

Comox Valley Innovate 2030

Community Economic Development Strategy – Briefing Note

June 25th, 2019

Prepared by:



Contents

1.	Introduction	3
2.	Stakeholder Engagement.....	4
3.	Economic Base Analysis Findings	5
4.	Site Selector Profile	6
5.	Airport Lands Feasibility Analysis.....	8
6.	SOARR Assessment.....	10
7.	Sector-Specific Gap Analysis & Value Proposition.....	13
7.1	Economic Drivers	15
8.	Next Steps.....	17

Introduction

This briefing note is to provide a short overview of some key findings and considerations that will prove useful when thinking about developing an action plan for the Innovate 2030 Economic Development Strategy for Comox Valley Economic Development Society. In particular, it pertains to the research and findings uncovered for the purposes of the Community Economic Development, Business Retention and Expansion, and Workforce Development components of the strategy.

Aspects reviewed here include:

Stakeholder Engagement – A presentation of the various methods used to gain intelligence from community members and stakeholders.

Economic Base Analysis – which was a review of socio-economic, workforce and industry-related statistics from Statistics Canada, as they pertain to Comox Valley.

Community Site Selector Profile – a package of information that helps market the region and specific industries to site-selectors based on criteria they are most likely to use in assessing viability of Comox Valley as a location for business investment.

Airport Lands Feasibility Analysis – A review of the viability, best practices, and sectors of greatest potential for investment attraction in industrial lands adjacent to the Comox Valley International Airport.

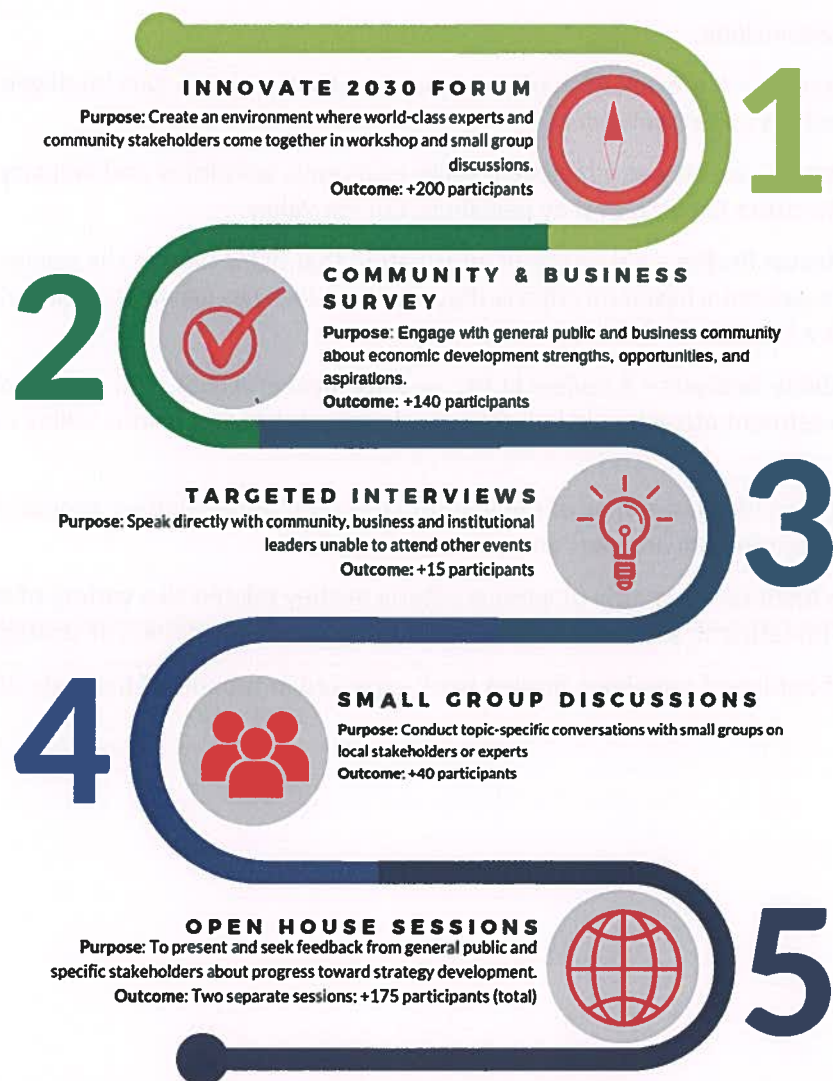
SOARR Assessment – A critical overview of the various strengths, opportunities, aspirations, risks and results informed by the data analyses and consultation efforts.

Sector-Specific Gap Analysis – A matrix of various criteria as they related to a variety of target industries for growth and investment, and their rationales for being economic drivers of strategic interest.

Next Steps – A brief outline of remaining project work expected in support of Innovate 2030.

Stakeholder Engagement

Over the course of the project to date, a variety of engagements have taken place, which have allowed for the collection of information from across the region and from many stakeholders.



Economic Base Analysis Findings

The economic base analysis uncovered the following key findings for Comox Valley:

The population has grown at a moderate rate of 4.7% but is slower than the provincial average of 12%. Meanwhile, the median age continues to climb, suggesting an increasing demographic of retirees.

With only 11% of dwellings being apartment style, and only 23.6% of the dwellings counting as rental housing, the findings suggest a constrained and potentially costly housing market, especially for lower income bands of the population. Despite these findings, comparatively, Comox Valley is still less costly for dwellings than Nanaimo or the British Columbia median dwelling values.

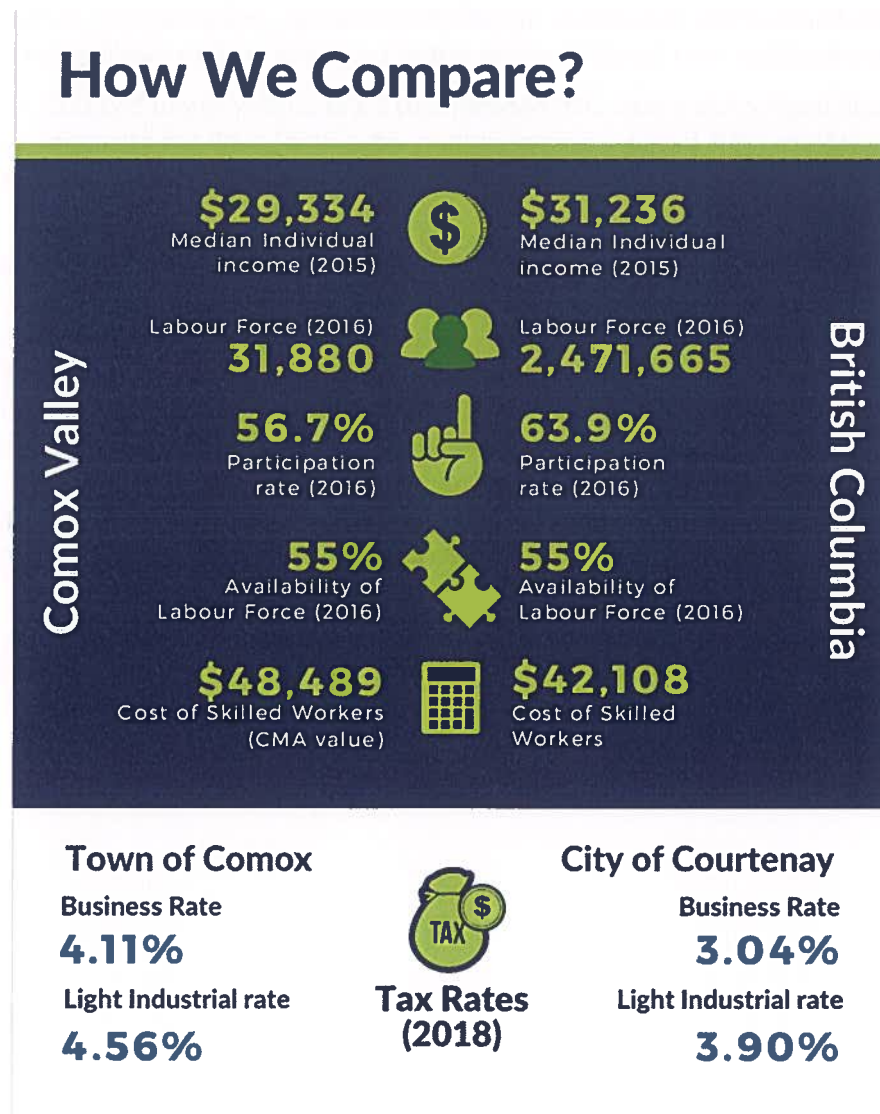
Median household income has grown 14% between 2011 and 2016 to about \$63,000, owing to a well-educated workforce (55% having a post-secondary education), with top education sectors being architecture, engineering and related, health and related fields, and business, management and public administration.

A competitiveness evaluation determined strong, moderate or low industry performance compared to the province. The results indicate that the most competitive industries were farming and fishing, health care and social assistance, and public administration. Those showing promising growth included manufacturing, construction, health care and social assistance, and accommodation & food services. Those representing declining competitiveness, and which signal a need for business-retention and expansion support, include professional, scientific and technical services, information and cultural industries (note: this includes computer sciences, media/broadcasting, telecommunications, libraries, and archives, not “arts and culture”), and education services. Tourism remains a strong and growing industry, characterized by an overlap of several sectors including recreation, accommodation and food services, and some retail subsectors.

There are 2,570 businesses with employees operating in Comox Valley, 15% of which are in construction and 13% in retail, complimented by additional concentrations agriculture and fishing and retail trade than the province.

Site Selector Profile

The Community Site Selector Profile shows the “facts” about Comox Valley in an honest and transparent manner so that potential investors understand where the opportunities may exist for relocating, starting, or expanding a business into the area. Some key findings from the site selector profile include the following infographics.



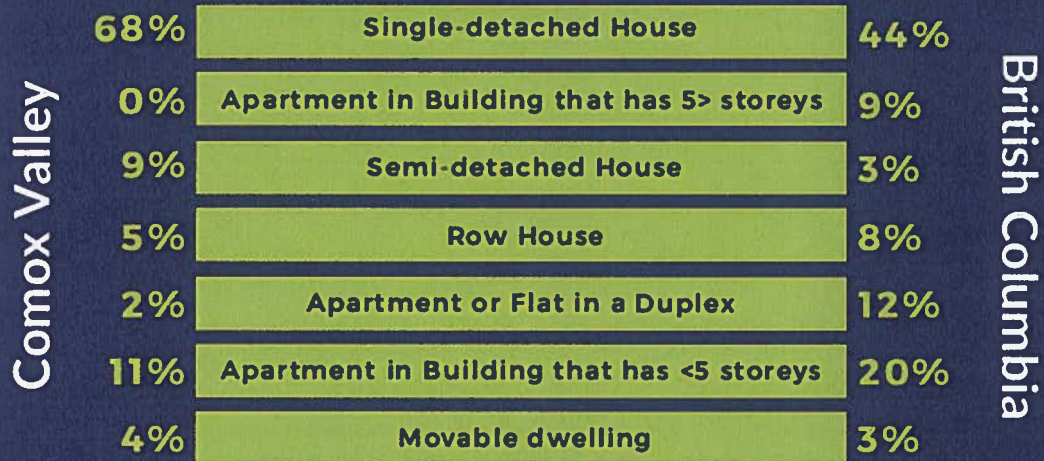
Provincial and Local Incentive Programs

Foreign Trade Zone designation for Vancouver Island allows for:

- **Duty Relief Program**
- **Duty Drawback Program**
- **Customs Bonded Warehouse**
- **Export Distribution Centre programming**
- **Exporter of Processing Services program**



Housing Availability



Comox Valley
 Median Value of Dwelling
\$359,028
 Median Rent (Monthly)
\$922

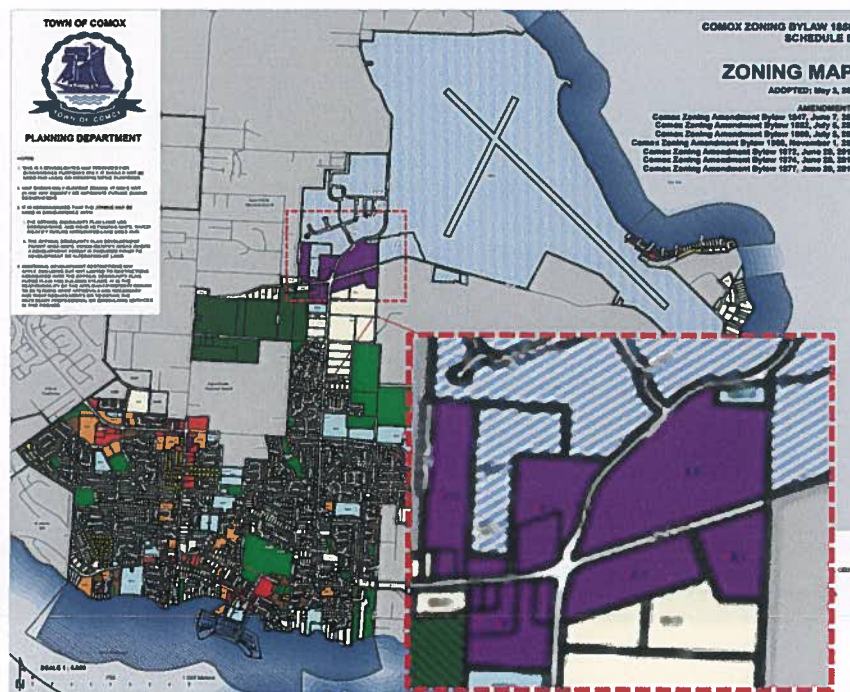


British Columbia
 Median Value of Dwelling
\$500,874
 Median Rent (Monthly)
\$1,036

Airport Lands Feasibility Analysis

An analysis was conducted of employment lands adjacent to Comox Valley Airport. The analysis sought to understand the ideal industries suitable for high employment density and convergence with existing strengths or opportunities to bolster sector-specific growth or advancement. The analysis built considerably off previous research related to employment lands in the Comox Valley.

Blow-out of Industrially Zoned Employment Lands Adjacent to Comox Valley Airport



Source: Town of Comox, Comox Zoning Bylaw 1850, Schedule B.
Adapted by MDB Insight

Key Findings:

- Currently 54.6 acres of available industrial land, of which most is serviced along Knight Road, but not along Prichard Street.
- A key consideration moving forward will be how Town of Comox implements the recommendations from the Northeast Comox Stormwater Management Plan, whose dry detention ponds will impact parcel size. The Management Plan is necessary to alleviate flood risk associated with the Lazo Watershed.

- Most suitable industries for attraction include: aerospace and related industries, agrifood processing, manufacturing (prefabricated construction products, advanced technology, value-added parts and goods assembly, and scientific & technical services (especially in research and development). Industries to avoid: Construction, transportation, some warehousing (low employment footprint, but with some processing on site could be attractive), retail, other non-industrial-related sectors.
- Four case studies were conducted to understand industry best practices suitable for these industrial lands. The following best practices were identified:
 - Identified a dedicated “airport district” within the official plan to distinguish the industrial park from other areas in the region and provide a platform for branding.
 - Expand flight carriers to include low-cost carriers.
 - Ensure full servicing is available at all sites, including access to fibre internet
 - Develop on-site airport space to include knowledge-based businesses or colocation space for entrepreneurs, particularly those affiliated with aerospace or who require frequent air travel.
 - Investigate opportunities for land-swaps to allow for expansion of industrial land into agricultural areas, in exchange of re-allocation of other lands back to agricultural.
 - Grow clusters of inter-related aerospace businesses based on knowledge and technical expertise in the region, including military retirees
- Key challenges to address or avoid:
 - Land-hording by private sector investors – This challenge risks inflating land costs and damaging competitiveness for investment attraction.
 - Water drainage – Ensure there is a clear and transparent emphasis on the planned water drainage solutions and their likely impact on land use once Town of Comox has adopted a roll-out plan for its Stormwater Management Plan.
 - Development Approvals – Address critical barriers to par-for-course development applications, ensuring a smooth and predicable application timeline for applications that do not require zoning amendments or other approvals.

SOARR Assessment

A SOARR Assessment is a model for reflecting on a base line for strategic planning by studying identified Strengths, Opportunities, Aspirations, Risks and Results (SOARR). The key concepts underpinning the SOARR model are outlined in the figure below, but the content are informed directly by consultation results and the background data analyses. Each section of the SOARR is outlined in the coming pages.

Key Considerations for a SOARR Analysis



Source: MDB Insight, 2018.

Strengths

- Strong cultural heritage of K'òmoks First Nation
- High skilled-trades population
- Quality of life/place assets: trails, ocean, Mt. Washington, sports & recreation
- Extensive transportation infrastructure (airports, harbors, highways, etc.)
- Public institutions (North Island College, 19 Wing, Hospital, Comox International Airport, Search and Rescue Services Training Facility)
- Competitive housing costs relative to Victoria, Nanaimo & Vancouver
- Vancouver Island Foreign Trade Zone
- Aurora Cannabis Inc. and Cannabis Innovation Centre

Opportunities

- Increase interconnectivity between business sector and post-secondary institutions
- Work with post-secondary institutions, private industry and foreign student populations to develop career-matching opportunities for foreign students
- Build on existing assets to expand into complimentary experiential tourism (cross-over with agriculture, aquaculture and manufacturing)
- Take advantage of expertise in construction to expand into composite and prefabricated product manufacturing in support of the sector
- Ensure the region has plans for aging in place, including needed social and health cluster supports
- Work collaboratively with K'òmoks First Nation on entrepreneurship opportunities and joint projects
- Explore tourism asset development in resorts, event-spaces, arts & culture venues, and/or conference centre.
- Develop business improvement incentives for beautification
- Expand into value-added wood and fibre product development, including composites, textiles, as and construction materials
- Promote rural node development and densification as a means of diversifying housing
- Pursue aggressive investment attraction in aerospace/military, agrifood, construction, and professional and technical research and development growth areas via supply chains
- Continue and enhance business retention & expansion programming and services
- Improve approval process efficiencies for applications constituted as normal and ensure there is a timeline that is realistic for decision-making at municipal levels
- Improve data availability for investors by ensuring all data are available and searchable on the CVEDS website, including general or specific statistics as well as business cost considerations
- Focus on attraction and retention of skilled labour among highest anticipated growth and demand industries
- Developing an automation toolkit that provides up-to-date insight into automation and technologies designed to alleviate workforce challenges in key industries
- Ensure businesses in population-oriented sectors such as retail and food service are technologically literate to maximize business efficiency and productivity and reduce overhead costs

Aspirations

- Sustainability and a balanced economy, society and environment
- An innovation-oriented ecosystem creates and shares new technologies
- Successful and growing existing businesses
- Continual supply of investment ready employment lands giving a wide range of market choice
- Predictable labour force mobilization
- Cooperation on regional improvements, including shared services
- Revitalization of local businesses and assets
- Diverse dwellings options available and at various price-points including low income
- Technological literacy for businesses

Risks

- Aging retail and service owners without succession plans
- Aging population
- Cost of living and housing
- Employee recruitment and retention
- Low population density

Results

- Business satisfaction monitoring
- Tracking slippage in key sectors (workforce and business counts)
- New housing development is mixed-use, green, and improves population density
- Post-graduate community retention rates have increased
- Increased investment leads and conversions to sales
- Increased number of overnight stays and increased average length of stay

Sector-Specific Gap Analysis & Value Proposition

This component of the strategy looks critically at five sectors that are either strong candidates for growth or which have experienced declines in competitiveness. The purpose is to consider the sector from as many angles as possible, identify the largest gaps impacting it, and articulate its value proposition.

What is a value proposition? A value proposition is the most compelling reasons to take notice of Comox Valley as a place to potentially invest money in opening or locating a business.

Figure: Sector Performance and Value Proposition Matrix

Indicators	Aerospace & Related Industries	Agrifood Processing	Professional & Technical (R&D)	Construction & Construction Materials	Tourism
Estimated Long Term Growth of Sector	Strong	Strong	Moderate	Very Strong	Moderate-Strong
Complement to existing local economic base	Moderate	Strong	Moderate-Strong	Strong	Strong
Potential to have a significant impact on the local economy	Strong	Strong	Moderate-Strong	Moderate-Strong	Moderate
Current state of the sector	Low-Moderate	Strong	Moderate	Moderate-Strong	Strong
Current ability to capitalize on the sector	Moderate-Strong Focus on knowledge-intensive aspects, including instructional, and specialized manufacturing, consulting or design	Strong Focus on expanding local assets and attracting niche specialties	Moderate It is a challenging sector, typically requiring a strong cluster, but combination with other strong sectors could succeed (e.g. agriculture, food, etc.)	Very Strong The sector is already strong and well-established, but lacks connection to more innovative approaches and technologies, strong prospect for expansion into materials development	Moderate-Strong Region already a strong tourism-draw with opportunities for new growth in complimentary sectors to existing industrial strengths

Indicators	Aerospace & Related Industries	Agrifood Processing	Professional & Technical (R&D)	Construction & Construction Materials	Tourism
Critical Gaps	- Best-use land currently owned by Canadian Government	- Unskilled labour access - Skilled technical labour - Unskilled labour - Aging workforce	- Lack of large co-location space Lack of local university to provide scientific labour force	- Access to skilled labour and talent -Cost of new technologies	- Unskilled labour access - Cost prohibitive housing - Technology illiteracy
Value proposition for the sector	Longest runway on Vancouver Island (10,000'), Trade Free Zone, developable industrial land adjacent to airport	High growth agriculture & aquaculture sectors represent strong source of inputs for processing, with +22 hectares available land	North Island College and its technical training programs, combined with a growing research cluster	A growing skilled trades population, affordable labour, and growing market await your expertise	Comox Valley is becoming a destination for authentic experiences. Commercial & vacant land options available
Critical Gaps	- Best-use land currently owned by Canadian Government	- Unskilled labour access - Skilled technical labour - Unskilled labour - Aging workforce	- Lack of large co-location space Lack of local university to provide scientific labour force	- Access to skilled labour and talent - Cost of new technologies	- Unskilled labour access - Cost prohibitive housing -Technology illiteracy
Value proposition for the sector	Longest runway on Vancouver Island (10,000'), Trade Free Zone, developable industrial land adjacent to airport	High growth agriculture & aquaculture sectors represent strong source of inputs for processing, with +22 hectares available land	North Island College and its technical training programs, combined with a growing research cluster	A growing skilled trades population, affordable labour, and growing market await your expertise	Comox Valley is becoming a destination for authentic experiences. Commercial & vacant land options available

Economic Drivers

The above industries are considered economic drivers, because they can be expected to bring new money into the community, either as new local start-ups or as investment from outside the region. These sectors are promoted because the indirect and induced impacts they have on the economy result in additional economic spin-offs via additional job creation. There are five such industries identified here, along with their rationale. In addition to being rooted in findings from the economic base analysis, they have also been identified during consultation efforts as priority areas that build off existing assets and strengths or respond to concerns of declines in competitiveness.

Aerospace & Military: Building off existing military assets and the Comox Airport, the sector represents an opportunity for business and quality employment growth. The cluster already has a foundation, and available land next to Comox Airport represents an opportunity for high density employment.

Agrifood/Aquafood: The region's strong agriculture and aquaculture footprint represent a strong input stream for this already well-established sector. This expanded value-chain also includes new composites and textiles being created from organic products; a growing sector that is busy with innovation.

Professional & Scientific Services: From research laboratories to engineering and architecture firms to drone photography or reconnaissance, this sector represents a great opportunity to overlap with technology sectors and highlight Comox Valley as a centre for innovation. The sector also shares strong cross-over potential with other industries such as aerospace, construction & materials and agriculture and agrifood. Addressing the sector will also reverse recent back-sliding that has occurred as growth overall at the provincial level has outpaced local growth.

Construction & Materials Development: Construction is usually an indicator of growth, but in Comox Valley it is also an indicator of broader economic activity across Vancouver Island and is not necessarily dependent on local growth. Nonetheless, local growth is also strong and development expected to grow, but a parallel opportunity for construction materials development, with an emphasis on prefabricated construction products and automation can address both local housing and building needs as well as labour challenges.

Tourism & Culture: Tourism represents a strong industry for bringing discretionary spending into Comox Valley. Building tourism assets and ensuring tourism businesses can grow and thrive will extend Comox Valley's ability to attract visitors. Meanwhile the arts and culture sector, while complimentary to tourism, also represents an opportunity to grow quality of life and place attributes important for existing residents and for resident and talent attraction.

Economic Drivers Impacting Wealth Distribution



8. Next Steps

The following considerations represent next steps in the strategic planning processes:

- Formalize economic drivers and readiness factors and establish a series of vision statements with rationales and action plans for each
- Identification of timelines and performance measures as appropriate for specific actions and goals
- Completion of a Draft Strategy that integrates results from all consultants (target end of August)
- Presentation of a draft Strategy to the CVEDS Innovate 2030 Advisory Committee, and public presentation for feedback and commentary
- Final Innovate 2030 Strategy and submitted to the Advisory Committee for feedback

INNOVATE 2030

TECHNOLOGY ATTRACTION STRATEGY

Comox Valley Economic Development Society

Prepared by:
Innovation Island Technology Association
13 – 327 Prideaux Street
Nanaimo, BC V9R 2N4 250.753.8324
www.innovationisland.ca

Why Tech & Innovation Matter

In a May-2019 article in the Financial Post¹ former Governor General and current Chair of the Rideau Hall Foundation, David Johnston, said “Most Canadians understand the benefits of taking risks and becoming more efficient,” but “when we get to execution, we have some challenges. Life has been very comfortable in Canada.” The article further explained that “according to the Organization for Economic Co-operation and Development (OECD), Canada ranks near the top for entrepreneurial ambition and for public spending in research and development. Yet, we’re at the bottom of the rankings when it comes to scaling businesses from Startup to high-growth and ultimately to the large enterprise phase.”

For smaller communities who often have limited access to significant R&D resources, or ambitious and empowering talent-bases, the above comments are perhaps additionally challenging; whereby aspects of “lifestyle” score much higher than harder-case business imperatives.

While impediments toward the scaling phase of any business have common obstacles (namely access to capital, talent and larger marketable products and ideas) governments and organizations that have embraced innovation have benefited by supporting home-grown technology intensive businesses. The Financial Post rightly concludes that economic growth is quickly shifting away from tangible commodities to intangible ideas.

In the book² *Capitalism without Capital: The Rise of the Intangible Economy* (2017, by Jonathan Haskel and Stian Westlake) the authors argue that today’s successful businesses are those that have invested heavily in intangible assets, such as:

- Computerized information, such as software
- Innovation, including research and development
- Economic competencies, including branding, the organizational capital built into distinctive business models, and training

These attributes are at the core of technology and innovation, and ecosystem development.

¹ [It’s time to dispel the myth that Canadian businesses are risk averse:](#)

² *Capitalism without Capital*, [abstract from CFA Institute](#) © 2019

Global Perspectives and Inspiring Comparatives

In considering the definition of technology & innovation, and its penchant for rapid growth and disruption, we must further understand macro and micro activities within Tech or Startup Ecosystems.

The recently released [Global Startup Ecosystem Report \(2019\)](#)³ suggests that we are in an era of “Great Transition” while being surrounded by challenging paradoxes.

Vast portions of our economy are being impacted by technology and tech-enabled businesses that are changing or rearranging entire industries. **In 2008, only one of the 10 largest companies in the globe was technology-based; Microsoft. Today, it's seven out of 10, and three of those are in Silicon Valley⁴.**

A few years ago, [Startup Genome](#) expected that the global Startup economy would double in size every 10 to 15 years; as it turns out, that was an understatement. Between 2014 and 2016, 29 ecosystems created over \$4 billion in Ecosystem Value⁵. Today, between 2016 and 2018, there are 46 ecosystems creating that level of economic impact; in 2012 there were fewer than 15 Startup ecosystems at that level of performance. The organization now predicts that about 100 cities will cross the \$4 billion threshold in Ecosystem Value in the next 10 years. Canada currently has two cities in the **Top 30 Global Startup Ecosystems** list; Toronto (in 13th position, up 3 points in 2019) and Vancouver (24th, down 9 points in 2019).

Inspiring Comparatives

As illustrated above, Startup Ecosystems abound. For sake of providing an inspiring comparative the Consultants would like put forward a short case-study on the Province of New Brunswick and activities being supported by [Opportunities New Brunswick](#) (ONB) -- as referenced from the [MAPLE Business Council](#)⁶ [March 2019 newsletter](#).

³ The Startup Genome includes data on over 1 million companies, 150 ecosystems, survey information from more than 10,000 Startup executives and interviews with 100+ experts.

⁴ 2019 © Milford Asset Management Limited

⁵ Economic impact calculated by revenues, investments and exit valuations.

⁶ The Canadian-U.S. Business Council of Southern California

While New Brunswick [nor any of its cities] certainly did not make the Global Startup Ecosystem list, the Province does share many interesting similarities to Vancouver Island.

The population of Vancouver Island (~ 775,300) matches very closely with the population of New Brunswick (~ 747,000). Its three largest cities (Fredericton, Moncton and St. John) share a combined population of ~ 210,000 and the populations of Nanaimo, the Comox Valley, and Campbell River ~ 190,000 are surprisingly equal.

Distances between the trade areas of these cities are also essentially the same; within 300 Km region(s) with 100-150 Km points between primary communities. Both regions also have similar access to major markets in Canada and the USA (East/West) and share similar East/West international positioning.

The demographics of these regions share roots in traditional industries, chiefly non-tech related, and both regions thrive in marine environments; albeit we have far better weather and closer proximity to Silicon Valley.

The Consultants would like to note that “Opportunities New Brunswick” is a Provincial economic development agency and Crown corporation, similar to Innovate BC, and as such, there is no direct comparative on Vancouver Island alone.

Highlights from ONB New Brunswick are as follows:

- TD Bank recently announced the creation of a nearshore⁷ finance operations centre that will employ over 1,000 people. Many top American and international companies including Salesforce.com, IBM, [HCL Technologies](#), Xerox, [Hinduja Global Solutions](#), [Tech Mahindra](#), ExxonMobil, FedEx, and UPS and doing business in the region.
 - Both IBM and Salesforce have acquired New Brunswick-based technology companies in recent years. Salesforce purchased leading social media monitoring company Radian6; only a few months later IBM announced its acquisition of cybersecurity company Q1 Labs, helping set the stage for the province becoming Canada’s leader in cybersecurity.

⁷ Nearshore outsourcing is the practice of getting work done or services performed by people in neighboring countries (i.e. between Canada and the USA or Mexico).

- Tech Mahindra’s parent company, [Mahindra & Mahindra](#), became a strategic partner of New Brunswick-based Resson, a predictive analytics company using drone imagery, machine learning, and big data to help crop growers make better agricultural decisions and increase productivity.
- [CyberNB](#) [New Brunswick] became the first Canadian province to launch a comprehensive cybersecurity strategy designed to strengthen and expand upon a world- class industry cluster led by IBM. Ground has broken on Cyber Park, a [\\$37 million facility](#) to support cybersecurity operations for critical infrastructure protection.
 - The [University of New Brunswick](#) (UNB) is home to the [Canadian Institute for Cybersecurity](#) (CIC).
 - Canadian Nuclear Laboratories and Siemens [recently announced](#) a new national cybersecurity operations in Fredericton.
 - The recently created \$4 million Critical Infrastructure – [Security Operations Centre](#) collaboration project is unique in establishing a high level of cooperation between ecosystem partners from New Brunswick and beyond.

Key Observations:

- While the above highlights are representative of an entire Province’s investments and activities, the Consultants feel that they are indeed inspiring comparatives to what can be done in somewhat rural and regional context.
- New Brunswick recognizes the critical importance of companies accessing great local and international talent; their [Workforce Strategy](#) and immigration program(s) are unique value-added services.
- Vancouver Island and New Brunswick arguably share similar quality of life values but real-estate prices (on average) are far lower in this eastern Province; see stats⁸ from New Brunswick Real Estate Association ([NBREA](#)) and the Vancouver Island Real Estate Board ([VIREB](#)).
- As evidenced by the highlights above, New Brunswick has clearly made significant public-private-partnerships, and infrastructure investments, to support its growth within the tech-sector and knowledge-based economy.

⁸ This paper is not commissioned to provide real-estate information.

- While there is certainly a cluster effect happening within Cybersecurity, other industry verticals are also showing significant promise; from IT, Financial Services, Fintech, Advanced Manufacturing and Digital Health. These activities are indeed attracting a critical mass of world-class companies and talent.

How Public Policy Action Supports Startups

In addition to in-depth sector analysis the Startup Genome report provided two primary findings on public policy and fifteen governmental actions and suggested interface fitting to the objectives of this Paper.

- Efforts to expand funding* for Startup's are the number one most common policy action taken by governments.
 - In aggregate, policy actions to increase access to capital are correlated with greater levels of early-stage funding in ecosystems.
- The next most common policy actions surround issues of Immigration and SSOP** (Startup Support Organization Programs).

*It should be noted that Municipal Governments do not have direct funding mechanisms or allowances for Startup funding.

**[Innovate BC](#), and [Innovation Island](#), are examples of a SSOP organization.

The **Global Startup Ecosystem Report** covered 15 categories*** of policy action taken by Governments within their global survey.

1. Funding & Access to Capital	8. Cultural Support
2. SSOP Support	9. Regulatory Sandbox
3. Immigration	10. Scaleup Support
4. Go-Global Support	11. Entrepreneur In Residence [SSOP]
5. Entrepreneurship Education	12. Regulatory Reform
6. Taxes	13. Procurement
7. University Commercialization [Tech or IP Transfer]	14. Diversity & Inclusion
	15. Bankruptcy Assistance

***Municipal Government interface is moderately actionable to "10" of the above 15 categories, per highlights above.

Challenging paradoxes: What Impact Do Policy Actions Have for Startups?

As stated by, **Startup Genome**, “Empirical scoring on public policy is not only difficult but also rare. It’s not easy, prospectively, to judge the impact or wisdom of policy actions, whether large or small. It’s even more difficult, retrospectively, to declare that a given policy unambiguously created a specific outcome. Analysis becomes even more complex when governments institute a raft of policies simultaneously, even if they are rhetorically aimed at one objective — namely, entrepreneurship.”

While cities with higher Startup policy adoption rates tend to have higher performing economies the relationship between policy and Ecosystem Value is not straightforward. The study found the following paradoxes.

- Greater adoption of policies to improve institutional frameworks [per above categories] has no relationship with specific ecosystem performance.
- Greater adoption of policy is not associated with greater ecosystem performance, either at the country level or in the main ecosystems.
- Great adoption of policies for skills & education is not associated with ecosystem performance.
- Countries with high adoption rates for Access to Capital policies had higher performing Ecosystem Value.
- There is real competition between regions for talented founders, experienced employees, investment capital, and attention. Startups are dynamic, and the ecosystems in which they operate match that dynamism.
- Identifying and building on local strengths is one of the main levers that policymakers and ecosystem builders can use to boost ecosystem performance.
- Conclusively determining the impact of public policy on entrepreneurship is not easy.

The underlying drive for the **Global Startup Ecosystem Report** is to answer three key questions founders, investors, and policymakers have been asking all over the globe.

- I. Where are the top performing ecosystems in the world? Put differently, where do early- stage Startup's have the best shot at building global success?
- II. Why are some places on the rise while others are falling behind?
- III. How can ecosystems increase their chances of winning in the global Startup revolution?

Government and policymakers must also consider key strategic questions facing founders and Startup executives in this globally competitive space.

- **For Founders:**
 - Where should I create my tech Startup to maximize my chances of success?
 - Where should I open a second office?
 - Where can I get the most bang for the buck in terms of cost savings or other benefits?
- **For Investors:**
 - Where do Startup's have the best odds for raising additional funding?
 - Which high-performing ecosystems have a gap in experienced local investors I might be able to benefit from?
- **For Policymakers:**
 - How should I change local policies to support our Startup ecosystem?
 - What are the biggest gaps in our Startup economy I should focus on addressing first?
 - How should I measure the progress of our Startup ecosystem?

The Harvard Business Review recently published (May-2019) an article titled; [How to Attract Startups and Tech Companies to a City Without Relying on Tax Breaks](#). Key issues and considerations, relevant to this Paper, are as follows:

Startup ecosystems [are the key to growing a vibrant regional economy](#)⁹. Time and time again, these clusters of talent and science drive job creation, new business formation, and attract investment capital. Ultimately, these are the elusive ingredients that lead to greater prosperity and equity in our communities.

Today's business leaders are increasingly called upon by civic leaders to contribute to a city's [economic development](#).

9 Center for American Entrepreneurship (CAE)

Instead of simply seeking tax breaks in exchange for jobs business leaders interested in having a civic impact should instead roll up their sleeves and collaborate with political leaders to invest in basic infrastructure and leverage diverse talent to help foster vibrant ecosystems.

- Invest in institutions of higher education as engines of innovation and job creation, particularly leveraging their ability to attract international talent.
- Foster diverse communities, utilizing untapped talent to drive higher economic returns as well as greater equity.
- Build basic infrastructure to ensure future growth and to retain a highly-trained local workforce.

With innovations in mobility and housing cascading through our cities, public-private partnerships will be an important foundation for creating an environment that allows the next generation of entrepreneurs to work, live, and play. Business leaders have a unique moment to invest in a civic legacy around a successful transition into the innovation economy, where growth is led by Startup's and scale-ups—one that isn't just clustered along the coasts but is based on a more equitable distribution of hubs across the country.

**Mr. Alan Winter BC Innovation Commissioner - Tech and Innovation Roundtable Breakfast
Attendee Lists - June 2019, Prime Restaurant**

1. **Carmen Wakelin**, Co-founder of <https://eatmoresprouts.com/> | eatmorecarmen@gmail.com
2. **Janet Bonaguro**, Executive Director of <https://viuinitiativetrust.ca/> | Janet@viuinitiativetrust.ca
3. **Nick Ward**, CEO of <https://theupdatecompany.com/> | Nick@TheUpdateCompany.com
4. **Tom Keenoy**, Founder of <https://mediumrareinc.com/> | tom@mediumrareinc.com
5. **Rob Parker**, Founder of <https://www.acmeresearchgroup.com/> | rob.parker@acmemarketing.net
6. **Alex Eggenberger** | eggy.island9@gmail.com – (Founding CTO of [Avigilon](#))
7. **Bartosz Bos**, of Island Additive | bartoszbos@gmail.com
8. **David Baar**, Physicist/Engineer/Investor | antispam2@davebaar.com
9. **Jason Kapalka**, Founder of <https://bluewizard.com/home/> | jkapalka@gmail.com (Co-founder of PopCap)
10. **Jonathan Page**, Chief Science Officer of <https://www.auroramj.com/> | jonathan@auroramj.com
11. **Joseph Bowes**, EIR with <https://innovationisland.ca/> | jbowes@angusmanagement.com
12. **Keith Salmon** | Innovate 2030 Agrifood and Aquafood Consultatn ksalmon@shaw.ca
13. **Naomi Tabata**, Manager of Centre for Applied Research, Technology & Innovation at <https://www.nic.bc.ca/> | Naomi.Tabata@nic.bc.ca
14. **Nick Page** of <https://anandia.ca/> | nick@anandia.ca
15. **Nico teWinkel** of <https://getgate.com/> & <http://www.mulberryland.com/> | ntewinkel@gmail.com
16. **Ramon Ramirez**, Senior Account Manager at <https://www.bdc.ca/> | ramon.ramirez@bdc.ca
17. **Ruth Salmon**, Innovate 2030 Agrifood/Aquafood Consultant | rlsalmon@shaw.ca
18. **Scott Diguistini**, Co-Founder of <http://treeislandyogurt.com/> | scottdig@treeislandyogurt.com
19. **Stephen Robinson** | srobinson@kanacell.com
20. **Paul Blais**, Executive Vice President of <https://www.mdbinsight.com/> | pblais@mdbinsight.com
21. **Scott Smith**, GM of Planning and Development Services at <https://www.comoxvalleyrd.ca/> | srsmith@comoxvalleyrd.ca
22. **Bruce Turner**, CVEDS Executive, Founder of <https://propertyassessment.biz/> | bruce@propertyassessment.biz
23. **David Alan** the CAO with <https://www.courtenay.ca/> | dallen@courtenay.ca
24. **Scott Smith** Director of <https://www.comoxvalleyrd.ca/>

Agrifood and Aquifood Sector Strategy

Comox Valley Economic Development Society

Prepared by:

Comox Valley Economic Development Society
#200 – 580 Duncan Avenue
Courtenay, British Columbia V9N 2M7
250.334.2427
www.discovercomoxvalley.com

Innovate 2030 Economic Development Strategy Agrifood & Aquafood Sector

Study Methodology

a. Literature Review

- Comox Valley Agricultural Awareness Centre Business Plan, 2015
- Comox Valley Agriculture Water Demand Model, 2014
- Comox Valley land Use Inventory, 2014
- Comox Valley Sustainability Strategy—2010
- Comox Valley Farm Market Programming Study, 2009
- Comox Valley Agri-food Inventory and Gap Analysis, 2008
- Comox Valley Farmers Market Business Plan, 2007
- Comox Valley Agriculture Plan, 2002
- Rural Comox Valley Official Community Plan
- Comox Regional Growth Strategy Bylaw No.120
- Air Cargo Feasibility Study, 1999
- Shared Use Commercial Kitchen Study, 1999

b. Stakeholder engagement

- Board and Advisory Committee Survey – A survey conducted with Comox Valley Economic Development Society's Board and the Strategy's Advisory Committee in early stages of the project. (30+ participants)
- Community Survey – A general survey open to businesses and residents about economic development in Comox Valley (135+ participants)
- Targeted interviews – Specific conversations with individuals or organizations (phone and in person) with the purpose of more fully understanding opportunities and challenges associated with the agri/aqua food sector in Comox Valley (20 individuals)
- Innovate 2030 Forum – A three-day event of various small and large group discussions affiliated with economic development (+150 participants)
- Small group discussions – small group conversations independent of Innovate 2030 Forum with stakeholder groups or organizations (12 meetings = 110 participants)
- Open-House Sessions – Two different open-houses at different points of the Strategic Planning processes serving as a check-in with the general public and opportunity to provide information gathered to date (+200 participants)

Findings—Agrifood Sector

The goal of many Comox Valley agrifood sector participants is to provide food security for the Comox Valley. Yet the region's agrifood sector currently supplies less than 9% of the local food demand.

Due to small farm size, many local producers are unable to supply the product volumes and seasonal availability that large food retailers require of their suppliers. The Comox Valley Farmers Market therefore represents the primary vehicle for these producers to access the local market. However, their low product volumes and low seasonal availability also limits the capacity of the Farmers Market to fully exploit the potential of the local market.

Many previous reports—and an overwhelming majority of stakeholders—have identified the *establishment of a food processing hub* as the key to expanding access to the local market...and preparing producers and processors to access off-island markets. This facility would support an expansion in the diversity and production volumes of value added products—thereby expanding the seasonal availability of local products. This expanded product diversity and volume would support the establishment of a permanent Farmers Market with extended operating hours—thereby offering Comox Valley consumers greater access to local products.

Most survey respondents and interviewees feel that the functions of a food processing facility could be integrated with those of a permanent Farm Market, the Comox Valley Food Metric Lab, and regional educational and research institutions to establish a strong regional *Agrifood Innovation Centre* capable of leading the Comox Valley agrifood sector into a new era of economic development.

Findings—Aquafood

Baynes Sound is currently the largest shellfish producing area in BC—with significant potential for expansion in both traditional and new species. Baynes Sound aquaculture products are in high demand in export markets. However, aquaculture producers are facing a number of challenges in expanding production to meet this demand. These challenges include:

- Sewage pollution from multiple upland sources that force numerous harvest closures each year
- Lack of local community support for the aquaculture industry impedes efforts to develop long-term solution to water quality challenge
- Producers are experiencing high rates of oyster mortality due to ongoing biological and environmental factors
- Lack of government support continues to impede the tenure application and renewal process
- Low returns inhibit producers' ability to adopt innovations and new technologies

Survey respondents and interviewees suggest that these challenges should be addressed through activities that:

- Encourage and expand the production of new species e.g. kelp, geoduck.
- Encourage utilization of innovation and technology to facilitate more intensive production and management practices e.g. new culture practices.
- Encourage the development of a multi-agency strategy to address the point source pollution currently impacting Baynes Sound.

