



IMPLEMENTING REGIONAL ECONOMIC DEVELOPMENT REGIONAL DISTRICT OF NANAIMO

Implementing Regional Economic Development in Regional District of Nanaimo

JANUARY 2020

Prepared by:

VANN STRUTH CONSULTING GROUP INC.

For: Regional District of Nanaimo

Cover Photo: NAI Commercial Central Vancouver Island Ltd.

TABLE OF CONTENTS

Executive Summary	iii
1 Introduction	1
2 Regional Economic Development Workshop	2
2.1 Overview	2
2.2 Background Content	2
2.3 Economic Data	3
2.4 Roundtable Discussion #1 – Roles and Responsibilities	4
2.5 Roundtable Discussion #2 – Organizational Structure	5
2.6 Participant Voting Results	7
2.7 Additional Data	11
3 Recommended Approach	13

EXECUTIVE SUMMARY

This report summarizes the results of the RDN Regional Economic Development Workshop, held October 15, 2019, and provides a series of recommendations for implementing a regional economic development service that are based on the workshop outcomes, an earlier 2019 study that included detailed regional consultation (“RDN Regional Economic Development Options,”) and best practices of past and current regional economic development organizations in BC.

Regional Economic Development Workshop

An opening presentation highlighted the history of this regional initiative and provided relevant economic and geographic comparisons, including that the RDN is the only one of the seven smallest regional districts in BC (by land area) to not have a regional economic development service, there are employment clusters located throughout the region, including in the rural areas, and that the regional economy is highly interconnected through commuting and business relationships.

Following roundtable discussions, each of the approximately 36 participants were able to register their views on a series of questions using hand-held voting keypads. The highest-ranking priorities for regional collaboration were strategic sector development, external sales and promotion, and serving as a hub for collaboration and sharing information and data.

A region-wide approach to economic development was preferred to a sub-regional approach by a margin of more than three to one, although an even larger share said the appropriate regional coverage depends on the issue. Having an arms-length entity (either new or existing) provide economic development services was strongly preferred to an internal RDN department, although the most popular model was to have a hybrid approach that depends on the issue. It was considered premature to provide firm direction on organizational structure, budget, and implementation without completing a strategic planning exercise that firmly establishes the priority regional objectives and how the RDN will collaborate with the City of Nanaimo as they establish their own new direction for economic development.

Top Recommendations

1. **Create a regional economic development service.** The workshop discussions and voting results revealed a clear preference for regional collaboration on several economic development priorities.
2. **Work with the City of Nanaimo to finalize common interests in economic development and determine how to effectively collaborate without confusing the marketplace with multiple competing initiatives.** This process will also determine the suitability of the City’s new economic development agency as the RDN’s contracted economic development service provider.
3. **Undertake a strategic planning process, separate from but integrated with the City of Nanaimo process, to establish strategic objectives and preferred operating parameters of a regional economic development service.** The focus is areas outside Nanaimo and must be implemented only following discussions with the City, which is undertaking a similar economic development strategic planning process.

1 INTRODUCTION

The Regional District of Nanaimo (RDN) started exploring the possibility of creating a regional economic development service in 2018.

A staff report dated June 12, 2018, explained the Board's interest was "in response to local economic trends, initiatives by private sector and business groups, changes to existing RDN economic development services, the collapse of the Nanaimo Economic Development Corporation and the desire to examine how to best promote sustainable growth and resilience in our region."¹

Vann Struth Consulting Group was retained by the RDN to prepare a report titled "RDN Regional Economic Development Options" that was based on consultation with 24 individuals representing organizations active in economic development in the region, as well as consultation and research on other regional economic development models in BC.

This report was received for information by the RDN Board on July 23, 2019 and a motion was passed "that the Board direct staff to proceed with hosting a regional workshop following the completion of the City of Nanaimo workshop."

The RDN Regional Economic Development Workshop was held over 3.5 hours the morning of October 15, 2019 at Nanaimo Golf Club. This report presents a summary of the discussion and outcomes of that workshop and a recommended approach for the RDN to implement a regional economic development service, which builds on the workshop outcomes, the preceding consultation and research, and best practices of past and current regional economic development organizations in BC.

¹ RDN Staff Report to Committee of the Whole, "Regional Economic Development," dated June 12, 2018.

2 REGIONAL ECONOMIC DEVELOPMENT WORKSHOP

2.1 Overview

The RDN Regional Economic Development Workshop was held at Nanaimo Golf Club on the morning of October 15, 2019.

Held over a period of 3.5 hours, it was attended by about 36 people, including elected officials and staff representing municipalities and First Nations in the region, as well as representatives of other organizations related to economic development operating within the RDN or across Vancouver Island.

2.2 Background Content

Workshop participants were given an introductory presentation on work completed to date on the project, including the six-month research and consultation project that culminated in the “RDN Regional Economic Development Options” report, which went to the RDN Board on July 23, 2019.

This project overlapped with a City of Nanaimo process that was similarly aimed at establishing a new economic development function. Their consultant report was accepted in August 2019 and the preferred option is a “hybrid model” that combines a City department with a City-owned agency. It will be implemented through a task force that will be overseeing the creation of an economic development strategy by late 2020, at which point final details on the City’s approach will be determined based on what is required to implement the strategy.

The RDN’s current commitment to economic development includes:

- **Southern Community Economic Development Service**, covering Areas A, B and C. Funding started at \$125,000 per year in 2012, increasing to \$191,000 by 2017m and was originally paid to the now-defunct Nanaimo Economic Development Corporation to provide services to the rural areas in the southern part of the RDN (including Gabriola Island in Area B). After the NEDC was closed, a new agreement was reached with the Gabriola Island Chamber of Commerce from 2017 to 2020 that provides \$65,000 in support for their community economic development initiative.
- **Northern Community Economic Development Service**, covering Areas E, F, G and H plus Parksville and Qualicum Beach. Funding is \$50,000 per year and is used to fund a grant program that supports a variety of economic development projects.

2.3 Economic Data

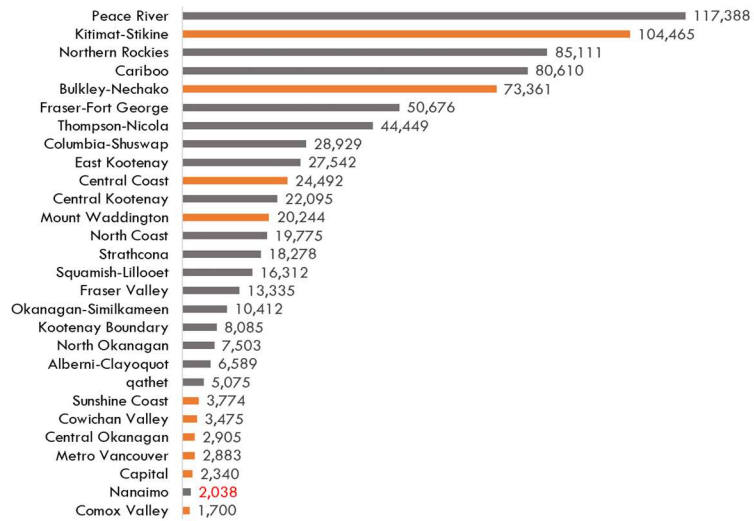
Workshop participants were also provided a brief presentation on relevant economic and geographic comparisons of the RDN to other regions in BC. The most relevant are included below.

Geographic Area

One of the most important factors influencing the success of a regional economic development function is the physical size of the region. The larger the region, the more difficult it is to effectively provide a cohesive service covering the entire area.

The regional districts marked in orange have some type of regional economic development function – the RDN is the only one of the seven smallest regional districts to not already have a regional function.

Regional District Land Area (Sq. Km.)



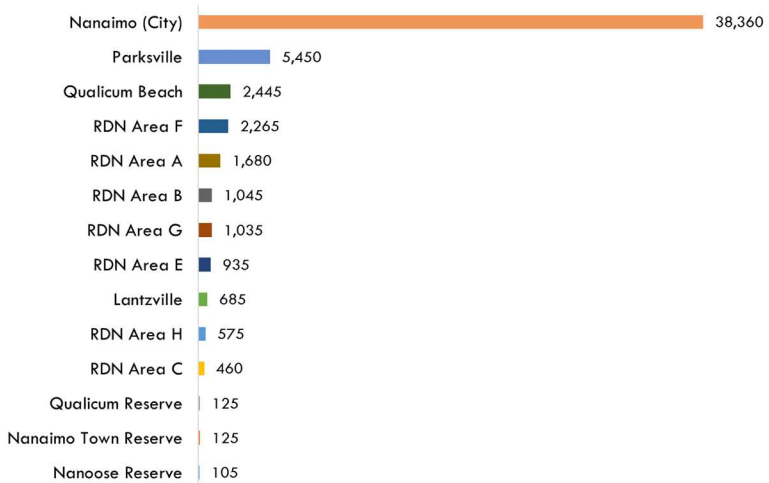
Employment Throughout the Region

Nanaimo accounts for nearly 60% of total population in the RDN and almost 70% of jobs (based on “usual place of work”). While Nanaimo’s central role in the regional economy is no surprise, it is worth noting that there are significant pockets of employment, accounting for hundreds of jobs each, located in each of the rural areas in the RDN.

This reinforces the notion that economic development is relevant throughout the region as there are clusters of employment

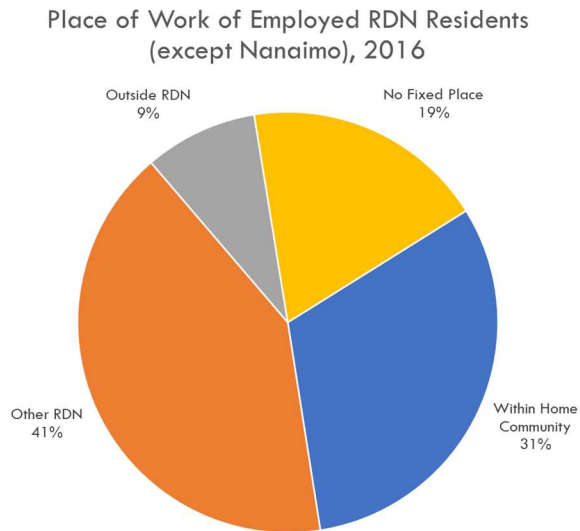
everywhere and a stronger regional economy benefits workers and households living throughout the region.

Total Employed with Usual Place of Work in Each Community, 2016 (Statistics Canada Census)



Regional Inter-Connectedness

Another important point of emphasis is the degree of interconnectedness between the individual communities in the RDN. If we set aside residents of Nanaimo², it is notable that significantly more RDN residents work in a *different* RDN community (41%) than work in their *home* community (31%). This is further evidence of how economic opportunity in one community has spillover effects in multiple other communities elsewhere in the region.



2.4 Roundtable Discussion #1 – Roles and Responsibilities

The first roundtable discussion was focused on the roles and responsibilities that make the most sense to address at a regional level.

After a brief presentation outlining a series of possible regional roles, each of the six discussion groups reported back. Many ideas were raised:

- External sales and promotion of the region / Investment attraction and marketing / Promotion for quality of life and livability (noted there is bigger “bang for the buck” from joint promotion (small areas cannot do this alone)
- Strategic sector focus, with point person who gathers and disseminates information / Need to facilitate the infrastructure needs required to capture priority industries
- Labour force development (including linking those with workforce needs to educational providers) / VIU noted as a major asset in the region
 - Another group thought that sector development and workforce development should be done in tandem, helping to develop higher-value products in key sectors in part through enhancing the supply of specific workforce needs
- Long-term strategic planning, incorporating labour force, transportation, communications, health care, services

² Nanaimo is such a large part of the region that it can overwhelm notable trends occurring elsewhere in the region.

- Pursuing grant funding in a collective fashion for regional communities and groups
- Regional strategic planning, including supporting individual communities in doing their own strategic planning / Serving a “connecting” role between communities in the region, including through projects like joint feasibility studies
- Circular economy development, such as remanufacturing, waste diversion
- Regional data collection
- Developing the foreign trade zone and short sea shipping
- Even though “place-making” and business retention and expansion (BRE) were mostly viewed as community-level programs rather than regional programs, there was a thought that a regional place-making vision could build on individual community efforts and could support local place-making if there is no local function to carry it out
- Collaborate regionally to reduce regulation and make it easier to conduct business. An alternative is to communicate differences or simply standardize rules and regulations across individual jurisdictions in the region.

2.5 Roundtable Discussion #2 – Organizational Structure

The 2nd discussion topic on organizational structure was organized around five discussion questions. The highlights of the discussion are summarized below under these five questions.

Question #1 – Regional or Sub-Regional

This question asks participants to indicate whether they prefer a region-wide function (example provided was the Central Okanagan Economic Development Commission, which is located within the Regional District offices) or one or more sub-regional functions that provide service to only part of the region, which is currently the model in the RDN with the Northern and Southern Communities functions (example provided was Lower Columbia Initiatives, which is a partnership based in Trail that includes five municipalities and several rural areas in part of the Kootenay-Boundary Regional District).

Comments:

- In order to fulfill its role as a “connector” the function needs to be region-wide / Having sub-regional functions is opposite of the purpose of a regional approach
- Maintaining a sub-regional model can allow leverage of existing funding programs
- For information sharing purposes, the function should be regional. For other questions, it is based on what exactly is to be done.
- Too soon to say – what is known is there needs to be a minimum viable budget

Question #2 – Internal or Arms-Length

This question asks participants to indicate whether they prefer the function to be internal to the Regional District (example provided was the Cowichan Valley Economic Development Commission, which is a division of the Regional District's Land Use Services Department) or an arms-length organization, which could be a new organization created by the RDN or an existing organization that fulfills the role on a contract basis (examples provided were the Comox Valley Economic Development Society and South Island Prosperity Partnership).

Comments:

- Arms-length preferred because it will be easier to collaborate with the City of Nanaimo initiative
- Arms-length preferred due to greater ability to leverage external funding
- This question is premature as ideally “form follows function” and the optimal organizational structure is based on how best to meet the strategic objectives of the function
- Prefer a hybrid model where priority objectives that are best addressed through an internal function are done that way while other objectives are addressed through contracted services (which may be over a limited period of time)
- Arms-length preferred – a good example is Tourism Vancouver Island operating as the contract for Nanaimo

Question #3 – Budget Level

This question asks participants to indicate a general appetite or tolerance for the RDN Board to dedicate more resources to regional economic development, with the understanding that a specific budget requirement can only be determined following detailed analysis.

Comments:

- Funding should stay at its current level
- Required funding is not known, but is definitely higher than the current level
- Required funding should be contingent on the strategy / Needs more comparison with other regional districts
- Regional business licensing should be added to the discussion
- The function could operate as “pay-to-play”

Question #4 – Governance

This question asks participants to discuss how the board of the economic development function should be structured (assuming there is an external board) and how the function should be accountable for its funding.

Comments:

- Each community should be represented and there should be no weighted voting
- There should be elected officials on the Board / Should be a blended board that combines community representative with industry representatives
- Needs to be structured to be separate from the political cycle so not affected by political representative changes
- Needs to be a Memorandum of Understanding (MOU) to address accountability issues

Question #5 – Implementation

This question asks participants to discuss how the RDN should implement a regional economic development function, including when and how strategic planning should occur and how the implementation process should be integrated with the City of Nanaimo's task force and strategy process.

Comments:

- Implementation should be done in conjunction with the City of Nanaimo.
- Need a process that allows the region to come together to identify problems that can be solved jointly.
- A long-term investment is required.
- It is still early in the RDN's exploration of these issues and more information is needed.

2.6 Participant Voting Results

Participant voting during the workshop was done through hand-held voting keypads, following each of the roundtable discussions.

Effectively Fulfilling Economic Development Roles

Through a series of multiple-choice questions, participants were asked to evaluate the best way to fulfill potential economic development roles within the RDN.

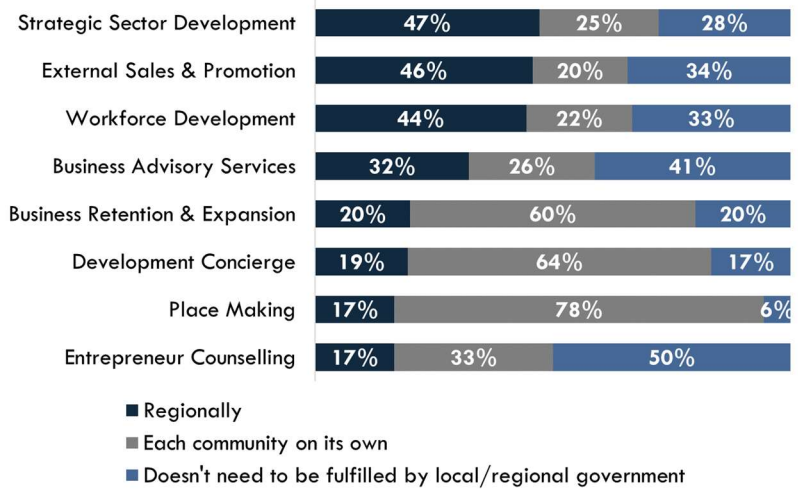
Three roles stand out as having a clear preference for regional fulfillment versus community fulfillment, and also where at least two-thirds of participants feel that local/regional government should be involved. These three are strategic sector development, external sales and promotion, and workforce development.

The results for business advisory services are somewhat mixed, with close to an even split between preferring regional and community functions, as well as more than 40% who do not support government involvement.

As shown in the results, respondents were overwhelmingly in favour of 'Strategic Sector Development' and 'External Sales & Promotion' being fulfilled at a regional level.

The other four topics that were tested all showed a strong preference for community rather than regional leadership.

Most Effective Way to Fulfill Roles
(n=34 to 36, varies by role)



Priority Roles

Following a table discussion and identification of additional ideas for priority roles for a regional economic development function, some of the top new ideas were combined with the highest-scoring ideas from the questions above and all participants were allowed to vote for their top three.

The following four priority roles received the highest degree of support:

- Strategic Sector Development
- External Sales and Promotion
- Collaboration (Sharing Information)
- Regional Data Sources

The following four priority roles received moderate support:

- Workforce Development
- Strategic Planning Across Many Areas
- Circular Economies
- Facilitate Infrastructure to Promote Growth

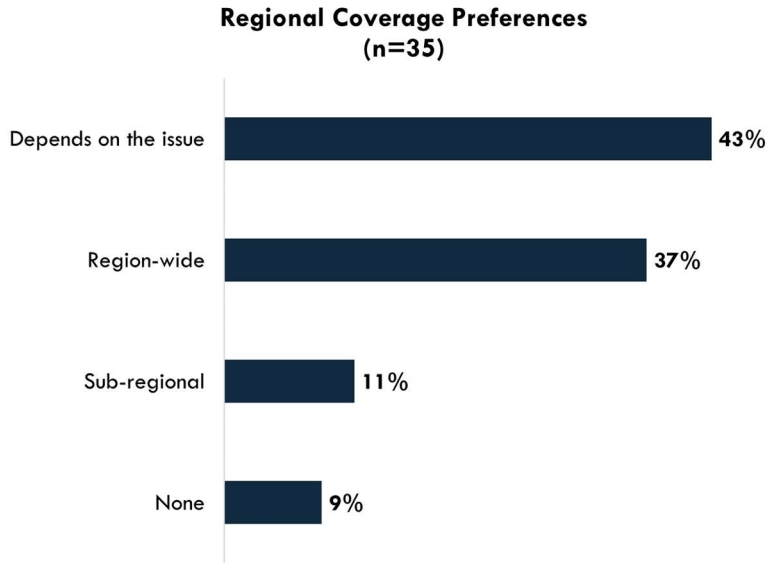
Finally, there was one role on the list that received very little support:

- Place-making Support

Regional Coverage

Participants were asked their opinion on the best form of regional coverage for a new economic development function, meaning either the entire RDN or a sub-regional arrangement.

Looking strictly at those two options, a region-wide approach was more than three times as popular as the sub-regional approach, but an even larger share said the appropriate regional coverage depends on the issue. About 10% were opposed to any regional approach.

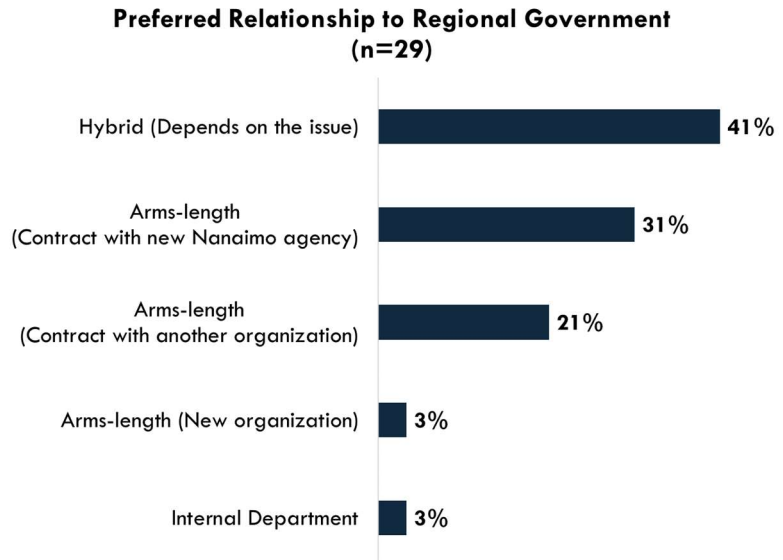


Relationship to Regional Government

Diving further into the dynamic of a regional government and its procedures, participants were asked to share their preference on the type of organizational structure that is most appropriate for a new regional economic development function.

Looking strictly at the choice between an arms-length entity (either new or existing) and an internal RDN department, the choice was overwhelmingly for an arms-length body, by 55% to 3%.

The most popular single response is to have a hybrid approach, depending on the issue, which was favoured by 41% of participants.

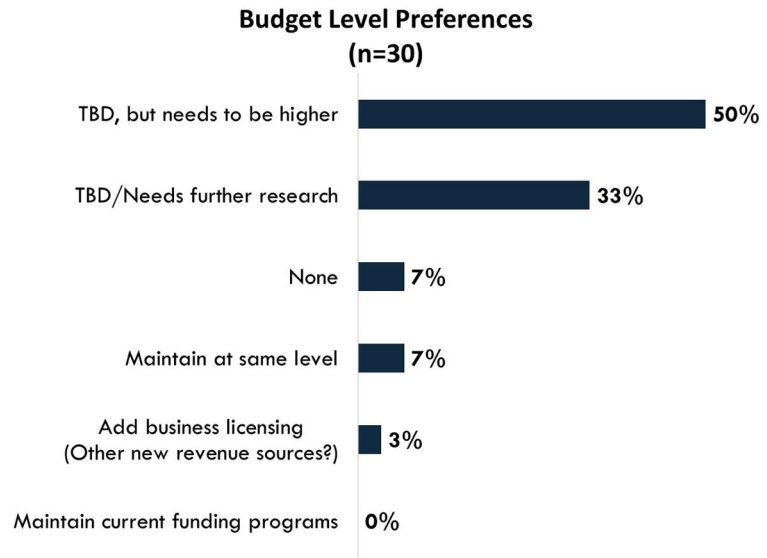


Budget

Participants were asked, to the best of their ability, to evaluate the current state of the budget and whether any changes should be made.

Half of those voting³ said that an economic development budget needs to be higher, but the exact amount is to be determined.

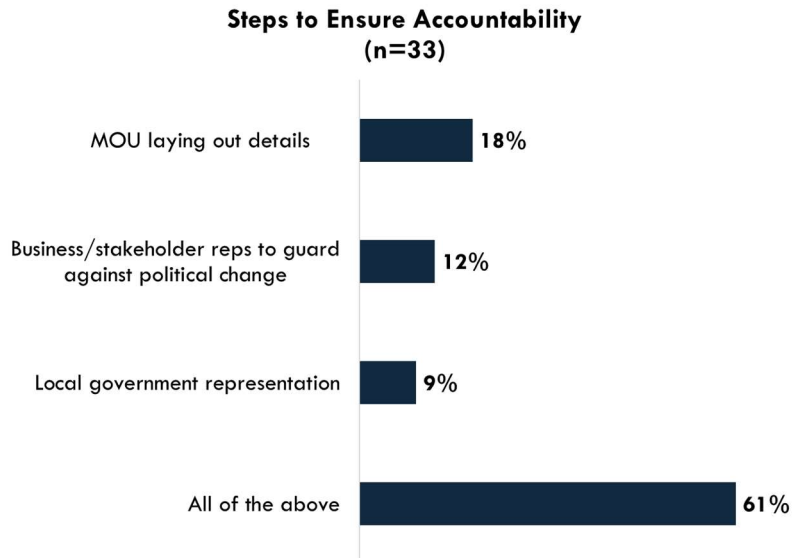
A further 33% also said the amount is to be determined and it needs further research, meaning it does not necessarily need to be higher.



Accountability

Based on feedback from table discussions, several consistent ideas were raised to ensure accountability for a regional economic development function. The option was also provided to vote for “all of the above.”

The “all of the above” option was easily the top choice.



³ Note that about six participants did not record votes on this question. The reason is unclear, but they may have objected to voting on a budget question if they do not support a regional function.

Implementation

A final topic of discussion and voting feedback concerned the most important steps to implement a new function. Due to a malfunction in the voting system, only the first vote provided by each participant were recorded (it was intended that they be allowed to vote for multiple options). Based on the first vote results, there was nearly identical emphasis placed on these implementation steps:

- Form needs to follow function – figure out strategic issues first
- In conjunction with Nanaimo (City)
- More research on financial and other options

2.7 Additional Data

The following are several other statistical comparisons that were not included in the workshop presentation but are relevant to the issues discussed.

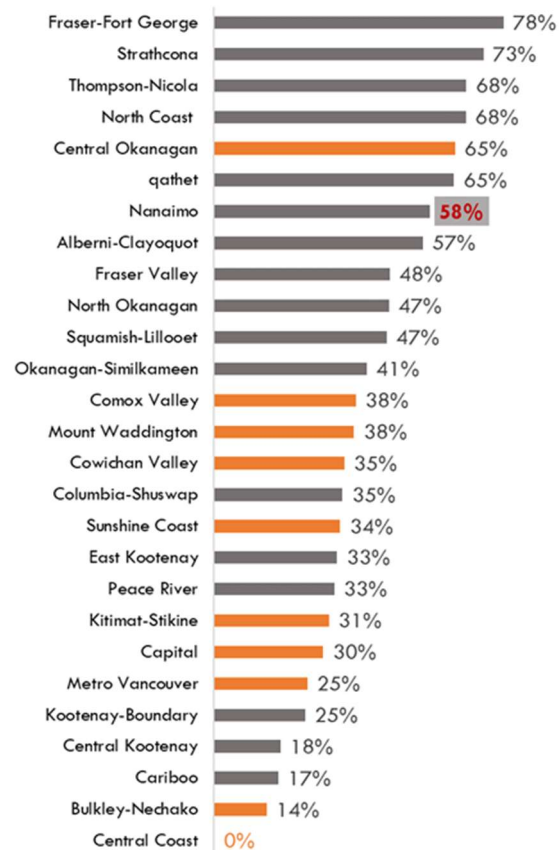
First relates to the issue of a region-wide approach to economic development versus a sub-regional approach. It was noted earlier that the geographic size of the region appears to be a contributing factor to the success of regional economic development initiatives, with smaller areas having a greater chance of working cohesively together and achieving lasting success.

The RDN is physically small enough that a region-wide approach can be effective (in fact, it is the only one of the seven smallest regional districts in BC without a regional economic development function). There is, however, another aspect of RDN geography that should be kept in mind.

The chart to the right shows regional districts in BC according to the population share of the largest municipality, with orange indicating the regions that currently have a region-wide economic development function. Nanaimo is 58% of the regional population, significantly higher than any regional district with an economic development function except the Central Okanagan, where Kelowna is 65% of the regional population. But the critical difference is the City of Kelowna does not operate its own economic development office – the Central Okanagan Economic Development Commission is the de facto economic development representative for Kelowna.

One of the concerns among non-Nanaimo respondents throughout this project is that a region-wide function will be dominated by Nanaimo and

Share of Regional District Population in Largest Municipality, 2018
(Source: BC Stats Estimates)



the interests of smaller communities and the rural areas will not be reflected. This needs to be acknowledged and steps taken to ensure it is explicitly considered in any partnership. Smaller communities not recognizing the value in a regional partnership has been one of the largest contributors to the failure of multiple regional economic development efforts throughout the province. But the opposite effect can also happen – there are other examples of the largest community, as the biggest financial contributor, being forced to over-compensate for regional interests and deciding they are better off acting alone. These issues need to be understood, acknowledged, and continually managed to ensure a regional partnership is a lasting success.

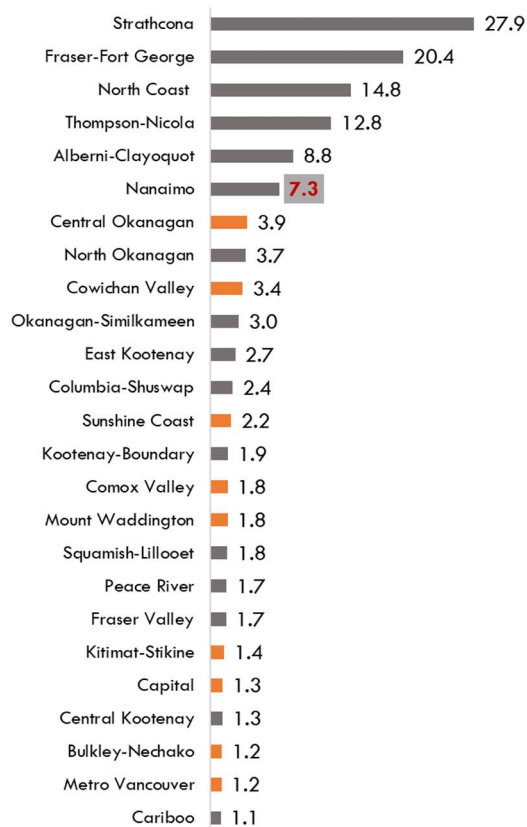
Another, similar perspective is the ratio between the largest and the 2nd-largest municipality in each BC regional district. RDs with zero or one municipalities are not shown.

Nanaimo’s population is more than 7 times larger than Parksville’s, a ratio that is nearly double that of the Central Okanagan (where Kelowna is less than 4 times larger than West Kelowna). This further illustrates Nanaimo’s heavy weight within the RDN compared to any other single community.

The purpose of these comparisons is to highlight potential risks to a regional partnership, even through the intrinsic benefits of regional cooperation are the same regardless of the size of the individual partners.

It also must be acknowledged that the City of Nanaimo is proceeding with relaunching a significant economic development presence and their efforts on external promotion and attraction will be the predominant face the region presents to the world. The rest of the RDN could stand back and let Nanaimo fulfill this role, or can choose to partner with the City and ensure that the brand messaging for the Nanaimo region is done with consideration for the entire region and reflects the linkages and interrelationships between the largest city, the smaller communities, and the rural areas.

Ratio of Largest Municipality Population to 2nd-Largest, 2018
(Source: BC Stats Estimates)



3 RECOMMENDED APPROACH

The recommendations in this report are intended to reflect the preferences of the community representatives and related stakeholders who are active in economic development in the RDN, as well as being consistent with best practices gleaned from the experience of other current and past regional organizations in British Columbia.

The situation is complicated by the City of Nanaimo undergoing a simultaneous multi-year process to define its own preferred direction and organizational approach to economic development. Nanaimo is the largest population and employment centre in the region by a large margin and the question of how the RDN will integrate its services with the City of Nanaimo's is critical, particularly for external promotion and other activities that are widely understood to require a region-wide focus.

Consequently, the full definition of some of the recommendations that follow is dependent on the resolution of the City of Nanaimo's process throughout 2020 and further discussions between the RDN and the City over that time.

The following is the recommended approach for the RDN with respect to regional economic development:

1. **Create a regional economic development service.** The workshop discussions and voting results revealed a clear preference for regional collaboration on several economic development priorities. These include external marketing and promotion of the region, as well as strategic sector development (which may include workforce development) and serving as a hub for collaboration and sharing information and data.

These are exactly the type of issues that are typically the focus for regional economic development initiatives. Possible investors, skilled workers, entrepreneurs and others who may be targeted through a promotional initiative are attracted by the amenities of the entire mid-Island region, not just a single community. Pooling resources also allows a group of communities to amplify their reach far beyond what could be achieved on their own and supports the concept that growth and investment in one community has positive impacts on the economy of neighbouring communities.

A region-wide approach was preferred by a wide margin over the sub-regional option for these key issues. Participants identified other economic development programs as being more appropriate at a community level, while a minority does not view economic development as an effective local or regional government activity.

2. **Work with the City of Nanaimo to finalize common interests in economic development and determine how to effectively collaborate without confusing the marketplace with multiple competing initiatives.** This process will also determine the suitability of the City's new economic development agency as the RDN's contracted economic development service provider.

Feedback from the workshop was mixed on whether the RDN should work with Nanaimo or go its own way and contract with another organization. Contracting the City of Nanaimo's new agency is the preferred option because the highest-priority issues for regional collaboration, including external investment promotion and workforce and strategic sector development, are likely to overlap almost entirely with Nanaimo priorities (pending strategic planning by both the City and the region). In this case, it is sensible for these areas of joint interest to be pursued through a single organization rather than City and regional initiatives operating simultaneously.

Note this recommendation overlaps with the RDN's own strategic planning as described below.

- 3. Undertake a strategic planning process, separate from but integrated with the City of Nanaimo process, to establish strategic objectives and preferred operating parameters of a regional economic development service.** Discussion and feedback at the workshop suggested that many of the parameters of an RDN regional economic development service cannot be determined without a strategic planning exercise that determines exactly what the new service will be focused on achieving. This process should occur following the establishment of the regional service.

As the RDN works to refine its approach to regional economic development, there are a variety of considerations highlighted below as "sub-recommendations" to the overall strategic planning process:

- A. Undertake a strategic planning process focused on areas outside Nanaimo.** The focus is establishing shared economic development priorities for each of the communities and rural areas in the region and identifying those that are best served through regional collaboration. This will build on the consultation and discussions already conducted through the process leading up to this report, as well as past strategic processes undertaken in individual communities in the region.
- B. Determine how to implement the strategic plan through discussions with the City of Nanaimo.** The City is undertaking a similar economic development strategic planning process in 2020, overseen by a City-appointed Task Force that will be hiring a consulting team to undertake the strategy project. This process will provide clarity on Nanaimo's preferred approach and the RDN should engage the City before final implementation decisions are made in order to best achieve the common interest of the city and region (as per recommendation #2 above).

Options that may be considered include the RDN entering into a fee-for-service contract with a new, City-owned corporation or society, or the RDN and City taking joint ownership in the same corporation or society, or each funding their own initiative but agreeing to partner on certain initiatives.

- C. Regardless of the relationship with the City of Nanaimo, implement the regional economic development function through a fee-for-service contract with an arms-length agency.** The objectives of the new function should be limited and clearly

identified from the strategic planning process. A contract based on those objectives should have clear and measurable objectives to support successful implementation.

Feedback from the workshop and consultation revealed a strong preference for the RDN to implement regional economic development through a fee-for-service model with an external agency, as opposed to creating an in-house function within the RDN. The reasons for this being the preferred approach include easier access to fundraising opportunities, the ability to move more quickly on opportunities without being constrained by local government processes, enhanced confidentiality for investors, and being seen by the business community and investors as an advocate that stands apart from local government. The economic development field has many examples of successful function that are both within and outside government, but in general, best practice favours the arms-length model.

D. Establish a budget for regional economic development that is commensurate with the strategic objectives and resulting staff and resource needs that are required.

Workshop discussion strongly emphasized that any consideration of a budget for regional economic development in the RDN must follow from the priority programs and initiatives that will be implemented.

The following budget information for regional economic development services in similar regions is provided for reference:

- The budget of the Comox Valley Economic Development Society in 2019 is just under \$1.3 million, or \$9.44 per capita (based on 2018 BC Stats population estimates, not including the Village of Cumberland, which has withdrawn from the regional service). Note this includes tourism services, which will not be part of the RDN service.
- The 2019 budget for the Cowichan Valley Economic Development Commission is about \$640,000, or \$7.06 per capita.
- The 2019 operating and capital budget for the Central Okanagan Economic Development Commission is \$953,416, or \$4.57 per capita.

If the Central Okanagan per capita figure is accepted as the low end of the range and the Cowichan Valley figure as the high end, a reasonable range for the RDN service (excluding the City of Nanaimo, which may fund their involvement directly), would be in the range of \$315,000 to \$490,000 per year. However, it must be emphasized that the other regional districts provide a full range of programming that includes both region-wide initiatives similar to those discussed in this report, as well as a variety of locally focused initiatives that are not contemplated for the RDN service.

E. Within the framework of an RDN regional economic development service, allow sub-groups of RDN communities to opt into higher tax requisitions to fund sub-regional initiatives. The core of the regional economic development service is a

common tax requisition across the region to fund a small number of high-priority, region-wide economic development objectives that are best achieved on a regional scale (such as external promotion and investment attraction and sector and/or workforce development initiatives).

In addition to this region-wide focus, there are important sub-regional differences within the RDN in how individual communities and rural areas wish to pursue (or not) additional economic development initiatives at a local or sub-regional level. The “Northern Communities” of Parksville, Qualicum Beach, and Areas E, F, G and H are the best example of a pre-existing sub-regional bloc with a history of economic development collaboration. Provided the strategic planning process identifies additional priority initiatives that are not relevant across the entire region, but are valued in one or more sub-regional area, the regional economic development service framework should be flexible and support these voluntary partnerships on a “pay-to-play” basis.

It should also be emphasized that RDN activities do not preclude any individual communities from pursuing their own local economic development programs, as is currently being done in Lantzville, Area B (Gabriola Island), and Nanaimo.

- 4. Consolidate RDN funding for related programs within the regional economic development service.** The RDN is currently providing annual grant funding to INFilm for their film promotion activities in the region. This should remain as a distinct activity, but should be consolidated within the regional economic development service (along with any other similar activities that are currently funded and naturally fit under the economic development umbrella).
- 5. Establish a one-year implementation budget for 2020 to undertake strategic planning work and support discussions with the City of Nanaimo,** and possibly other potential partners, on launching a new regional economic development service in 2021.