

Terms of Reference

Economic Development Commission Strategy to 2025 Regional District of the Central Okanagan

Background

The Central Okanagan is situated along the shores of Okanagan Lake in the southern interior of British Columbia and is the largest trading centre between the major Western Canadian cities of Vancouver, BC and Calgary, AB. The area is abundant with rich agricultural land, forested hillsides and mountain peaks and is an attractive tourist destination as well as a popular location for a wide range of businesses.

The Central Okanagan is the fastest growing census metropolitan area in British Columbia and the 6th fastest in Canada, and is home to approximately 208,000 residents and over 28,000 thriving and diverse businesses. Healthcare, construction, manufacturing, agriculture, technology and tourism are major industries in the region while key economic drivers include the University of British Columbia Okanagan Campus, Okanagan College, the Kelowna International Airport (YLW) and the Kelowna General Hospital. The region's economic growth and quality of lifestyle continue to attract new people and businesses to the area.

The Central Okanagan Economic Development Commission (COEDC) is a function of the Regional District of Central Okanagan and provides economic development services to the municipalities and governments of: District of Peachland, City of West Kelowna, City of Kelowna, District of Lake Country, Westbank First Nation and the unincorporated electoral areas of Central Okanagan East and West.

As the Region's primary business resources, the Commission works in partnership to facilitate and encourage the development of a healthy and dynamic sustainable community economy by supporting existing businesses and encouraging business investment within the Central Okanagan.

Individual communities within the Central Okanagan region have both staffing and financial resources designated for the delivery of economic development programs and services. Along with the regional economic development function, the Central Okanagan has economic/business development offices in Kelowna, West Kelowna, Lake Country, Peachland and Westbank First Nation.

The mandate of the COEDC is to work in partnership, to facilitate and encourage the development of a healthy, dynamic and sustainable economy by supporting existing businesses and encouraging business investment to support the communities of the Regional District of Central Okanagan.

The COEDC's goal is to foster a healthy sustainable local economy by supporting local business and encouraging new investment to the region. COEDC activities are aligned with the top regional priorities: 1) to increase awareness of the Central Okanagan provincially, nationally and internationally to strengthen the region's position as a destination for entrepreneurs, companies and skilled workers, 2) to enhance the environment for small and medium enterprise growth, 3) to encourage economic growth in key sectors and 4) to recruit and retain a skilled and stable workforce in the Central Okanagan. The COEDC has focused programming and activities in three core areas of business retention and enhancement, investment attraction, and coordination & connection. To effectively support a strong

and sustainable local economy programming and activities are flexible and responsive to emerging trends and community and industry driven requests.

Specific programming has included annual business walks connecting with local business owners, participation in workforce development delegations, resource development including regional economic profiles, industry specific reports and information gathering including sector profiles, aerospace industry competency study and asset mapping, and agriculture and agritourism business support programs for operators.

The efforts of the COEDC have been recognized as best practices through awards and recognition at provincial, national and international level. Awards include:

- 2018 Economic Developers Association of Canada's Promotion Event Award for the **Annual Sugarplum Event**
- 2017 the Economic Developers Association of Canada's Marketing Canada Awards for:
 - **Ex-Pat Attraction Campaign** - California - Advertising Campaign
 - **'How Does The Okanagan Compare?' Infographic** - Single Publication - over 4 pages
- 2016 International Economic Development Council's Excellence in Economic Development Gold Award for the **Make Digital Media Here: Workforce and Investment Attraction Campaign.**
- 2016 British Columbia Economic Development Association's Community Project Award for the **Make Digital Media Here: Workforce and Investment Attraction Campaign.**

Landscape of the Central Okanagan

The Central Okanagan has dynamic industry sectors, world-class educational facilities, strong transportation infrastructure and an unmatched quality of life. A diverse range of business and recreational prospects means the Central Okanagan is unique, a great place to work, live and do business.

Location: The Central Okanagan is located in the central southern interior of British Columbia, with the Trans-Canada highway passing through its centre, direct road access is available to Vancouver and Seattle on the Pacific west coast (around 400 and 500 km respectively), and to Calgary and Edmonton to the east (around 600 and 900 km respectively).

Proximity to market: The Central Okanagan is within reach of a regional market that exceeds 11.4 million consumers within a range of 900km, equivalent to a one-day journey by road.

Population: The estimated population in the Central Okanagan (Kelowna CMA) for 2018 was 208,864 which represents over 50% of the Okanagan Valley's total population and a growth rate of 2.0% from 2017. The projected population is expected to reach around 279,568 by 2041. The median age of an Okanagan resident is 45.5 years and the fertility rate trends towards 1400 births per thousand women. Population is concentrated around the two largest urban areas of the City of Kelowna and the City of West Kelowna. The Central Okanagan Region is British Columbia's fastest and is Canada's sixth fastest growing census metropolitan area with an overall population increase from 2011-2016 of 8.4%, well above the national and provincial rates of 5% and 5.6%.

Housing: The regional median price for a single detached home trends between \$650,000 - \$800,000, the median price for a Condo/Apt property trends around \$300,000, and a townhome median price is \$478,500 depending in all cases, on the community in which the property is located (Source: OMREB December 2018 YTD Stats).

Rental: An increase in rental purpose housing, built in 2017-2018, eased vacancy rates slightly to 1.9% from 0.2% in 2017. Average rent for a two bedroom apartment in the region is \$1,267, an increase of 10% from 2017 to 2018.

Income: The Central Okanagan (Kelowna CMA) has a household income distribution that matches closely, within 2% differential in each income bracket, with that of BC and Canada. 51% of households in the Central Okanagan have an income of more than \$70,000 annually.

Key Industries: In recent years, billions of dollars have been invested in the area, improving infrastructure and attracting high-growth industries. Key industry sectors include:

- Advanced Manufacturing
- Aerospace /Aviation
- Agriculture and Viticulture
- Construction
- Healthcare
- Retail Trade
- Tourism

Employment by Industry: The four industries in which the majority of the Central Okanagan's workforce is employed include: health care and social assistance (13.1%); retail trade (13.0%); construction (10.9%); and accommodation and food service (9.4%).

Business: Named the best city to open a small business by the Canadian Federation of Independent Business in 2018 and most enterprising region in Canada in 2016 by the Financial Post the region is home to over 28,000 registered businesses. The Central Okanagan's entrepreneurial culture and strong support networks make it an ideal place to start and grow a business as over 8,600 (30.6%) of local businesses have employees.

Labour Force: The total labour force for the Central Okanagan is estimated at 107,000 people representing a participation rate of 65.9%. The four main occupational categories for Central Okanagan's workforce include: sales and service (26.2%); trades, transport, and equipment operators and related (16.2%); business, finance, and administration (14.5%); and management (11.7%).

Economic Drivers: Diversification remains the Central Okanagan's greatest economic strengths. Agriculture, Aerospace, Finance, Manufacturing, Professional Services, Tourism and Technology are all important industries in the region. The Kelowna International Airport and UBC Okanagan (University of British Columbia – Okanagan campus) have emerged as key growth drivers. UBC Okanagan has been a major economic driver since its creation in 2005, bringing to the region direct and spin-off employment, significant capital expenditure, industry partnerships, research dollars, profile and demand for housing. Accessibility through the Kelowna International Airport continues to enhance the area's appeal to both tourists and potential home buyers. The recently completed expansion of Kelowna General Hospital includes health care services previously available only in Vancouver, an important consideration for people seeking to relocate to this region. The Okanagan Centre for Innovation is the hub for innovation,

technology and creativity in downtown Kelowna with an emphasis on accelerating entrepreneurial technology driven companies across all sectors.

Regional District of Central Okanagan Communities

The RDCO is home to the communities of: District of Peachland, City of West Kelowna, Westbank First Nation, City of Kelowna, District of Lake Country, Central Okanagan West Electoral Area and Central Okanagan East Electoral Area. All have unique characteristics but are closely interrelated.

City of Kelowna

With a 2016 Census population of 127,380 the City of Kelowna is the largest city in British Columbia outside of Vancouver. With a diverse economy supported by quality post-secondary institutions, Kelowna has become the main marketing and distribution centre of the Okanagan Valley. Kelowna also has a thriving arts and culture scene combined with all the outdoor activities that make the Central Okanagan a must-see tourism destination, as well as a popular place to live.



City of West Kelowna

The West Kelowna District Municipality was incorporated on December 6, 2007 and received City status in 2015. West Kelowna is the second largest municipality in the Central Okanagan with a 2016 Census population of 32,655. The communities within the City include Westbank, which comprises just under half of the total population -- Shannon Lake, Glenrosa, Casa Loma, West Kelowna Estates, Rose Valley and Lakeview Heights. West Kelowna borders two self-governing reserves of the Westbank First Nation, Tsinstikeptum #9 and Tsinstikeptum #10.

Westbank First Nation

Westbank First Nation (WFN), located on the west side of Okanagan Lake, provides a unique economic climate to attract business and investment. A Self-Government Agreement between WFN and Canada has significantly improved the fiscal and legal certainty for investors on WFN Lands. WFN has the rights, powers, responsibilities and privileges of an owner, including the authority to grant interests and licenses in relation to its land. There are four designated parts of the First Nation, however, the resident population lives within two Census Subdivisions, Tsinstikeptum 9 and Tsinstikeptum 10, both of which are bordered on all sides by the City of West Kelowna.

There are 855 Members of Westbank First Nation. An estimated 9,000 non-Member residents make their home on WFN lands through one of the most sophisticated land lease systems in Canada. A population growth rate of 27.9% makes WFN the fastest growing community in the Central Okanagan.

District of Lake Country

The District of Lake Country has a 2016 Census population of 12,922. Located between Kelowna and Vernon, Lake Country is comprised of four separate communities: Oyama, Carr's Landing, Okanagan Centre, and Winfield. The communities are closely interrelated but unique in their own right. Like other areas in the Central Okanagan, the area's population growth has resulted in significantly increased residential and commercial activity, and continues to grow and evolve.

District of Peachland

The District of Peachland has a 2016 Census population of 5,528. Peachland is the southern-most community in the Regional District and is located 22 km south of Kelowna on the west side of Okanagan Lake. Over the past few years, Peachland has undergone a major development program, including improvements to transportation, municipal services and additional residential, commercial and retail facilities.

Central Okanagan Electoral Area – East

With a 2016 Census population of 3,824 the Central Okanagan Electoral Area East encompasses the scenic rural east side of Okanagan Lake. This electoral area sits outside the City of Kelowna and District of Lake Country. Its two largest communities are: Ellison, located to the northeast of Kelowna on Old Vernon Road; and Joe Rich, located 24 km east of Kelowna on Highway 33.

Central Okanagan Electoral Area – West

Central Okanagan Electoral Area - West is tranquil rural countryside on the west side of Okanagan Lake. Wilson's Landing is located 14 km north of the intersection of Highway 97 and Westside Road and 20 km from Kelowna. Other communities along picturesque Westside Road include Traders Cove, Killiney Beach, Westshore Estates, Fintry, and Valley of the Sun. The 2016 Census population is 1,981.

Objectives:

The project is intended to provide strategy and recommended tactics for the Regional District of Central Okanagan's Economic Development Commission (COEDC) to ensure growth and sustainability in the economy. As the region, country and globe continue to grapple with economic challenges; the question is raised as to what the community can do at the regional level from an economic development perspective. The COEDC 2020-2025 Economic Development Strategy which is to include implementation plan, recommendations, required resources, schedule, and assessment guidelines, will provide a strategy and measurable implementation plan for the RDCO's EDC (COEDC).

Key objectives of the project are:

Provide direction and clarity to guide the region to meet its economic potential

By assessing the competitive position of the region and examining core competencies of key sectors and sub-sectors the COEDC aims to enhance capacity within the region, facilitate partnerships between firms to increase capacity and identify opportunities for growth and scale.

Ensure that Regional District of Central Okanagan and member communities are investment-ready

The COEDC would like to ensure that it is well-prepared to accommodate new investment. The strategy will address the value proposition of the Region and the other major components of readiness with respect to the Region's competitive position.

Scope of Work:

The scope of the project will include: looking at where we are now, through background research and economic analysis; the prioritization of future directions and the development of a 'road map' which will provide direction for the short and medium term with an associated action plan for the five years including performance measures. The strategy and action plan should be aligned with existing operational resources, other regional long term strategies, federal, provincial, and local government priorities, and address areas where economic development can have influence and achieve results.

In addition, provincial and federal long term strategies and funding announcements should also be examined in relevant areas, for example, infrastructure, transportation, energy and innovation.

The consultant's scope of work shall comprise of the following:

1. Economic Base Analysis

As an initial step, an Economic Base Analysis using existing resources and secondary resources should be developed to provide an overview of the Central Okanagan's economy, including regional competitiveness and trend analysis, and value proposition, and will be a foundational document at the start of the project.

2. Road Map and Action Plan

The next stage will be to understand 'How do we get there?' over the next 5+ years. A Road Map should be developed to provide a high level overview with some identified areas of opportunity and direction setting as derived from the Economic Base Analysis. In compliment an Action Plan will define short, medium and longer term objectives and tactics in the key areas identified in the Road Map as well as providing associated performance metrics. The Action Plan tactics should identify the activities potentially owned by the broader Regional business community and those potentially owned by the COEDC. All activities and recommendations identified for the COEDC should be actionable within existing operational resource levels or identified as requiring increased resource levels.

3. Consultation and Meeting Requirements

Proposals must include a description of the number and type of meetings and stakeholder consultation opportunities proposed and should provide ample opportunity to engage and interact throughout the project work. The successful proponent will also be required to present the plan (approx. 60 min PPT) to Central Okanagan Economic Development Commission's Advisory Council at the completion of the project.

More specifically, the Economic Development Strategy should provide recommendations related to:

- Ways the Region/COEDC can best meet the challenges of shifting demographics to maintain and even improve attractiveness for investment.
- Ways the Region/COEDC can increase workforce development through recruitment and attraction.
- Ways the Region/COEDC can support cluster development for the top 3 industries as an element of economic development programs.

Deliverables:

A 2020-2025 COEDC Strategy which is to include implementation plan, recommendations, required resources, schedule, and assessment guidelines. The following bullets are part of the 2020-2025 Strategy:

- A PEST/SWOT analysis; including physical infrastructure, economic land assets, natural assets, local institutions, economic drivers, historical and cultural features, and human assets.
- Regional Competitiveness and Trend Analysis; competitiveness analysis, enablers and inhibitors, and national and provincial trends comparison.
- Identification of constraints that impact the region as a whole and provide opportunities for regional economic development initiatives (*enablers and inhibitors*);
- Foreign Direct Investment Opportunities Matrix
- Economic Development Strategy is to contain an action plan to implement objectives and goals set forth in the Strategy as well as performance measures with timelines to evaluate whether, and to what extent, plan goals and objectives have been or are being met – this should align with existing operational resources and identify spheres of operation.

General/Misc. Scope of Work information:

- Three edit rounds by COEDC during drafting for report.
- The data and information collected will then be presented into a clear, easy-to-read report in electronic (Word and PDF) format. The report should be a balance of qualitative and quantitative information, presented in a visually-appealing format with infographics where appropriate.
- Report to include up-to-date photography and imagery. The Commission will provide the consultant with access to its image bank and other relevant material from partner regional organizations (i.e. Tourism Kelowna, Thompson Okanagan Tourism Association).
- Printing costs not included in Consultants' scope of work.

Budget

Not to exceed \$50,000 plus GST.

Lump-sum price required from Consultant.

COEDC Point of Contact

There will be one primary point (COEDC Staff) of contact for the Consultant

Timeline & Deliverables

Project completion by November 1st 2019.

Timeline	Activity
February 1 st 2019	Invite only RFP to selected potential Consultants as outlined in appendix.
4:00 pm PST March 1 st 2019	Deadline for RFP submissions.
April 1 st 2019	Contract awarded.
April 1 st 2019	Contract commencement.
April 1 st 2019 – June 14 th 2019	Project ongoing. Progress updates provided to COEDC project lead – 30 min phone call scheduled every two weeks between Consultant and COEDC project lead.
June 17 th 2019	Consultant to provide first draft to COEDC project lead for internal review and edits.
June 17 th 2019 – July 5 th 2019	COEDC project lead to liaise with internal team to review report.
August 2 nd 2019	Consultants to provide second draft of report to COEDC project lead for internal review and edits. Recommended that second draft from consultant include graphics and visual components of report.
August 2 nd 2019 – August 23 rd 2019	COEDC project lead to liaise with internal team to review report.
September 20 th 2019	Consultant to provide final draft to COEDC.

October 11 th 2019	COEDC to provide final edits to Consultant.
October 31 st 2019	Final report to be provided electronically in Microsoft Word and PDF to COEDC project lead. The report is intended to be distributed by social media, RDCO_COEDC press release and COEDC newsletter. The report will be housed in the resources and/or about us section of the COEDC website www.investkelowna.com

Appendix

Consultants to Include on Invite RFP Process:

- MDB Insights – Trudy Parsons tparsons@mdbinsight.com 416-367-3535 x 237
- Positive Growth Consulting - Dale Wheeldon wheeldon@positivegrowth.ca 604-795-7119
- Malatest and Associates, Rob Malatest r.malatest@malatest.com 250-384-2770
- Urban Systems – Martin Bell mbell@urbansystems.ca 250-762-2517
- Lochaven Management Consultants - Wayne Robert enquire@lochavenmanagement.com 250-545-4445

Relevant documents for consideration:

- [COEDC 2018 Operational Strategic Plan](#)
- [2018 Economic & Industry Profiles](#)
- [Economic Indicators Reports](#)
- [Kelowna and the Okanagan, Thriving on a National Level Infographic](#)
- [Growing in the Okanagan – 2020 Labour Market Outlook](#)
- [Central Okanagan Aerospace Core Competencies Study](#)
- [Central Okanagan Aerospace Regional Asset Map](#)
- [Central Okanagan Economic Profile for Agriculture \(July 2017\)](#)
- [Economic Impact of the Okanagan Tech Sector by Accelerate Okanagan 2017](#)
- [Regional Growth Strategy: Priority Projects Plan 2017 - 2021](#)
- [Regional District of Central Okanagan Strategic Priorities Plan 2015-2018](#)
- [Techstars Report 2017](#)
- [West Kelowna Economic Development and Tourism Strategy](#)
- [Westbank First Nation Economic Development Strategic Plan 2016-2019](#)

Links to COEDC Imagery – separate document provided along with access to COEDC’s image database.