitive, well-educated, stable, and creative labour force.</p> <p>Economic Factors: Relatively high disposable income and diverse economy.</p> <p>Existing Sectors: Strong and/or growing retirement, service, health care, educational, tourism, maritime, niche, high technology, film, research, and military sectors.</p>	<p>Quality of Life: Limited cultural and entertainment amenities, and a relatively high level of panhandling, homelessness and other social maladies.</p> <p>Location: Geographic constraints of an island location.</p> <p>Infrastructure: Lack of multi-modal transportation, affordable housing, select business facilities and supporting infrastructure, and a perceived (or actual) deteriorating downtown.</p> <p>Governance: Duplication of services and lack of inter-jurisdictional cooperation that creates economic development barriers, increases servicing costs, affects land use planning, and can complicate approval and regulatory processes.</p> <p>Labour Force: Shortages of skilled workers in certain sectors, poor links between taught and required skills, and challenges facing employment of youth, First Nations, older and low-skilled workers.</p> <p>Economic Factors: Limited investment and venture capital, comparatively lower income of service sector jobs, and a perceived “keep the gate closed” community attitude.</p> <p>Existing Sectors: Lack of cooperation and synergy among sector businesses, downsizing of government, dependence on service sector, fragmented tourism industry, and the “Big Box” impact on the retail sector.</p>

Regional Opportunities and Challenges

Opportunities	Challenges
<p>Economic development opportunities might exist in such sectors as:</p> <ul style="list-style-type: none"> • Food and agriculture including food processing and production. • Development or redevelopment of select lands and revitalization of certain areas such as the downtown core. • Manufacturing, particularly value-added and in the marine sub-sectors such as ship building and repair. • Transportation including enhancement of existing facilities and redevelopment of terminals. • Advanced technology in areas like the knowledge-based sector and bio-technology. • Education including educational products and specialty schools. • Sports, art and culture by leveraging off the 2010 Olympic Games and existing venues, establishing destination facilities and a world-class performing arts center, and updating the museum. • Tourism including eco-tourism and leveraging off the new multiplex, conference center and enhanced facilities. • Support services for businesses and seniors. <p>Initiative to support economic development could include:</p> <ul style="list-style-type: none"> • Financial incentives including tax credits. • Marketing activities that are regional in nature. • Partnerships between local business agencies, post-secondary institutions and all levels of government. 	<p>Global: Weak international economies coupled with global political insecurities and volatility.</p> <p>National and Provincial: Public sector downsizing and devolution of responsibilities, increasing competition from other regions of the country and provincially for investment, and changes in federal and provincial policies and regulations.</p> <p>Local: Historical lack of cooperation among local governments, decline of the downtown core due to social issues and loss of office tenants, development of suburban commercial nodes, cases of urban sprawl, negative self-image, and loss and degradation of natural ecosystems.</p>

Establishing Priorities



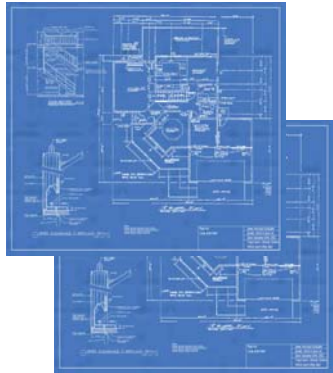
This section outlines the process used to evaluate specific opportunities for economic investment and development.

Based on the review of the region's advantages and constraints, it appears that a range of expanded or new economic opportunities exists. However, trying to implement all of these opportunities in the short- to mid-term is not feasible. Further, attempting to do so would actually jeopardize the success of the Blueprint by spreading resources and implementation efforts too broadly. Recognizing that the Blueprint has a better chance of succeeding if efforts are focused on a few key opportunities, each identified opportunity was subjected to a rigorous evaluation. The results of this evaluation were used to help determine the most promising opportunities.

Essentially, this evaluation process involved gauging the extent to which the opportunities met the following criteria:

- **State of Competition:** The significance of existing or potential competitors or competitive offerings including consideration of critical sector mass as appropriate.
- **Availability of resources:** Needed labour, materials, energy and water resources.
- **Availability of infrastructure:** Needed transportation, service and business infrastructure.

- **Capital and land to support sustainable development:** The financial and physical capacity to support sustainable development and economic use (i.e., ability to access to capital funds and land for development purposes consistent with economic, environmental and social priorities).
- **Public (government) investment requirements:** The level of public investment needed.
- **Community support:** The historic and current level of community support expected for the opportunity.
- **Appropriate to the region's unique culture and environment:** The extent to which the idea reflects the cultural and environmental qualities of the region.
- **Contribution to local business viability and strength:** The extent to which the opportunity will contribute to the ability of existing businesses in the region to remain financially viable and to expand their product or service and employment capacity.
- **Contribution to the region's economic resiliency:** The extent to which the opportunity will help strengthen the economic stability of the region and its ability to buffer the overall economy against declines in particular sectors.



What Is Our Blueprint For Action?

Based on the results of the situational assessment, project research, and input provided through the public consultation process, it was determined that:

- The economy of the region has tremendous potential but is currently facing a range of significant weaknesses and threats.
- We live in one of the most beautiful and promising areas in the world and it is incumbent on us to do our best to optimize our economic development potential while protecting our quality of life and natural environment.
- Achieving the region's economic development potential requires a two-pronged approach that includes:
 1. Overcoming problems that are negatively affecting the local business climate; and,
 2. Enhancing existing, or developing new, business enterprises that are compatible with the region's commitment to sustainability.

Of these two components, improving or creating a healthy business climate is by far the most important because the business climate has implications for the economy and the region as a whole. By creating a fertile environment for economic activity in the region, all sectors can benefit and the identified opportunities have a greater chance of success.

Four steps that can be taken to improve the business climate and address the issues described above include:

- Encouraging inter-jurisdictional cooperation
- Revitalizing the metropolitan core
- Addressing labour force issues
- Fostering improvement in resident attitudes towards economic development

Following a detailed evaluation of over thirty specific opportunities, the following six opportunities were identified as offering the best economic development potential for the region.

- Expand advanced-technology and knowledge-based businesses
- Expand the tourism sector
- Sustain and expand the region's marine science and industry (e.g., ship/boat building and repair) sector
- Expand the sport, art and culture sector
- Expand and diversify the agricultural sector
- Develop and expand education products and research

Following the awarding of the 2010 Olympic and Paralympics Games to Vancouver and Whistler, the above list has been expanded to include economic opportunities associated with the Games. These four business climate and seven development opportunities are summarized on the following pages.

Foundational Strategies For Improving The Business Climate

Issue Lack of inter-jurisdictional cooperation

Recommendation □ Encourage inter-jurisdictional cooperation and dialogue among local leaders that leads to targeted actions for removing economic development barriers.

- The local government structure is commonly perceived by the business sector (and some elected officials) as burdensome, parochial, lacking harmony and inflexible.
- This structure has a negative impact on the economy as investors/developers face different local tax structures, bylaws and approval processes; land use patterns are not logical; utilities and services are unnecessarily costly; and municipalities are competing with each other instead of working together.
- Effectively resolving this issue in the short-term is unlikely, but it is hoped that local governments will be willing to take some modest steps towards helping improve the region's business climate and creating a common understanding of the nature and benefits of economic development. This process could be initiated by agreeing to work together to address one specific issue such as a regional inventory of available industrial and commercial land and space.

Issue The decline of the downtown/metropolitan core

Recommendation □ Revitalize the metropolitan core and ensure that it remains a vital hub for business and community activities.

- The loss of downtown vitality is being manifested through closed shops, graffiti, discarded drug paraphernalia, homelessness, and excessive panhandling.
- In turn, these problems have negative economic implications that include loss of community pride, loss of retail customers, reduced appeal of the downtown for offices, unwillingness of business owners to invest in upgrades, loss of capital to other regions, degradation of the City's image among visitors, and loss of business tax revenue.
- It is critical to the overall health of the regional economy that immediate and continuing steps are taken to deal with the problems that threaten the viability of the downtown and metropolitan core (e.g., safety fears, litter, drug use/dealing) and to ensure that the bulk of regional business investment (office and retail) occurs downtown and not in dispersed, car-oriented centres.
- Key steps to addressing metropolitan vitality issues include continued support for the City of Victoria's *Downtown Action Plan* and the development of downtown housing.

Issue	Labour force shortages and poor linkages between training programs and labour force requirements
Recommendation	<input type="checkbox"/> Address labour force issues in terms of skill development and training that matches the requirements of local employers, retraining opportunities for career changers and older workers, and job readiness programs.

- The availability of an appropriately skilled labour force is very important to achieving the economic prosperity goals of the region.
- Current labour force issues include increasing shortages of skilled tradespeople and senior managers with skills in the high tech industry, an aging workforce, retiring baby-boomers, lack of appropriate skills among students graduating from post-secondary institutions, people looking for work without basic job readiness skills, and the limited scope of government wage subsidy and job placement programs.
- The focus of labour force development activity needs to shift from job creation to skills development. It is particularly important that meaningful steps be taken to ensure that post-secondary institutions are teaching curricula that are relevant to local employers – especially the high tech and skilled trades sectors.
- It is recommended that the community continue to support the efforts of Workforce 21 and that a curricula advisory council be established to work as a liaison between schools/post-secondary institutions, businesses, and the Ministries of Education and Advanced Education to ensure that students are being taught curricula that is relevant to local employers. It is also recommended that steps be taken to ensure that start-up businesses have access to business training programs.

Issue	Negative resident attitudes towards economic development and change
Recommendation	<input type="checkbox"/> Foster improvement in resident attitudes towards economic development (foster positive attitude).

- The region’s response to economic development tends to be characterized by negativism, large numbers of well-organized NIMBY (Not In My Backyard) organizations that dominate municipal Council decisions, a “culture of complacency,” negative public perceptions of business development, fear of change, and a “keep the gate closed” perspective.
- Anti-business attitudes of local government staff and elected representatives can prove discouraging for those seeking development approvals or even preliminary information on development opportunities.
- Neighbourhood interest groups often wield political influence out of proportion to their membership, and can delay or derail even initiatives that are fully consistent with the goals of adopted plans.
- A more informed, supportive populace can be a powerful force for positive change. Education is a central pillar of attitude adjustment. Continuing efforts need to be made to reach the public, local governments and the business community with information about: the need for a vital economy; the implications of economic decline for people, their portfolios, and their quality of life; the need to accept responsibility in our neighbourhoods for supporting economic activity; the ways that wealth is actually created; and, what adopted plans and strategies say about economic development.

Key Economic Development Opportunities

Sector Advanced Technology

Description □ Expand advanced-technology and knowledge-based businesses (e.g., information technology, software, applications, and niche manufacturing such as instrumentation)

- The advanced technology sector is one of the fastest growing sectors in both the province as a whole as well as in the CRD. It typically involves environmentally sustainable businesses that provide well paying, challenging employment. Several local businesses have achieved national and global profile for their innovative products.
- The sector is well supported in the region by resources that include the Vancouver Island Advanced Technology Centre (VIATeC), the UVic Innovation and Development Corporation, and the Vancouver Island Technology Park.
- In general, the region's advanced technology sector (focusing on niche products) is well positioned to grow. However, key issues affecting the ability of the sector to achieve its full potential include access to capital for start-up and growing companies, access to business advisory services for companies ready to move from the product development to business development stage, and, a general lack of regional support for, and understanding of, economic development.
- Recommendations for this sector focus on ensuring continued support for VIATeC's Access to Capital program, provision of business advisory training advice for start-up businesses, and addressing the business climate issues outlined earlier in this document.

Sector Tourism

Description □ Expand the tourism sector through improved packaging and promotion of tourism products throughout the region, and through the creation of a world-class, multiple-use development.

- The tourism industry is a significant component of the region's economy and, despite terrorism-related setbacks to the global tourism industry, remains healthy thanks largely to the region's reputation as a beautiful, safe, clean and green destination.
- Although it is anticipated that the region's tourism industry will continue to grow, there are several key opportunities that would contribute to the ability of the industry to achieve its full potential. These opportunities include expanding destination marketing and promotion of the region's tourism products, building a world-class, harbour/marine development, and addressing panhandling and drug use in the downtown core.
- Appropriate product development and packaging (that reflects market characteristics/interests) will encourage longer stays and assist in raising awareness of the range of products in the region.
- Ogden Point should be considered for the development of a regionally and provincially significant multiple use development that incorporates a mix of event, accommodation and retail facilities.

Sector Marine Science and Industry

Description □ Sustain and expand the region's marine science and industry sector.

- Although traditional marine sectors such as fishing have greatly diminished due to a lack of sustainability, the ocean still plays a strong role in the region's economy as a result of the recent growth in the marine science and industry sector.
- There tends to be limited local awareness of, and support for, the marine science and industry sector. This is short-sighted as the region has significant competitive advantage in this sector and is home to a number of shipyards offering services and facilities such as maintenance and refits, vessel and system repair, shipbuilding, marine railways, a floating drydock (the only one on the west coast), and engineering and design. The naval architects and interior yacht designers located in the region are in demand.
- The marine sciences component of this sector is also important to the region's economy. The Pat Bay Ocean Sciences Centre employs scientists, technicians, support staff and ships' crews. A second Ocean Science Centre focusing on research, exploration, education and entertainment has been proposed for the region as part of the Canadian Neptune Project.
- This sector has significant economic development potential. Examples of opportunities to support this sector include efforts by the City to make foreshore land in the Rock Bay area available for marine industry activity, and efforts to increase visitation to the area, increase visibility/awareness of the industry's importance as an economic driver, and improve access to research funding capital.

Sector Sport, Art and Culture

Description □ Expand the sport, art and culture sector

- A healthy sport, art and culture sector is indicative of a well-rounded lifestyle and a strong economy, attracts new residents, helps to retain young people, and draws visitors who spend money on transportation, accommodation, food, and retail purchases. As such, the sector is important to the overall economic health of the region.
- Key opportunities to expand this sector include the development of a Cultural Precinct based around the Royal BC Museum, expansion of the local film industry, and hosting of special events and exhibits using existing and proposed sport and cultural facilities in the region.
- Achieving the above opportunities could include securing support for the development of a performing arts centre and expanded film production infrastructure, pursuing additional event hosting opportunities, and marketing the region's capacity to service as a sport training centre and a host city for athletic competitions.

Sector Agriculture

Description □ Expand the agricultural sector including organic crops, greenhouse products, wineries, etc.

- Fertile pockets of soil combine with one of Canada’s mildest climates to create excellent farming conditions in the region. The CRD has approximately 15,500 ha of farmland, which represents nearly seven percent of the region.
- Support for the agricultural sector is consistent with the RGS which calls for finding ways to increase economic activity in agriculture, including high-value and specialized farming. Through the RGS, municipalities and business have agreed to focus on the economic potential of the region’s unique biophysical attributes, and to support agriculture.
- The competitive advantage of the region’s agriculture sector lies primarily in its proximity to a large urban population which creates a varied market for agricultural crops. There are opportunities to increase vegetable and fruit production, dairying, and the production of niche and high value crops, especially organic berries and vegetables and specialty forage crops. Vineyards and wineries are growing on the Saanich Peninsula, following the boom in the Cowichan Valley and are expected to benefit from the sector’s strong links to tourism.
- Supporting and enhancing the growth of this sector can be done by recognizing agriculture in OCPs, economic development plans and development decisions, supporting the purchase of local farm products through a “buy local” campaign, and building links between agriculture and tourism.

Sector Education and Research

Description □ Expand the region’s education products and research sector

- We live in an age when access to a highly educated and job-skilled workforce is a major key to economic success.
- Post-secondary institutions, research facilities, independent niche schools and private sector training facilities are an important component of the regional economy. Leading edge research and cross-sector collaboration (e.g., public-private partnerships between educational and industry organizations) is occurring in the region.
- Opportunities exist to enhance the economic role of educational and research facilities by, for example, attracting more non-local students and expanding the profile of the region as a centre for research.
- Supporting the growth of this component of the economy can also be done by encouraging continued collaboration between educational and industry sectors, establishing a common voice to lobby for federal research funding, and promoting the region’s educational and research strengths as part of economic development marketing initiatives.

Sector Sport and Tourism

Description □ Leverage off the 2010 Olympic Games to generate economic opportunities for the CRD

- It is projected that the 2010 Games will create between 126,000 and 244,000 full-time equivalent (FTE) jobs and generate incremental Gross Domestic Product impacts of between \$6.1 and \$10.7 billion for the province.
- Greater Victoria is well-positioned to share in the benefits that will accrue to the province both before and after the Games.
- Potential opportunities for leveraging off the Games include supplying goods and services, promoting cultural and artistic activities, hosting international events, performances and conferences, implementing a media strategy, developing pre and post Games visitor packages, and raising awareness among local businesses of opportunities to benefit from the Games.
- Support for this opportunity will come from a variety of organizations ranging from the Greater Victoria Harbour Authority (improvements to the downtown ferry terminal), Tourism Victoria (marketing and packaging), the Chamber of Commerce (workshops and forums), and SportHost (bidding to host events).

How Will We Gauge Our Performance?



An important component of moving forward with the Blueprint is the establishment of a process for monitoring the success of the region in achieving its economic prosperity goals and vision. A list of indicators has been developed that draw upon both quantifiable data readily available from secondary sources as well as more qualitative data that would be obtained from periodic surveys:

- Regional employment.
- Regional income.
- Regional distribution of economic activity.
- Regional real estate demand.
- Regional taxes.
- Number of businesses by sector.
- Industry sector revenues.
- Total and per capital retail sales.
- Education levels in comparison to the Lower Mainland, Calgary and Ottawa.
- Number and percentage of residents and businesses reporting "optimistic" or "very optimistic" in terms of the state of future economic prospects for the region.
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" with the degree of cooperation amongst community and economic development organizations.
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" in regional efforts to attract new entrepreneurs and economic ventures.
- Number and percentage of businesses reporting "satisfied" or "very satisfied" with the state of local business services and infrastructure (could specify by type of service or type of infrastructure).
- Number and percentage of residents and businesses reporting "satisfied" or "very satisfied" with efforts to protect regional environmental and other natural assets.
- Number and percentage of businesses reporting "satisfied" or "very satisfied:" with core government services, permitting and enforcement.

What Next?



This Blueprint identifies a number of initiatives for improving the local business climate and for building on our assets and strengths to enhance regional prosperity. As with any strategy, the extent to which the region can benefit from these initiatives will be directly dependent on having the structure in place to facilitate implementation. In order to maximize the likelihood that progress occurs, it is recommended that a regional economic development agency be established. The role of this agency would be to:

- Facilitate the implementation of this Blueprint;
- Provide a single point of access for potential investors/developers;
- Answer economic development questions;
- Help investors work through the various regulatory processes;
- Identify investment opportunities;
- Maintain an inventory of available industrial and commercial land and space;
- Market the region (both “internal branding” and “external branding”);
- Push greater cooperation of private sector organizations in the region;

- Promote consistent and integrated business development planning in local government;
- Identify barriers to existing business growth and facilitate solutions;
- Facilitate coordination and communication (partnerships) among various economic development and community groups (both within the region and on the south island); and,
- Generally be a focal point and champion for economic development activities in the region.

As a next step in establishing a regional economic development office, the GVEPS will need to:

- Determine the appropriate governance structure
- Determine office location.
- Establish a mandate, organizational structure, operating principals and CEO responsibilities.
- Confirm operating costs, a funding formula and funding options.
- Refine the performance measures and prepare an annual “state of the regional economy” report.