Business as Unusual

Economic Development + Planning in Small Communities – a Case Study of Canal Flats

Presenters: Jonathan Schmidt Chris Fields



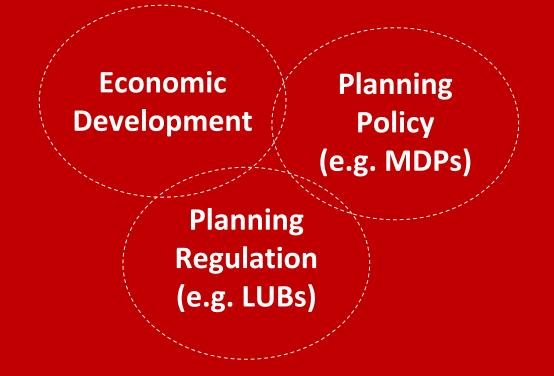
April, 2019



b&a

B&A Planning Group

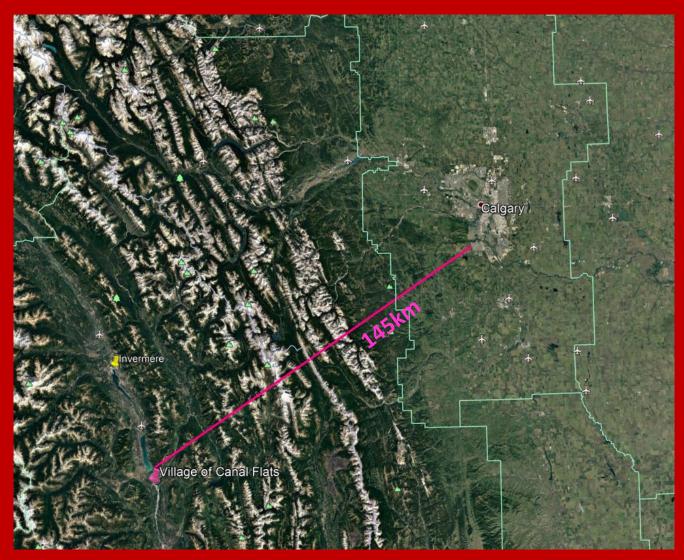
Today in a nutshell



Is it possible for all 3 to talk to each other ?

Warning: Quiz at the end

Case Study: Village of Canal Flats



4 hr drive from Calgary | 145km direct distance



The Year Was 2015...

MILIEHS

Today, one of western Canada's most innovative planning policy communities.

Major investor, Columbia Lake Technology Center, 70 jobs, growing population, 30% assessment value increase.



Rural Rules!

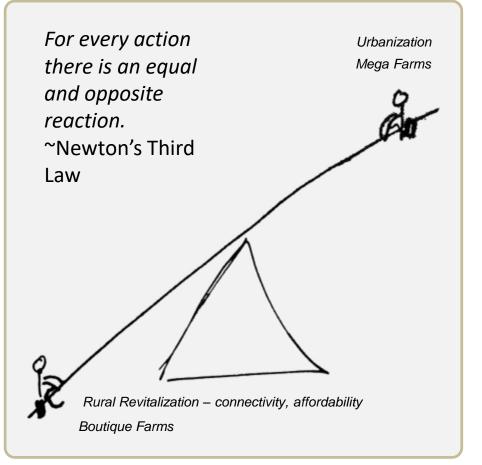
-The Rural Opportunity is Alive-

RURAL RULES!

Amidst the anonymous we crave social connection. For all the iTunes there's something magical about it being live. We are more connected than ever and yet many feel we have lost connection to what's "real." Amidst the packaged and processed we increasingly seek local and fresh. For our societal anxiety we seek new grounding in being healthy and well in mind, body, and spirit.

For all the economic focus on the big we are realizing new opportunity in the counterbalance – an appreciation of

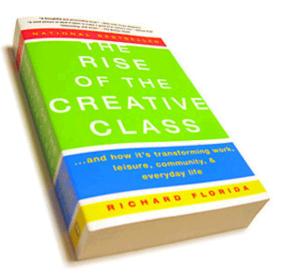
"the small".





Societal Shift

-Forces a re-think of planning response, and re-evaluation of how we shape communities to thrive in future-

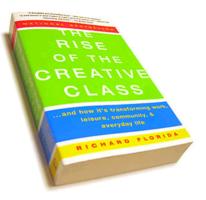


The Creative Class Seeks

- Lifestyle amenities (specifically defined and created. These can be niche, but should be differentiated from other communities and be of high quality)
- Population Diversity
- Entertainment experiences
- Active, outdoor recreation
- Authentic/interesting sense of place
- Open, tolerant society (open to newcomers)

Richard Florida - www.creativeclass.com

The Creative Class don't look a job first – they find a location first and build their life around living there.



The Creative Class don't look for a job first – they find a location first and build their life around living there.

Why would they want to live in your community?

The Creative Class is real

The Creative Class (alive and well...they are real people)

Name: Matt L Family: Father of 3 & husband Job: remote computer programmer for USA Firm Location of choice: Owen Sound, ON (moved from Toronto) Wife's Profession: Nurse Estimated Family Income: ~\$100-130,000



The Creative Class (alive and well...they are real people)

Name: Adam K Family: Father of 1 & husband Job: remote computer programmer for USA Firm Location of choice: Kelowna, BC (moved from Calgary) Hobby: Member of Team Canada National Mountain Running Team Wife's Profession: Public Health Estimated Family Income: ~\$150-200,000





We Move You

- Dig Once Policy
- Business Case range of options
- Business Plan best option
- Broadband Infrastructure Master
 Plan
- Deployment
- Operational Partnerships
- Regional Collaboration
- Community Enablement (marketing)

\$100-\$150K

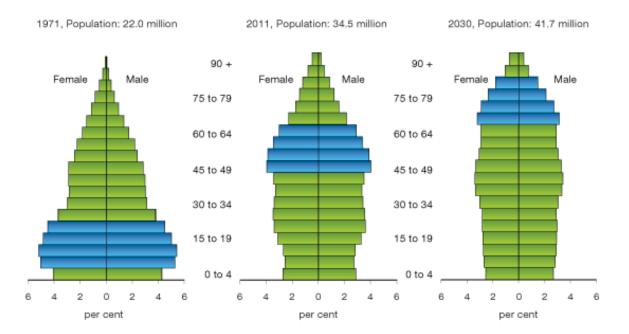


Aging Population – Evolving Housing Needs

Fre

Canada: We're Getting Older

 Baby boomers (b. 1946 to 1965) will reach retirement age over the next two decades. 65+ - 15.3% of population in 2013. 23.6% of population in 2030.



 This trend will put huge demands on healthcare, housing and community resources by 2030, and will continue for the next 30 years.

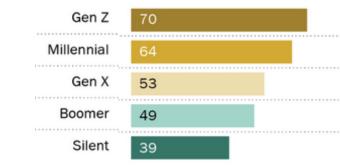




Millennials Have Shifting Desires

More technologically connected, more liberal, less religious, more ethnically diverse and embracing of it, more educated, experience driven...

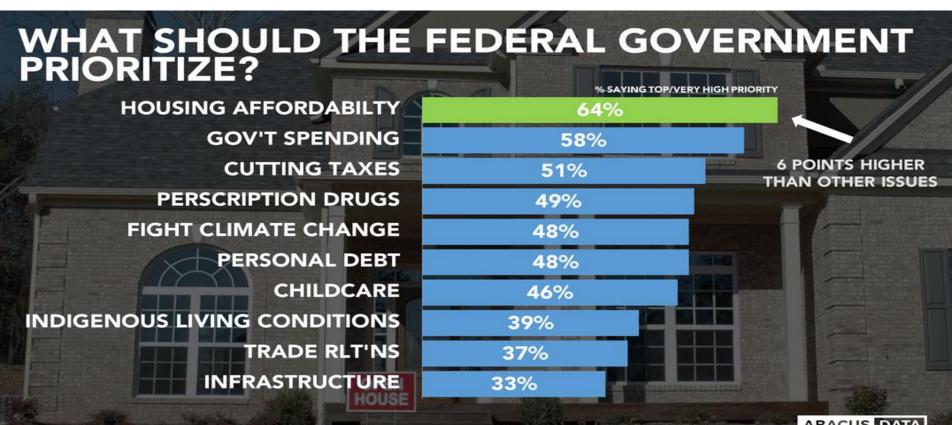
Government should do more to solve problems



Src - https://www.pewsocialtrends.org/2019/01/17/generation-z-looksa-lot-like-millennials-on-key-social-and-political-issues/

Millennials

-Born 1981-1996 (23-38)-

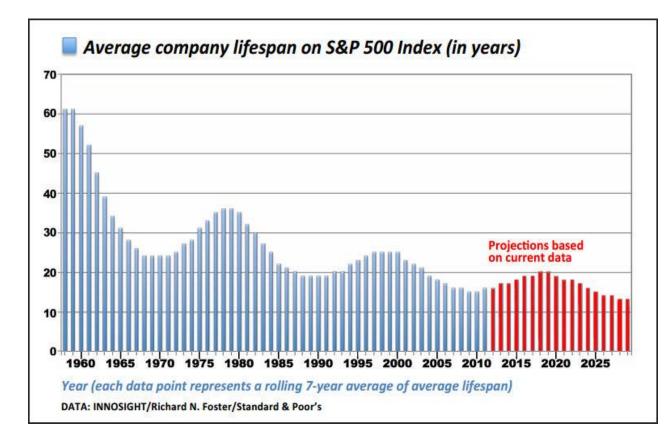


Below is a list of possible issues the federal government could focus on. How much of a priority do you feel each one should be?

Industry 4.0

Automation, advanced connectivity, artificial intelligence or robotics so as to fully perform mechanical tasks or analysis previously done by people.

Industry 4.0



Digital is the main reason just over half the companies on the Fortune 500 have disappeared since the year 2000.

Pierre Nanterme, CEO, Accenture



Industry 4.0

Will YOUR job still exist in 2025? New report warns 50 per cent of occupations will be redundant in 11 years time

- · Experts believe half of today's jobs will be completely redundant by 2025
- · Artificial intelligence will mean that many jobs will be done by computers
- · Customer work, process work and middle management will 'disappear'
- · Report states that workspaces with rows of desks will no longer exist

By JENNY AWFORD FOR MAILONLINE

PUBLISHED: 14:31 GMT, 8 November 2014 | UPDATED: 15:55 GMT, 8 November 2014

Src: http://www.dailymail.co.uk/news/article-2826463/CBRE-report-warns-50-cent-occupations-redundant-20-years-time.html



Infrastructure Deficits



COVER YOUR ASS(ETS)



Rise of Entrepreneurial Culture



- Mentorship
- New Forms pop-up, WeWork, shared spaces
- Success Stories
- Sector Objectives
- Youth
- Investment Fund
- Broadband
- Education
- Social Media Prism
- Licensing...



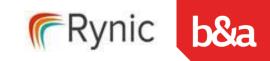
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R = (-1.0)5 | N (5-(0) **Retail Apocalypse**

Src: CNN.co



Economic Development is a Great Place to Start. (follow the money)



What Economic Development Does







BE INTERESTING

WHAT do you want to be known for?

Expert Tip: Answer these strategic questions and 80% of a community's pathway to prosperity/quality of life is defined.



(and why do we matter?)



Canal Flats – Value Proposition

1) Most lifestyle-priced housing in the Columbia Valley.

 The Columbia Valley's last remaining big block employment centre lands (former mill site).

- Lots of power
- No water limits
- Low price

3) Fibre network point of presence



Anyone want a retirement home here for less than \$200,00?





OUR VISION

Canal Flats is...

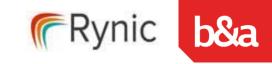
... the affordable, family-friendly Village building a new future in diverse housing options, quality of place initiatives, tourism and light industry development, and redevelopment of a unique work-live downtown. We will be a key employment centre in a Columbia Valley that reconnects people to nature ... and each other.

A prism applied to all actions....





- Increased tax revenue creates a more stable/sustainable environment for the Village to provide desired services and amenities.
- Greater school age population keeps the school open.
- Population (especially more permanent residency) creates sustainable demand for new commercial enterprises.



The Community Development Pickle



Canal Flats - The Strategy

Goal 1: Generate Employment

Why?

- Modestly grow population (1000 people+).
- Generates future demand for services that have been lost
- Creates a self-sustaining community development cycle.
- Nurture entrepreneurship "to rely on ourselves".

Strategy 1: Recreational Property Owners Call Us HomeStrategy 2: Nurture EntrepreneurshipStrategy 3: Create Employment Centre Lands

Goal 2: Build a Distinctive Community

Why?

- Quality of place ("village-beautiful")
- Enables investment, specifically creative workforce & entrepreneurs that seek lifestyle communities

Strategy 1: Create Downtown Policies (pocket housing, live-work, timberframe design) that enable developmentStrategy 2: Implement Beautification and Specific Quality of Life Initiatives



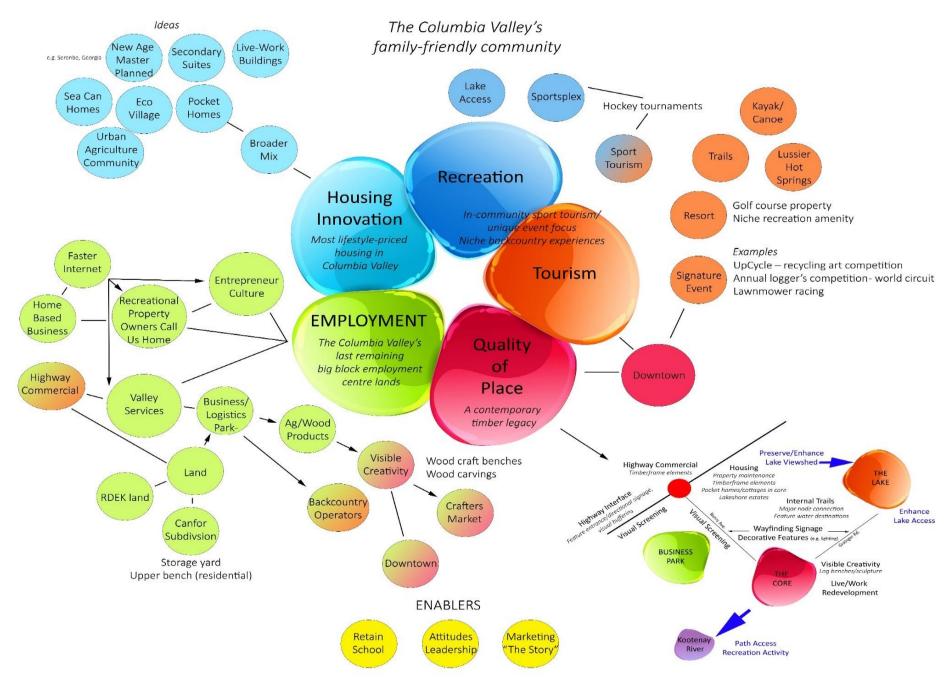
Who to Attract?

- Working families
- Younger working generation
- Entrepreneurs
- Early retirees

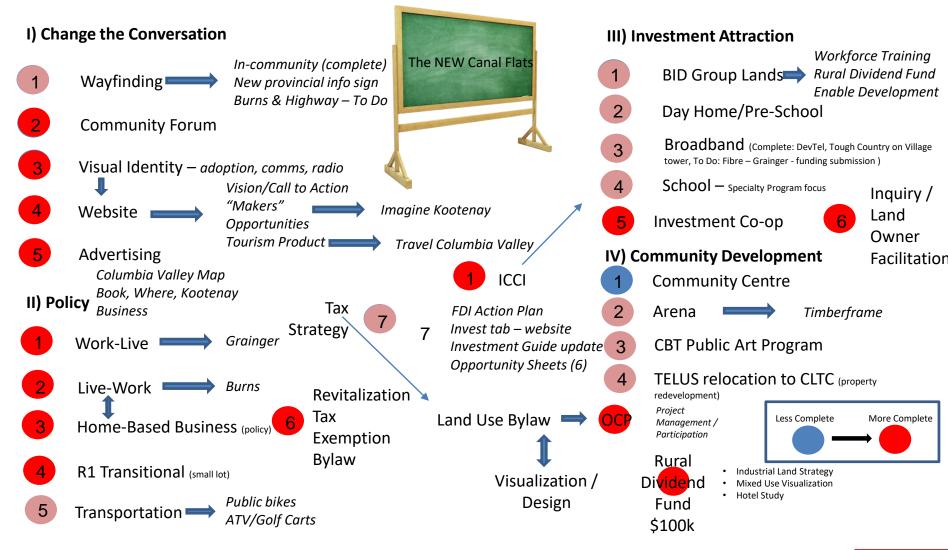




VILLAGE OF CANAL FLATS COMMUNITY DEVELOPMENT VISION



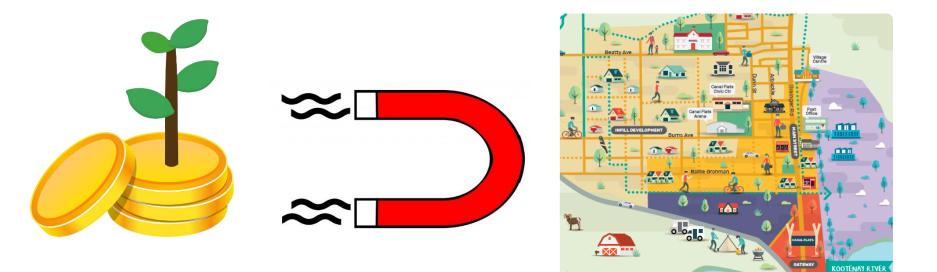
ACTION PLAN



Rynic



INVESTMENT ATTRACTION









PodTech BID

BID Group

Fabrication
Data Pod Manufacturing
Data Centre

 Edge Computing - Video Rendering, Artificial Intelligence, Smart Factories, Automated Mines, Virtual Reality, Blockchain, Unmanned Aerial Vehicles

Imagine the possibilities and opportunities if your technology company were located here.

We're building a world-class rural Technology Innovation Center with all the advantages of the big city and none of the disadvantages. The Columbia Lake Technology Center is based in the beautiful Canadian Rockies in Canal Flats, British Columbia.

CALL US

778-523-8000

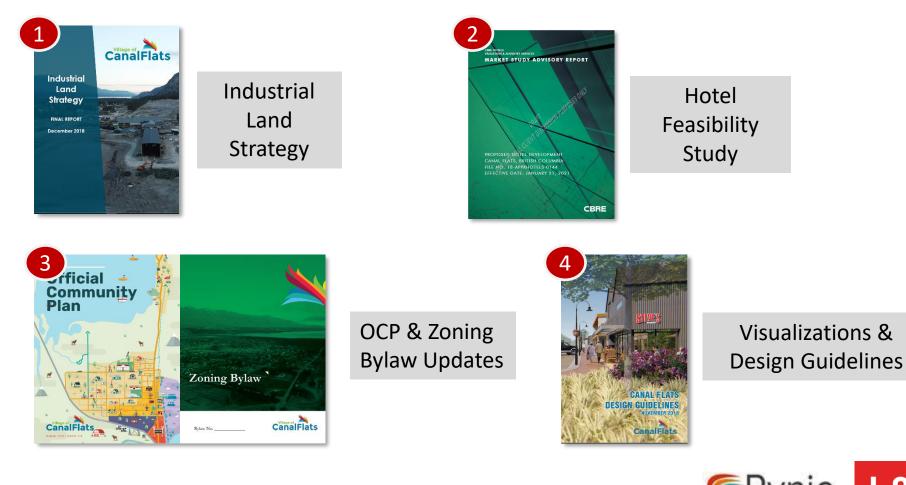
Vertical/Horizontal Value Chains

Excess Heat Opportunity
(agribusiness)
Agritec

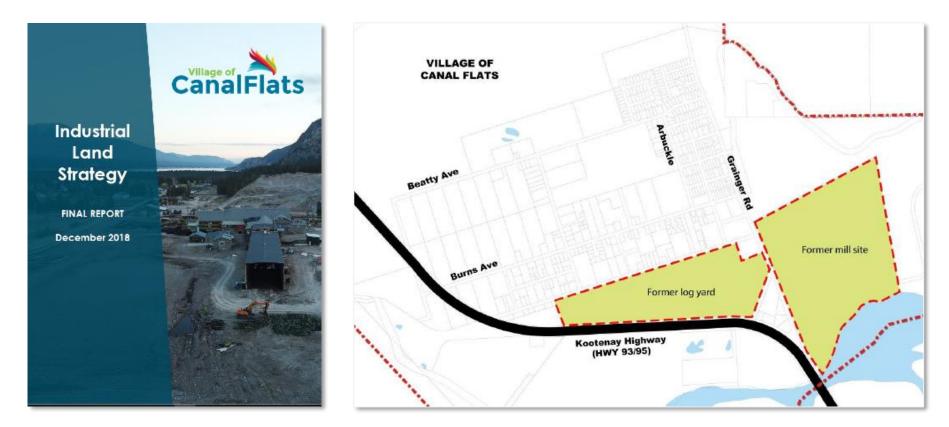
- Building Systems and Components
- Technology Training Centre

THE LAUNCH – 4 PROJECTS

To attract investment and achieve their vision the Village launched RFPs for 4 projects in 2018. Most are now complete or in the final stages.



1. Industrial Land Strategy



Scope of work: flood hazard identification, highway access management strategy investigation, financial fundamentals, sector targeting/value-chain research, infrastructure modeling, OCP/Zoning Bylaw recommendations



What actually happened...

A major investor acquired the Village's vacant industrial lands (former mill site) and other complementary lands. They created a master plan that would mesh with the other initiatives of the Village and spurred economic interest and speculation.



(above) Vision by new owner BIDCO



The Vision (courtesy of BID Group)

New Village

entre

- 1. A water canal that provides a central amenity
- 2. Approx. 1000 new residents at build out (150% of current population)
- 3. A new downtown core
- 4. An employment centre (CLTC) roughly 75-100% of today's Canal Flats labour force
- 5. Mixed use commercial-residential approach
- Housing affordability via housing innovation (e.g. work-live, smaller, apartment/condo, etc.)
- 7. Hotel accommodation

JOBS JOBS JOBS

Direct Jobs – 80 by end of 2019 -Annual income est. \$5M

Additional Indirect Jobs (retail, food, services) Generated – 80-160 Job total is 50-70% of current labour force in Canal Flats.

CANAL FLATS MILL SITE REDEVELOPMENT PLAN - PHASE D

Other innovations: master planning/subdivision/ag innovation funding/dike/district heating/rail spur/open house/marketing/sector targeting



East Kootenay Columbia Investment Co-op

C INVES

INVEST & BORROW

Where You Live



BORROW

CONNECT

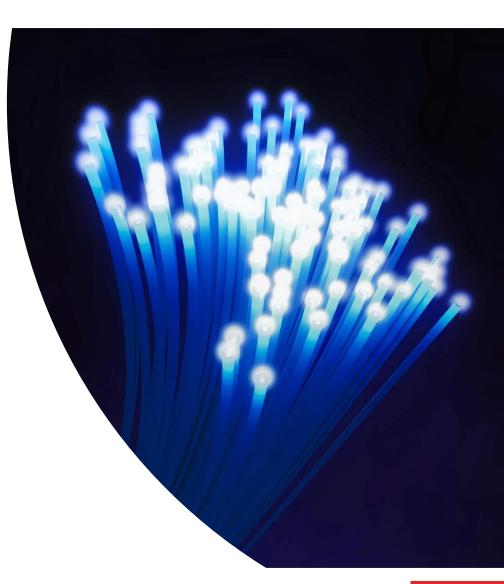
ABOUT

HOME

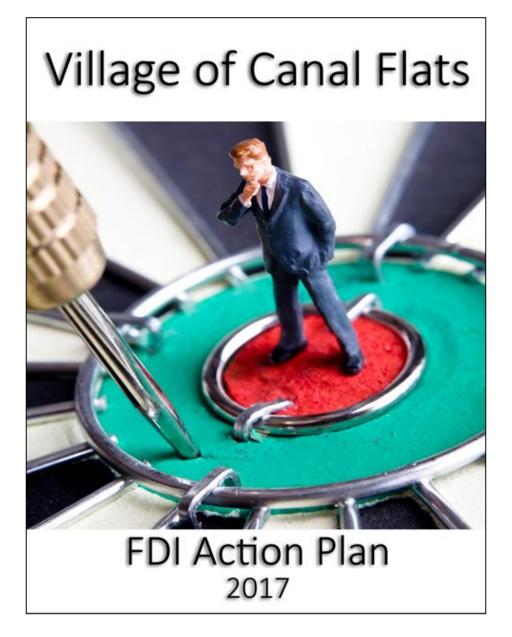
INVEST

Fibre

- Extend from PoP
- CLTC









Primary Attraction Focus

1) Agrifoods

 OBJECTIVE – ATTRACT PROCESSING INVESTMENT (NICHE CROPS, GREENHOUSES, FABRICS, AQUACULTURE, DISTILLERY)

2) Fabricated Metal Product Manufacturing

 OBJECTIVE – LEVERAGE BID GROUP METAL FABRICATION ENTERPRISE INTO ADDITIONAL METAL FABRICATION CLUSTER ACTIVITY

3) Forestry – Wood Products Manufacturing

Secondary Investment Attraction Focus

4) Mining

5) Transportation

Additional micro foreign direct investment opportunities have been identified as follows:
1) Mountain Mercantile 2) Master Planned Lands 3) Work-Live (Village Centre)
4) Immigration – the Village of Canal Flats welcomes new immigrants who invest in start-up enterprises or purchase existing enterprise(s).

Targeting incorporated into: 1) investment opportunity sheets; 2) Investment Guide; and 3) investment-focused website content.



Innovative Opportunities



OUR VISION – a K-12 technology and hockey sport programming-focused destination school in Canal Flats.





BRE/Investment Attraction

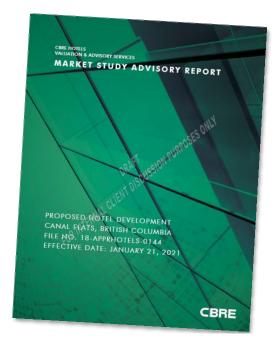
Childcare Wellness Centre Brew Pub **Kimberley enterprise** Dance school Hotel **RV** Campground Mountain Mercantile Mainstreet Redevelopment (2)

FDI



2. Hotel Study

Conclusions stated a potential Return on Investment (7.4%) below what is typical (12-15%) but gave the Village insight into the market and potential challenges or barriers.



PRELIMINARY INVESTMENT ANALYSIS

PROPOSED 50 ROOM HOTEL - VILLAGE OF CANAL FLATS, BC

Capital Cost (Low end of the range)	\$6.0 million
Supportable Investment (Middle of range)	\$4.4 million
Assuming borrowing \$3.0 million (Equates to 68% of Value)	\$3.0 million
Equity Investment Required (Capital Cost - debt financing)	\$3.0 million
Assume Interest Rate of 6.0%, 25 Year Amortization, Annual Payment is	\$240,000
Year 3 Operating Income (Rounded)	\$463,000
Net Income After Amortization	\$223,000

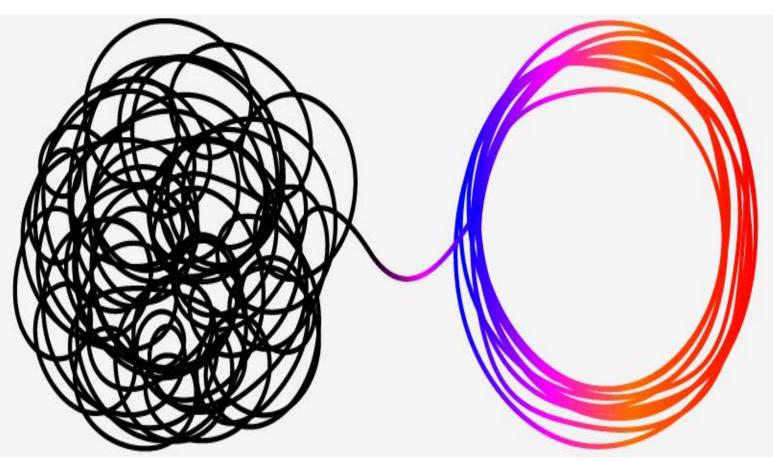
Source: CBRE Hotels



POLISEE

3. OCP & Zoning Bylaw Updates

We can be good places for business/to live. While being hard to do business/get things done in

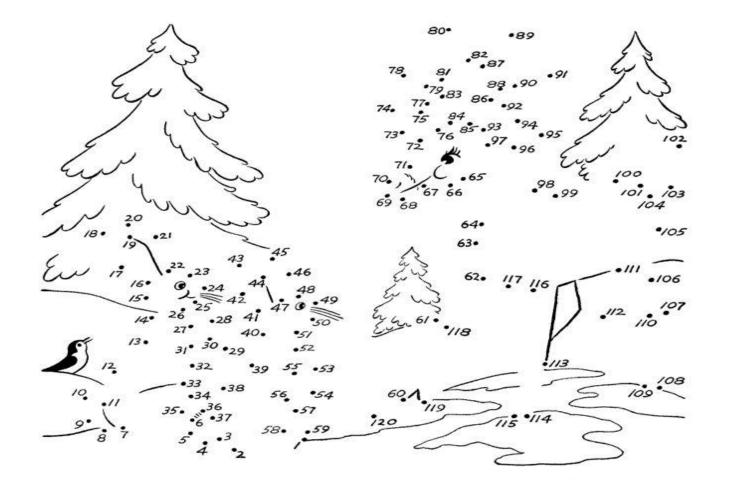


The economy Business supports Regulation Business costs Pride in purpose-driven community

FUTURE



CONNECT THE DOTS

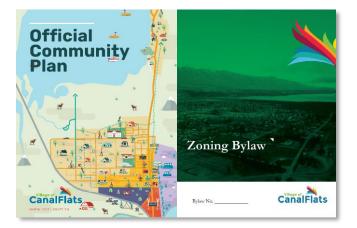




OCP & Zoning Bylaw Updates



Many (maybe most) Municipal Development Plans (MDPs) and Land Use Bylaws (LUBs) are out of sync.



Solution: Fully integrated approach!



A Key Catalyst



Lifestyle-Priced Housing

- "Affordability" isn't solved with sole focus on public housing.
- Must enable flexible lifestyle solutions.
- Housing addressed this way = economic development by attracting families, entrepreneurs/creators, and recreational property owner transition to more full time status.





RESIDENTERPRISE







WORK-LIVE



- Work-live mixed-use
- Adaptive housing
- Smaller lot sizes

- Density downtown
- Reduced parking requirements
- Design guidelines



OCP & Zoning Bylaw – Big Moves

Big moves to increase population & economic activity





- i. Allow Accessory Dwelling Units
- ii. Promote home businesses
- iii. Reduce/eliminate parking standards
- iv. Promote a greater mix of landuses (especially downtown –live-work/work-live!)



Accessory Dwelling Units



Purpose: Accessory dwelling units (ADUs) are encouraged in Canal Flats to assist with creating a variety of housing types for the Village's existing and future residents. ADUs are an affordable housing form that encourages infill and redevelopment on existing lots as well as promoting tourism and additional shortterm overnight accommodations through local business.

- Minimum floor area 37.0 m₂ (400 ft₂) 70.0 m₂ (753 ft₂).
- Owner occupied principal dwelling if ADU is rented

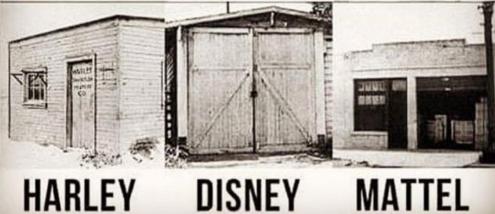


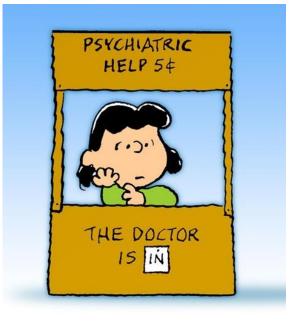
Home-based Business

Where it all started



APPLE GOOGLE AMAZON





Typical bylaw regulations for Lucy's HBB (personal services – psychiatry)

- Off-street parking stalls (min 1 or 2)
- Restricted hours of operation
- Discretionary use post for 2 weeks to see if neighbours complain
- Must provide proof of professional certifications
- Maximum size of business
- Business licence





HBBs & Parking

- Do you have a declining municipal population and want to grow?
- Do you have available road right-of-way for on-street parking?
- Then scrap your parking requirements – especially for homebased businesses!







HBBs & Parking





A word about parking

"twin gods of Smooth Traffic and Ample Parking—have turned our downtowns into places that are easy to get to but not worth arriving at." — Jeff Speck, author, <u>Walkable City</u>





•••••••

Expand the allowed land uses

- Allow multi-unit residential (up to a 4-plex) in most R1 residential areas
- Allow a broad list of residential and commercial uses in the Village centre



Jade Landing – multi-unit development, Canal Flats



Compress your zones/districts

- Do you really need 8, 10, 12 residential districts?
- Simplify your land use bylaw by compressing the number of districts (Alberta examples -> High River, Beaumont).
- Allow for more variety in your residential areas.





Before

After

OCP-IN-A-PAGE

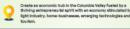
OUR VISION

Canal Flate Is...

... the affordable, family-finenchy Village building a new future in diverse housing options, quality of place in filterives, touriers and light housing development, and readwayment of a usity work-leve downtown. We will be a key employment onthe in a Columbia Villay that reconnects people to rebure ... and each other.

OUR MISSION

To achieve our vision, we will strive to...



Poster a safe, accessible, affordable, and fun sense of community with a range of housing types for a chemity of people, well-connected public spaces, and services and amenibles for realizerts and souriets allas.

Protect the natural environment through preservation and conservation of environmentally sensitive lands in collaboration with other government bodies, the Khunaxa Nation, and local non-profit groups.

Be recognized as modern mountain Village with traditional small-town vibes including filendliness, an atmosphere of cooperation, and a sense of connectedness.

cănălFlats WE'RE EMBRACING

A NEW VISION

The Canal Flats Official Community Pian establishes a new vision for the Village, with practical and innovative solutions to improve the quality of life for residents through attracting economic investment, oreating housing diversity, and conserving the natural environment.



Fun easy-toread folded brochure summarizing the Community Plan for the average citizen

OCP Land Use Policy Areas

A Parks and Open Space

Today we have lots of great parts, trails and open spaces (e.g. Lions Park, Tilley Park) but they lack connectivity to other places in the Village.

In the future we will have well-connected parks, trails and apen space collaboratively built through public and private investment that link to our energing commercial areas. We will also be one of the first manicipalities with matti-use pathways for moderized withches each as pair costs and ATVs.

Community and Keighbourhood

Today, Canel Flats is mostly single-detached dwellings on large lots, which is expensive for water and sever servicing and desen't allow for aging-in-piece or Investment from individuals wanting amailer or atternative housing types.

In the future Conal Flate will have a greater mix of email and large needential late as even as a range of housing types, including accessory develop unite (e.g. laneway homes), and multi-unit housing. Nome-based businessee will norture local entegrates and service locals and skatter etibe.

Village Centre

Today, the Village Centre has some key municipal amenities such as the Arena and Chric Centre, but has attracted relatively little private economic investment to create a vibrant downtown.

In the future, the Wilage Gentre will be a vibrant mixed-use area that supporte a diversity of commercial businesses and has a unique small village sense of place, where residents gother and visitare linger.

atoway

Today, the Village's gateway area does not offer a friendly 'welcome' to passers-by, nor does it offer many services for the traveling public. In the future, the gateway will be a warm, Inviting area that nurtures a sense of

cursoilty about the Wildge and provides basic services to the traveling public.

Industrial / Technology

Today, the industrial / Technology area is in a state of transition where the lumber mill legacy still lingers and a sense of cohesive design is not present.

In the future, the industrial / Jachnology and will be a showcash for economic investment of energing distant-shown technologies as used as the integration of educations dipositurbillar. This even will be physicality evel-connected to the rest of the Village through new roods and pothesing educing equiposes to use multiple models to get to work.

Master Planned Mixed Use

Today, this area is largely vacant, reminding residents of the lumber and forestry helibage of the Village.

In the future, this area will be a showcase for well-planned mixed-use development where reaktions live comferctably nearby concentrated enterprises where they can interact with violates along active streetscopes that reflect a mountain modern industrial Ways thems.

Environmental / Agricultur

Today, Canal Flats has a diversity of natural environments ranging from Columbia Late. Kootenay River, agricultural lands, wetlands, rocky bluffs and steep mountainous areas

In the future, the Wilage will have conserved the local natural environment, witable habitat and avrisions, and agricultural areas through continued partmentlips with all levels of government and non-government agencies.







Environmental / Agriculture

4. Visualization – Inspire the future



Visualizations & Design Guidelines

Most people can't visualize community change and vision. You must show them!







Canal Flats Visualizations November 14, 2018

WSD





Live-work / artist studio residential



1 - Duplex and Single Family Residential Canal Flats Visualizations November 14, 2018



Mixed-use Downtown



2A - GRAINGER LOOKING EAST Canal Flats Visualizations November 14, 2018



Mixed-use Downtown



3 - INTERSECTION OF NEW VILLAGE CENTRE ON GRAINGER Canal Flats Visualizations November 14, 2018



Live-work Infill Residential



4 - INFILL WITH BUSINESSES Canal Flats Visualizations November 14, 2018



Work-Live Downtown Revival - Examples



Pop-Up Development – Muskegon, Michigan





CLOSE THE LOOP: SALESMANSHIP



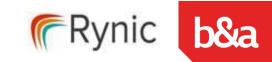
Municipal Branding





before

after



Investment Guide



2 Build The Business You Have Dreamed About

We have the Columbia Valley's last remaining big block employment centre lands.

There are four key land development opportunities in Canal Flats:

- Canfor lands (former forestry mill site) targeted for light industrial park development
- Former golf course property targeted for resort development
- Highway commercial node e.g. highway coffee house, bank, traveller services, commercial "plaza" developer. Average daily traffic 3100 movements, average summer daily traffic 5100 movements

 Downtown live-work developments. Here's a couple of examples of what we mean by this. Spring Creek Development, Moraine Ridge, Canmore - Industwa unconcensulations Ridge, Flat Creek Live/Work Development - Jackson Hole, Wyonning Institutions pressnands to comconductors in a work or per income strategies and base Set 3026-1780688 (Ison Mit)

> Live-work units after best prospect of downtown redevelopment - with affordatility, a unique form of construction in the Columbia Valley, and an alternative encytrise littestyte that appeals to independent entrepreneurs, amenity imgrants (recreational property ownes), and a host of microbusiness opportunities – e.g. regional isundry (Panorami erson), Backcounty operators, recreational equipment/RV repair, arts, and handcrafted ag and other products.

The opportunities don't have bows tied on them. ..they are greenfield and require a catalyst – a developer or entrepreneur with sense of vision who sees prospect in realizing potential in 800 permanent Columbia Valley residents, a summer population of 20000, a changing economy that increasingly allows us to live where we want and present products and services to the world, and a Canal Flats community that is less intensely developed than the remainder of the Valley.

Opportunities

Tourism Opportunities

Highway Commercial for Travellers – accommodation, RV resort, specially coffee shop/on the go food, vehicle/recreation equipment renair

Sport Tourism – tournament booking/organization services, equipment support/repair services, accommodation services, food services.

Recreation (outdoor/indoor) – 9 hole golf course, recreational familyfun businesses (ATV, bike/go-tart track, mini putt), lake/river sport support businesses (fishing, lubing, canoeing), backcountry guiding, RV resort, amenity-based resort.

Residential Home Construction Opportunities

Recreational Property Development – priority - infill existing inventory (e.g. developments to and along lake), targeted at recent retirees, lifestyle recreationalists, and nomadic/flex entrepreneurs.

Affordable Housing / Micro / Pocket Housing – targeted at young families, recent retirees, Columbia Valley residents, and metro Vancouver/Calgary markets with inflated housing prices.

Village Downtown Opportunities

Office, entrepreneurial and professional business hub, artisanal retail / creative art, tifestyle and independent business / entrepreneur office space, bank / financial services, commercial services (e.g. insurance, technical, complet services), alternative health services / satellite or shared health facility, seniors support products/services, real estate office / property developer, satellite classroom / training room, "spot" or pop-up lease space (short term e.g. weekly lease).

Light Industry Opportunities

Transportation / height / distribution / transit hub and services, trucking service centre trades and construction office and space, trucking machinery manufacturing/assembly/resource industry supports, repairs (vehicles, frucks, tote), verentovece/storage facility, speciality wood products, entrepreneurial business space hub, value-add agriculture (micro-food, oral bevinges, artisan cheekes, greenhouse (peppers, tomatoes, cuoralbes, musintoroms, galici/utban bam production facility). Christmas trees), wholesale trade, renewable energy (solar fam, biomassiveste facility, nev resource).

Investment Guide

Industrial Lands

Canal Flats, British Columbia

Village of Canal Flats

8866 Grainger Road PO Box 159 V08 180 Adrian Borgian, CAO 250 349 5462

Categornalitats ca OPPORTUNITY CONTACT:

BID GROUP Brian Fehr, Chairman & Managing Director brian Jehr@bidoo.ca





INVESTMENT OPPORTUNITY

400 ACRES: THE LAST BIG BLOCK EMPLOYMENT CENTRE LANDS IN THE COLUMBIA VALLEY AN AFFORDABLE LOCATION TO SERVE A GLOBAL MARKET

Former sawmill site. Property purchased from Canfor by BID Group in 2017. Owner will consider all development proposals, including industrial, commercial, and mixed-use development. Re-subdivision process and Environmental Certificate of Compliance (Province) required. BID Group operates a <u>20 employee</u> metal fabrication business on-site, serving North American forestry projects. As a comparable, land area represents approx. 1.5% of industrial land in Vancouver metro.



SELLING FEATURES Land use history: Saw mill site, partial land

development with office

acres); former log yard

acres), and surrounding

property (two parcels -

Water service: 2 inch

270 acres).

flat cleared land (90

and plant structures (130

- Zoned heavy industrial I-2. Rezoning possible. Flat, serviced lands.
- Last remaining large tract of industrial lands in SE BC.
 Access to main N/S_
- highways and rail spur line.

 Power: electricity (BC Hydro); propane, renewable energy development potential (solar, water).
 Heating fuel: serviceable
 Located within municipal

boundary.

- CanforMountain Mercantile
 - Work-Live Grainger
 - Tourism Product
 - Koochin

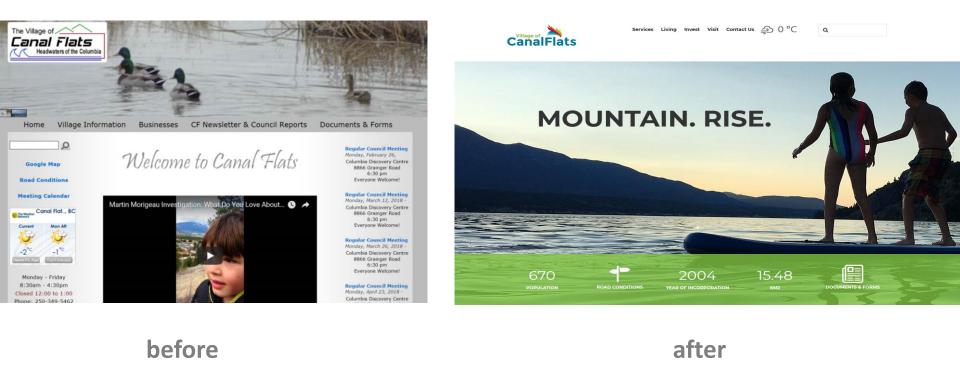


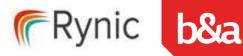
Lifestyle focused marketing

Canal Flats MOUNTAIN. RISE. Oh to feel young again....a soul re-created by life outdoors, mountain vistas, and renewed thoughts of conquering life's passions. In Canal Flats, free spirit is...free www.canalflats.com



New Website – key first contact



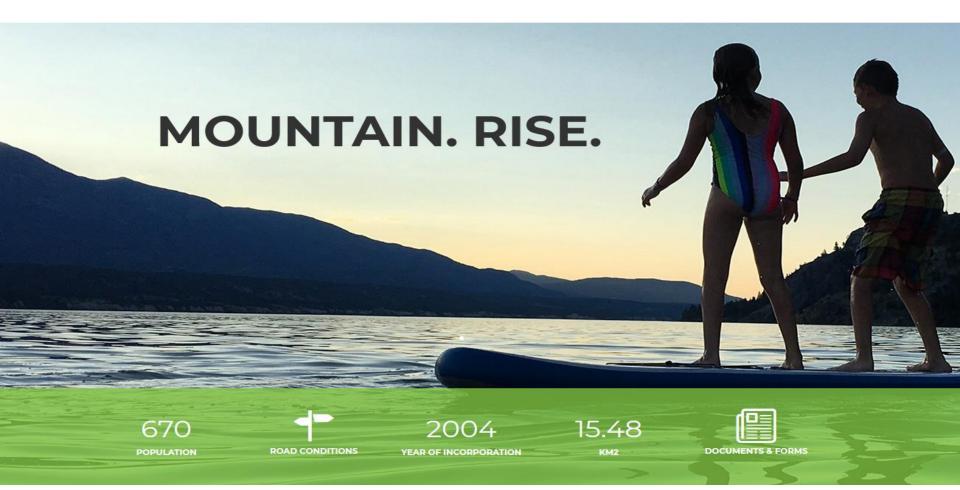






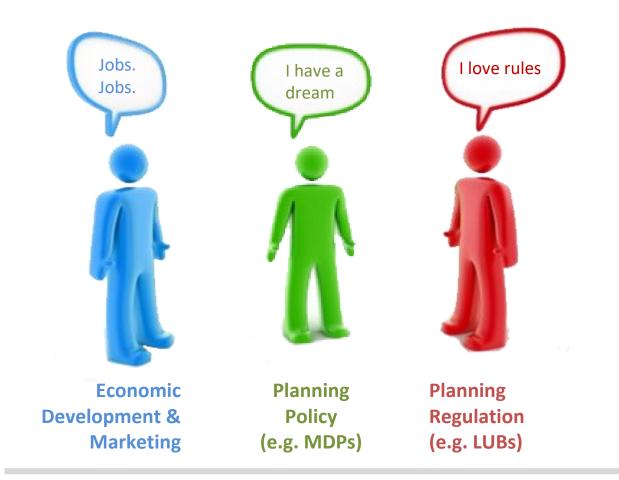
Services Living Invest Visit Contact Us

Q





LAST DEEP THOUGHTS



Are yours talking to each other?





Questions



