

# Final Report

Economic Resiliency and Recovery  
Task Force



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## Executive Summary

Alberta has been impacted by two crises, the collapse of the oil price and the COVID-19 pandemic, leading to a sharp decline in provincial and municipal revenue sources. Coupled with these impacts to revenue, the pandemic has also led to increased costs for municipalities. To support municipalities as they navigate recovery from these crises, the AUMA Board of Directors created the Economic Resiliency and Recovery Task Force. The task force was tasked with providing recommendations under three broad deliverables:

1. Recommendations as to the role municipalities can play in building a more resilient Alberta economy
2. Develop a platform to share promising practices to support economic resiliency with a focus on small communities in particular
3. Develop recommendations on innovative solutions to support local businesses

As part of developing the recommendations, the task force was asked to ensure that they do not replicate work being done by other organizations. The task force members came from AUMA policy committees, representatives from the Ministry of Jobs, Economy and Innovation (JEI)<sup>1</sup>, Economic Developers Alberta, Western Economic Diversification<sup>2</sup>, Alberta Chambers of Commerce and the University of Alberta.

The task force members met throughout 2020 and early 2021 to discuss possible policy options and draft recommendations. The members identified areas of focus using AUMA's Prioritization Framework. Some considerations include whether the recommendations fall within AUMA's sphere of influence, whether the issue is directly within municipal jurisdiction, and whether other organizations advocate for the priorities.

The most prevalent theme through the task force meetings is that a single report or strategy will not solve these issues. Communities will be dealing with the lasting effects of the low price of oil and COVID-19 for years. There was also discussion around the economic impacts that social programs have on municipalities. These include programs that support mental health, early childhood development, childcare, diversity and inclusion. However, many of these issues are outside of municipal jurisdiction. As these issues are still a concern in terms of advocacy to the provincial and federal governments, AUMA has the Welcoming and Inclusive Communities initiative, and the standing committee for Safe and Healthy Communities to address these social issues, and the ensuing economic impact.

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<sup>1</sup> Jobs, Economy and Innovation (JEI) is focused on improving Alberta's economy through the delivery of Alberta's Recovery Plan and recognizes the importance of municipalities in economic recovery. While JEI provided input into the AUMA/AMSC Economic Resiliency and Recovery Task Force (the Task Force), JEI does not take a position on the Task Forces' findings, recommendations or future advocacy, and does not commit JEI or the Government of Alberta to undergoing any actions as outlined in the Report.

<sup>2</sup> Western Economic Diversification's (WD) vision is to be a leader in creating a more diversified western Canadian economy that has strong, competitive and innovative businesses and communities. While WD participated in the development of the AUMA Economic Resiliency and Recovery Task Force, WD does not take a position on the final report's findings or recommendations, and does not commit WD or the Government of Canada to undertake any actions contained in the report.

There are a total of 20 recommendations. The following is a summary of the task force's recommendations, including creating a standing committee on economic development.

Challenges	Recommended AUMA Action
<ul style="list-style-type: none"> <li>Lack of capacity for economic development</li> </ul>	<ul style="list-style-type: none"> <li>Create an inventory of economic development organizations so members can leverage existing economic development capacity in their region.</li> <li>Advocate for funding for REDAs from the provincial government.</li> <li>Encourage members to tell their local economic development stories to demonstrate the value of these efforts.</li> </ul>
<ul style="list-style-type: none"> <li>Need for broadband internet outside of large urban municipalities</li> </ul>	<ul style="list-style-type: none"> <li>Advocate to the federal and provincial government</li> <li>Encourage telecoms to engage with members on their future plans.</li> <li>Share lessons learned from municipalities acting as their own internet service provider</li> </ul>
<ul style="list-style-type: none"> <li>Collaboration at the Regional Level</li> </ul>	<ul style="list-style-type: none"> <li>Encourage members to work with their neighbours through existing framework, such as Intermunicipal Collaboration Framework (ICF) and other intermunicipal agreements to promote regional economic development.</li> <li>Work with Rural Municipalities of Alberta to encourage counties and municipal districts to collaborate with urban municipalities within their region.</li> <li>Work with the Alberta government to identify regional collaboration opportunities</li> <li>Work with the province to improve the ICF process.</li> <li>Place higher emphasis on economic development in the ICF process. Currently, economic development is not one of the municipal services identified in the ICF process.</li> <li>Encourage growth management boards to develop regional economic development framework.</li> <li>Educate municipalities on regional partnership and collaboration to avoid duplication services and silos across municipalities.</li> <li>Partner with stakeholders (i.e. Regional Economic Development Alliances) to develop regional entrepreneurship ecosystem – making regions more competitive.</li> </ul>
<ul style="list-style-type: none"> <li>Growing communities through retention of existing people</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with the provincial government to develop a talent retention and recruitment strategy.</li> </ul>

Challenges	Recommended AUMA Action
	<ul style="list-style-type: none"> <li>• Inform members of different tools available to review municipal operations with a focus on resident retention</li> </ul>
<ul style="list-style-type: none"> <li>• Growing communities, businesses and attraction of talent and new businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Inform members of existing resources to help them support local businesses and make their municipality attractive to new businesses.</li> <li>• Collaborate with EDA to promote educational opportunities to members.</li> <li>• Collaborate with Alberta Chambers of Commerce to share their findings on businesses' experience with municipal supports and regulations.</li> </ul>
<ul style="list-style-type: none"> <li>• Food security, urban agriculture and food as a resource</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage members to integrate regional food development within economic development strategies.</li> <li>• Encourage members to review their land-use bylaws to permit urban agriculture as they see fit.</li> </ul>
<ul style="list-style-type: none"> <li>• Mitigation Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Share education opportunities with members.</li> <li>• Inform members of risk management services and progress on work with NAIT and AEMA</li> </ul>
<ul style="list-style-type: none"> <li>• Continue to maintain a business-friendly climate (Alberta/Canada)</li> </ul>	<ul style="list-style-type: none"> <li>• Update members on best practices as they become available.</li> </ul>
<ul style="list-style-type: none"> <li>• Identify strategies, including the provincial government, local media and other entities to help market communities as a place to do business</li> </ul>	<ul style="list-style-type: none"> <li>• Continue working with Economic Developers Alberta on promoting various business and investment opportunities through its key investment tools (e.g. Invest in Alberta/Xperience Alberta)</li> <li>• Educate the public and other orders of government on the realities of the municipal fiscal situation.</li> <li>• Continue to work with the province on messaging around the municipal fiscal situation.</li> <li>• Meet with the Alberta Weekly Newspaper Association to discuss the importance of sharing good news stories from municipalities directly to residents.</li> <li>• Advocate to the province to promote Alberta communities as great places to do business</li> </ul>
<ul style="list-style-type: none"> <li>• Encourage shop local and e-commerce for local businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Inform members opportunities to collaborate with Alberta Chambers of Commerce on buy local and e-commerce initiatives.</li> <li>• Inform members of buy local supports and initiatives as they arise.</li> </ul>
<ul style="list-style-type: none"> <li>• EPR as an economic development initiative</li> </ul>	<ul style="list-style-type: none"> <li>• AUMA continue to advocate on this issue.</li> </ul>
<ul style="list-style-type: none"> <li>• Share Red Tape Reduction Best Practices</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a resource for members on red tape reduction best practices when data is available from the Municipal Stimulus Program.</li> </ul>

Challenges	Recommended AUMA Action
<ul style="list-style-type: none"> <li>Resiliency Toolkit</li> </ul>	<ul style="list-style-type: none"> <li>Inform members of existing resiliency toolkit resources and training opportunities.</li> <li>Explore partnership with REDAs to provide training to members.</li> </ul>
<ul style="list-style-type: none"> <li>Benchmarking capacity from Alberta Chambers of Commerce</li> </ul>	<ul style="list-style-type: none"> <li>Work with Alberta Chambers of Commerce to enable members to benchmark the impact of municipal regulations and policies on the local business community.</li> </ul>
<ul style="list-style-type: none"> <li>AUMA Standing Committee</li> </ul>	<ul style="list-style-type: none"> <li>Create a standing committee whose mandate is to address economic development issues on behalf of AUMA's members</li> </ul>
<ul style="list-style-type: none"> <li>Encourage municipalities to engage with local businesses</li> </ul>	<ul style="list-style-type: none"> <li>Share best practices with members.</li> <li>Monitor impacts of increased engagement on the sentiment of the business community.</li> </ul>
<ul style="list-style-type: none"> <li>Municipalities could pilot new technologies</li> </ul>	<ul style="list-style-type: none"> <li>Share opportunities to pilot new technologies with members.</li> <li>Promote the success stories of members piloting new technologies.</li> </ul>
<ul style="list-style-type: none"> <li>Open Data Portals for Economic Development Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Inform members of opportunities to participate in open data initiatives.</li> <li>Support members that are seeking partners for open data projects.</li> </ul>
<ul style="list-style-type: none"> <li>Opportunities for Disruption</li> </ul>	<ul style="list-style-type: none"> <li>Support innovative practices through development of resources and educational opportunities for members.</li> </ul>
<ul style="list-style-type: none"> <li>Procurement</li> </ul>	<ul style="list-style-type: none"> <li>Share procurement best practices and innovations with members.</li> <li>Develop materials for members to implement innovative procurement practices within their organizations.</li> </ul>

## Recommendations as to the role municipalities can play in building a more resilient Alberta economy

### Lack of capacity for economic development

One of the biggest challenges the Economic Resiliency and Recovery Task Force identified is the lack of capacity municipalities have to take on the day to day work of economic development. Fortunately, there are many resources and networks in Alberta that can be relied upon to take some of this burden off individual communities.

Municipalities should ensure they have identified an economic development function for their community, whether within the corporate organization of the municipality or an outside group. For example, the economic development function can be carried out by mayor and council, the CAO, a dedicated staff economic development officer, the local chamber of commerce or Regional Economic Development Alliance (REDA). It is also important to develop an inventory of what organizations are active in your area and what work they are undertaking to avoid needless duplication.

There are nine REDAs in Alberta that provide economic development services to a large portion of the province. To determine your closest REDA, visit <https://communityeconomicdevelopment.alberta.ca/redas/>

Invest Alberta is a provincially owned crown corporation with a mandate to attract foreign direct investment to the province. More information on the programs and supports they offer can be found at: <https://investalberta.ca/>

While not all areas of the province are represented by a REDA, councils should talk to their regional partners to ensure they are aware of any economic development initiatives they could participate in. A municipality should be actively represented in nearby economic development organizations to ensure the perspective of the community is reflected in economic development efforts.

#### AUMA Action:

- Create an inventory of economic development organizations and economic development initiatives supported by the provincial and federal governments so members can leverage existing economic development capacity in their region.
- Advocate for funding for REDAs from the provincial government.
- Encourage members to tell their local economic development stories to demonstrate the value of these efforts.

## Need for broadband internet outside of large urban municipalities

The need for broadband internet access in communities outside of major metropolitan areas has been an advocacy priority for AUMA for several years.

This need has been amplified because of the increased work from home and remote meetings that have become commonplace due to COVID-19. Access to high speed internet is no longer something that is nice to have, it is a requirement to participate fully in Alberta's economy. To further support this initiative, the Economic Resiliency and Recovery Task Force is recommending that AUMA focus advocacy on key areas that will help to ensure Alberta communities are not left to solve this issue on their own.

**Advocacy to Provincial and Federal Governments:** AUMA advocated to the federal government during the development of the Universal Broadband Fund that small communities in particular are hardest hit by lack of high-speed internet and generally do not have the capacity to address it. To support communities accessing this federal program, Service Alberta has identified staff that will be tasked with assisting applicants through all steps of the process to support Alberta communities in successfully applying. AUMA is also awaiting the release of the provincial broadband strategy, and to engage with Service Alberta on their plan for broadband in Alberta.

The federal government benchmarks high-speed internet at 25 megabytes per second download speed and 10 megabytes per second upload speeds.

**Telecom Companies:** Representatives from major telecom companies have made presentations to AUMA committees on their plans for expanding broadband in Alberta. AUMA wants to leverage these relationships for our members to enable them to hear directly from the telecoms in their area for future plans for the broadband network so they can identify areas where service is needed. The Economic Resiliency and Recovery Task Force has also recommended that AUMA investigate the potential for a Private-Public Partnership (P3) model as a way for municipalities to work with telecom companies.

**Municipalities as Internet Service Providers (ISP):** There are several AUMA members acting as their own ISP. There are a number of ways to approach this that have their own advantages and drawbacks so AUMA wants to encourage sharing of lessons learned and best practices from members who have gone down the ISP route with members that are considering this approach.

Access to broadband internet is a complex issue, and as a municipal association AUMA does not have all the answers or capacity to solve it. However, by focusing on broadband concerns that broadly impact members across the province, we hope to be able to advance work on this issue.

### AUMA Actions:

- Advocate to the federal and provincial government.
- Encourage telecoms to engage with members on their future plans.
- Share lessons learned from municipalities acting as their own internet service provider.

## Collaboration at the regional level

Urban municipalities continue to call for better regional collaboration. AUMA has long advocated for regional collaboration among urban municipalities and counties. The provincial government has enacted legislative requirements in the past to enhance regional coordination, but more still need to be done. The task force is recommending AUMA taking lead on several initiatives.

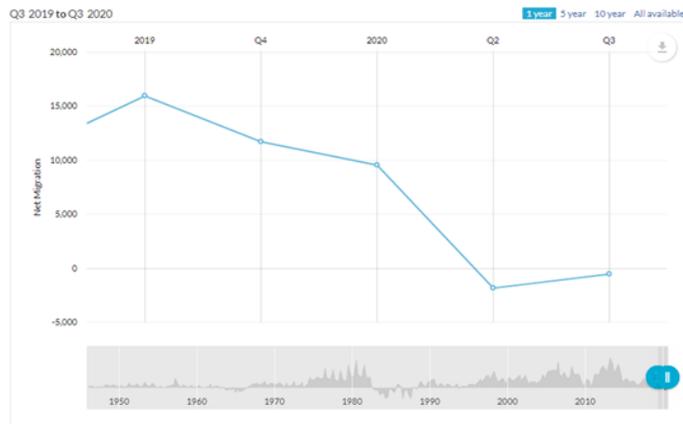
### AUMA Action:

- Encourage members to work with their neighbours through existing framework, such as Intermunicipal Collaboration Framework (ICF) and other intermunicipal agreements to promote regional economic development.
- Work with Rural Municipalities of Alberta to encourage counties and municipal districts to collaborate with urban municipalities within their region.
- Work with the Alberta government to identify regional collaboration opportunities
- Work with the province to improve the ICF process.
- Place higher emphasis on economic development in the ICF process. Currently, economic development is not one of the municipal services identified in the ICF process.
- Encourage growth management boards to develop regional economic development framework.
- Educate municipalities on regional partnership and collaboration to avoid duplication services and silos across municipalities.
- Partner with stakeholders (i.e. Regional Economic Development Alliances) to develop regional entrepreneurship ecosystem – making regions more competitive.

## Growing communities through retention of existing people

Since before the pandemic, migration into Alberta has slowed greatly. According to the Alberta Economic Dashboard, In the third quarter of 2020, net migration out of Alberta totaled 545, compared with a net inflow of 15,964 in the same quarter of 2019. This represents a decrease of 103 per cent. The Economic Resiliency and Recovery Task Force is recommending that the provincial government create a talent attraction and retention strategy to address this trend.

A community with a declining population will have a hard time remaining viable. As population dwindles, so do tax revenues and the customer base for local businesses. By retaining existing residents, communities demonstrate that what they offer is of value to their residents. There are a number of options available to communities that are experiencing a declining population.



Adapted from Statistics Canada, Table 17-10-0020-01, Interprovincial migrants, Canada, provinces and territories; and 17-10-0040-01, International migration components, Canada, provinces and territories. This does not constitute an endorsement by Statistics Canada of this product.

Ensuring small and medium sized enterprises in communities outside of the big cities have a pipeline of new graduates to hire is essential to support new graduates as well as the resiliency of communities. Olds College offers a dual credit initiative with Chinook's Edge School Division to allow high school students to earn post-secondary credits in high school. This practice is an example of work integrated learning, a process that supports new graduates in finding good jobs, and businesses having access to qualified candidates. To further support community resiliency, municipalities can task their economic development officer to develop a workforce retention and attraction strategy based on local strengths and weaknesses.

A Viability Review Study can help municipalities determine if they are on track, or need to adjust their operations. The process can be initiated by council and brings in resources to the municipality to assist in determining the sustainability of the community. The review analyzes the municipality's governance, finances, infrastructure and services. With this information in hand, a municipality can look at ways they can adjust their priorities to ensure they remain viable.

### AUMA Actions:

- Collaborate with the provincial government to develop a talent retention and recruitment strategy.
- Inform members of different tools available to review municipal operations with a focus on resident retention.

## Growing communities, businesses and attraction of talent and new businesses

Communities need to develop a business-friendly environment to help grow existing businesses and attract new businesses along with the workforce needed to sustain them. One of the first things a municipality can do to support new and existing businesses is to review their land-use bylaw and other policies and regulations to ensure it is clear to interested parties whether they can establish a home based-business, where and how a municipality can accommodate their businesses footprint, or set up a new business.

To support municipalities in their investment attraction activities, Economic Developers Alberta (EDA) currently offers an Investment Readiness Toolkit online; a course in Business & Investment Attraction; and will be launching a Foreign Direct Investment (FDI) training module later in 2021. These resources provide municipal leaders with best practices in investment attraction. This document has been developed by EDA in partnership with the Government of Alberta and the Government of Canada. The toolkit can be found [here](#).

Access to a reasonable supply of housing is another issue that can aid municipalities in growth and the attraction of new businesses. Municipalities should look at their land-use bylaws and plans to ensure housing in a variety of forms and price points exists in their communities.

The federal government offers foreign direct investment attraction support, and other business supports through Invest in Canada:  
<https://www.investcanada.ca/>

Monitoring progress on these types of efforts is important to determine what works and what does not. Municipalities can look to the research conducted by the Alberta Chambers of Commerce through their quarterly Alberta Perspectives survey to start tracking the sentiment of the business community to the supports and regulation within your community.

### AUMA Actions:

- Inform members of existing resources to help them support local businesses and make their municipality attractive to new businesses.
- Collaborate with EDA to promote educational opportunities to members.
- Collaborate with Alberta Chambers of Commerce to share their findings on businesses' experience with municipal supports and regulations.

## Food Security, Urban Agriculture and Food as Resource

While most agriculture occurs outside of urban municipalities, AUMA members can encourage local, small scale urban agriculture within their jurisdictions. This is most easily accomplished by ensuring that the municipality's land-use bylaw permits agricultural uses in residential areas, with the necessary permits and licenses in place. Examples of urban agriculture include practices such as urban forestry, urban gardening and urban animal husbandry.

When integrated into a local food strategy, urban agriculture practices can support food security for individuals and families. As a best practice to support urban agriculture, municipalities can make unused or vacant lots available to use as community gardens. This has multiple



advantages as it beautifies a piece of land that may otherwise be unsightly and encourages the practice of urban gardening for residents. Municipalities can also support urban gardening by ensuring there is an adequate water supply as many community gardens fail because they lack water access. Urban agriculture provides a lot of intangible benefits for residents, it encourages people to learn a new skill, spend time outside and get to know their neighbours; all activities that improve livability of a community.

Urban agriculture at a commercial scale is not particularly commercially viable in Alberta due to the enormous amount of productive agricultural land spread throughout the province. However, urban municipalities can promote regional food development as part of a greater municipal economic development strategy, especially through policies that support municipal procurement of locally produced food. More value-added processing of agricultural products within Alberta would keep more money in the economy and provide additional employment beyond harvesting and export. Urban municipalities can also support food security through their land-use planning practices. By reducing urban sprawl, municipalities can help curb the amount of agricultural land that is lost forever due to development by housing more people on less land.

### AUMA Actions:

- Encourage members to integrate regional food development within economic development strategies.
- Encourage members to review their land-use bylaws to permit urban agriculture as they see fit.

## Mitigation planning

Mitigation refers broadly to reducing or eliminating the risks of disasters before they occur. This proactive approach allows organizations to bounce back quickly from a disaster. AUMA has been active in the past on mitigation and risk management services for our members to ensure they are able to withstand disasters and other unforeseen events with minimal interruption to core services.

AUMA offers a comprehensive risk management program for our members that aims to safeguard financial stability, place municipalities as a market leader in the insurance industry, embed enterprise risk management within municipal operations and increase emergency management and business continuity capacity for our members. More information can be found here: <https://www.auma.ca/business-services/insurance-risk-services/risk-management>

AUMA is also partnering with NAIT to collect data on a voluntary basis from a cross-section of provincial ministries as well as from the soon to be implemented Hazard Identification Risk Assessment (HIRA) initiative through the Alberta Emergency Management Agency (AEMA). Use of this data will include, but is not limited to, identifying hazards within communities, using risk-based models for assessing mitigation options to fund as well as provide other use cases such as enhanced community planning and better underwriting intelligence to ensure insurance and disaster funding remains affordable and sustainable.

The federal government has recently created a Federal Flood Insurance and Relocation Task Force. The task force will examine options for low-cost residential flood insurance to residents of high risk areas. It will also consider options for potential relocation for residents of areas at the highest risk of recurrent flooding. Related to this, AUMA adopted a resolution in 2020 calling on the provincial government to increase flood mapping and mitigation standards from the 1:100 standard currently used to a 1:200 standard. AUMA will continue to advocate on this issue.

The Municipal Climate Change Action Centre is developing a Climate Adaptation Program. This program will enhance the ability of Alberta municipalities and Indigenous communities to prepare for and respond to climate-related risks. This program will provide communities with opportunities to:

- broaden their climate adaptation literacy,
- assess climate vulnerabilities,
- build climate adaptation plans, and
- make progress on risk reduction strategies.

### AUMA Actions:

- Share education opportunities with members.
- Inform members of risk management services and progress on work with NAIT and AEMA.

## Continue to maintain a business-friendly climate (Alberta/Canada)

The Economic Resiliency and Recovery Task Force discussed the importance of AUMA as an association supporting a business-friendly climate throughout the province. This includes developing and maintaining relationships with other associations that represent industry groups.



AUMA has worked with industry associations in the past on projects that impacted our members. One example of this is ongoing work with the Alberta Construction Association to keep our respective members informed of changes to construction liens and prompt payment legislation. Strong relationships with other industry associations will allow AUMA to share information with our members. When municipalities are aware of the needs of industry, they are able to make decisions that encourage businesses to locate within their boundaries.

One example shared with the task force was making sure that a community is shovel ready to take advantage of opportunities as they arise. Being shovel ready can include having adequate electrical infrastructure in place, water supply, appropriate zoning and broadband internet. Another aspect to consider is what kind of projects would make your community more resilient to future economic impacts, and to budget for these projects as necessary. Access to an adequate housing supply and flexible childcare offerings are also important considerations to maintain a business-friendly climate. With these considerations in mind, municipalities can make themselves more attractive to businesses looking to relocate, and for grant funding opportunities.

Alberta Biz Connect is a service offered by the provincial government to help businesses and non-profits affected by COVID-19 operate safely and support their recovery.

<https://www.alberta.ca/biz-connect.aspx>

AUMA Actions:

- Continue to update members on best practices as they become available.

## Identify strategies, including the provincial government, local media and other entities to help market communities as a place to do business

Alberta's communities are great places to do business. Alberta is host to one of the youngest workforces in Canada, with a median age of 36.7 years. According to the 2016 census, 64% of Alberta's population has post-secondary education of some kind. With these advantages, the province's communities need to get the word out there that we have the training and energy to accomplish great things.

To help tell this story, AUMA partnered with Economic Developers Alberta to bring greetings in their latest edition of Invest in Alberta. In 2020, this publication was a split edition, with the second part being named Xperience Alberta to highlight different communities in Alberta. Invest in Alberta is distributed globally to embassies and trade offices.

There are also negative perspectives about municipalities and their role in helping local businesses. In a survey of their members, the Alberta Chambers of Commerce reported in December 2020 that only 44 per cent of businesses surveyed would recommend their municipality as a good location to invest in or start a business. AUMA wants to help members tell their local economic success stories so they can dispel the idea that their communities are not good places to do business

AUMA also wants to empower members to tell the story about their fiscal situation better. It has been reported that municipal reserves are an indication that municipalities are taking in more taxes than they need to spend in a given year. To address misunderstanding about municipal finances, AUMA hosted a President's Summit in January 2020 to engage the provincial about the municipal financial situation. AUMA will continue to work with members to ensure they are setting the record straight about municipal budgeting, as legislated by the Municipal Government Act.

Despite these efforts, there is more that can be done to market communities as places to do business. AUMA adopted a [resolution](#) at convention 2020 that speaks in part to the need for the province to promote communities that have hosted film productions. This would draw tourists to these communities to support their local economies and advertise these communities for future film and television projects.

### AUMA Actions:

- Continue working with Economic Developers Alberta on promoting various business and investment opportunities through its key investment tools (e.g. Invest in Alberta/Xperience Alberta)
- Educate the public and other orders of government on the realities of the municipal fiscal situation.
- Continue to work with the province on messaging around the municipal fiscal situation.

- Meet with the Alberta Weekly Newspaper Association to discuss the importance of sharing good news stories from municipalities directly to residents.
- Advocate to the province to promote Alberta communities as great places to do business.

## Encourage shop local and e-commerce for local businesses

Local businesses are the lifeblood of communities. As local businesses need residents to use their services, municipalities need strong local businesses to attract and retain residents to remain viable.

The importance of shopping local has never been greater as restrictions due to the COVID-19 pandemic has seen businesses closed for varying lengths of time due to public health requirements. To survive, some businesses have moved to e-commerce to continue serving their customers, but not all businesses can use this approach.

To support local businesses, the Alberta Chambers of Commerce are working with their regional chambers of commerce to move forward on e-commerce solutions and buy local supports. They are also looking for opportunities to partner with municipalities on these efforts.



Municipalities can also support local businesses through their own procurement practices, and encourage other community organizations, such as post-secondary institutions, to procure locally when feasible.

To support local businesses, Economic Developers Alberta has launched an app to encourage users to shop local businesses, visit local attractions and support local events. More information on how to leverage this app for your community can be found here: <http://edaalberta.ca/app>

### AUMA Actions:

- Inform members opportunities to collaborate with Alberta Chambers of Commerce on buy local and e-commerce initiatives.
- Inform members of buy local supports and initiatives as they arise.

## EPR as an economic development initiative

Alberta has opportunity to diversify our economy through different avenues. The task force discussed how to leverage Alberta's natural gas and petrochemical industry to solve the world's plastic challenges, and how waste generated by Albertans, can become an economic development opportunity.

The Government of Alberta announced the Natural Gas Strategy and Vision, which wants to establish Alberta as the Western North America centre of excellence for plastics diversion and recycling by 2030 – to create a circular plastics economy. The first step to build a circular plastics economy is to introduce Extended Producer Responsibility (EPR) policy. AUMA has long advocated for a made-in-Alberta EPR packaging and paper program. The benefits expected from a program include adding \$16 million to Alberta economy every year, with approximately 220 new jobs in Alberta's recycling industry. Furthermore, reduce the recycling collection services costs that municipalities charge their residents each year by up to \$105 million. This is Albertans' money and it can be reinvested in other municipal services or provided as a cost saving to municipal residents.

Municipalities have been piloting different waste to energy technologies with Alberta companies. Some municipalities have been working regionally to implement a regional waste from energy facility to manage municipal solid waste. Alberta has an opportunity to be an innovator in this field working with local companies to demonstrate the effectiveness of the new technologies.

### AUMA Action:

- AUMA continue to advocate on this issue.

## Share Red Tape Reduction Best Practices

The Economic Resiliency and Recovery Task Force identified the impact of red tape on new businesses as an issue that impact economic recovery. Further to this, one of the requirements for municipalities to receive stimulus funds under the Municipal Stimulus Program was to submit a red tape reduction report to the Minister of Municipal Affairs. While AUMA was concerned that this requirement was onerous on our members at the time it has now presented a unique opportunity.

AUMA will be partnering with Municipal Affairs to develop a red tape reduction best practice based off all the red tape submissions submitted by members to the province. We look forward to sharing these best practices through the AUMA website so members can determine if there are other red tape measures they can take to benefit their community.

### AUMA Actions:

- Develop a resource for members on red tape reduction best practices when data is available from the Municipal Stimulus Program.

## Develop a platform to share promising practices to support economic resiliency with a focus on small communities in particular

### Resiliency Toolkit

Economic resiliency refers to a community's ability to recover from a disaster. The principles for a strong recovery are similar whether addressing a natural disaster, economic disaster or public health emergency. The most important thing a municipality can do is to have a plan in place prior to an incident occurring.

Economic Developers Alberta has developed a toolkit around resiliency and recovery. This resource can be found on their website <http://www.edaalberta.ca/EDRP-Toolkit>.

Municipalities can use this toolkit to assess the economic impacts of a disaster, navigate the federal disaster assistance programs, and explore business retention and expansion strategies for before and after a disaster. For those interested in further training, EDA also offers an Economic Disaster Recovery workshop in person and online: <http://edaalberta.ca/sys/website/?pagelid=1861534>

The Canadian Chambers of Commerce has developed a business resilience network website that provides resources on resilience and recovery:

<https://www.canadianbusinessresiliencenetwork.ca/>

Municipalities can also access the Canadian Chambers of Commerce's business resilience network website for more resources on resilience and recovery.

#### AUMA Actions:

- Inform members of existing resiliency toolkit resources and training opportunities.
- Explore partnership with REDAs to provide training to members.

## Benchmarking capacity from Alberta Chambers of Commerce

The Alberta Chambers of Commerce has impressive reach into Alberta's business community and can survey their members on different issues. Survey respondents can be examined down to the postal code level. By gauging the sentiment of local businesses through survey response data, a municipality could determine the impacts that their local regulations have on the business community. By using this as a benchmark, a municipality could measure changes in sentiment over time as changes are introduced. This would be most valuable in communities that do not have a dedicated economic development resource keeping tabs on the sentiment of local businesses.

### AUMA Actions

- Work with Alberta Chambers of Commerce to enable members to benchmark the impact of municipal regulations and policies on the local business community.

## AUMA standing committee

The existing AUMA committees have been working on various economic development initiatives and resolutions without a clear mandate from the Board of Directors to address these issues. Without proper resourcing to address economic development issues, AUMA will continue to struggle to advocate effectively on these issues for members.

Further to this, the Economic Resiliency and Recovery Task Force is recommending that the AUMA Board of Directors create a standing policy committee to provide a long-term place to work on economic development issues. By creating a standing committee, the board will enable the other policy committees to focus on issues that are more in line with their mandate.

Creating a committee will also satisfy goal #2 from the Economic Resiliency and Recovery Task Force Terms of Reference, develop a platform to share promising practices to support economic resiliency with a focus on small communities in particular. The committee will be able to use the work done to date on the Economic Resiliency and Recovery Task Force as a preliminary work plan to guide its activities.

### AUMA Action:

- Create a standing committee whose mandate is to address economic development issues on behalf of AUMA's members.

## Develop recommendations on innovative solutions to support local businesses.

### Encourage municipalities to engage with local businesses

Municipalities play a fundamental role in enabling their communities to be vibrant places with thriving economies and viable businesses. By engaging directly with the business community, municipalities are able to strengthen their local economy and open a dialogue between businesses and elected officials.

\*Of those businesses that did have contact with an economic development agency, they were most likely to have had contact with a local economic development agency or officer (14%). (ACC Report on Red Tape and Business Supports, December 2019)

The Alberta Chambers of Commerce (ACC) has researched the impacts that a municipality can have on their local business community through engagement. According to a December 2019 Report on Red Tape and Business Supports commissioned by the ACC, two-thirds (66%) of businesses report they have not been contacted in the last five years by municipal, provincial or federal elected officials with respect to sustaining or growing their business. This is the same percentage of businesses who also report not having been

contacted by any economic development agencies (federal, provincial or local)\*.

To help improve this statistic and to encourage action at the municipal level, there are several activities that can be undertaken:

- Business Visitation Program (BVP) or Business Walks- A database of competitive intelligence gathered from business visits including business needs, opportunities, challenges, competitive advantage, product or service offerings, labour force, identification of gaps.
- Community Business Licenses/Directory/Database- Identify the number of businesses within the different industry categories to develop an inventory (ideally including NAICS codes).
- Develop marketing and promotions plans with partners.
- Forming small/new business incubators.
- Supporting home-based businesses.
- Introducing a downtown revitalization plan.

Most importantly, municipalities will have to identify who will do the work. Who will be the lead, the support? Who creates/establishes the vision? Who funds it? Who engages community stakeholders? What is the governance structure? Strategy vs. tactics. Who is accountable?

Potential solutions include:

- CAO
- Mayor and Council
- Economic Development Officer
- Chamber of Commerce

- Regional Economic Development Alliance

AUMA Action:

- Share best practices with members.
- Monitor impacts of increased engagement on the sentiment of the business community.

## Municipalities could pilot new technologies

Sometimes a municipality has the opportunity to be the first place where a new technology is deployed. There are a number of factors for why this opportunity presents itself, it could be proximity to transport corridors, it could be the size of the municipality or the make-up of the workforce. Piloting a new technology can generate interest in a community from different businesses, or for people who are looking for a new opportunity.

Alberta is known for its entrepreneurial spirit and the opportunity to highlight a new technology complements this spirit very well. There are great examples of Alberta municipalities taking a risk and piloting a new technology. One of the most famous examples is the creation of O-Net, Canada's first community-owned and operated Fibre-to-the-Premises network. When O-Net launched there was lots of media coverage about the network and the town. After several years of operation, O-Net has developed unique technical capacity and skillsets and is creating further economic opportunities by bidding on projects in other communities.

The City of Beaumont has also experienced the positive benefits of piloting a new technology. From May to October 2019 Beaumont hosted an electronic autonomous shuttle (ELA) project. The shuttle operated in a segregated lane along a busier street in the city. This pilot project created a unique marketing opportunity for the city, including hundreds of thousands of dollars of free advertising, which in turn led to further economic development initiatives, including the installation of an ultra-high speed fibre network to all homes and businesses in the city.

Opportunities like the ones mentioned above do not come along everyday. One potential area municipalities can investigate is a Mitacs (Mathematics of Information Technology and Complex Systems) grant to have a post-secondary student placed in their community. A Mitacs intern can help municipalities address a broad range of challenges from infrastructure renewal including waterways and roads, to agricultural and food supply issues, to the unprecedented challenges emanating from the COVID-19 pandemic.

There are also opportunities for municipalities to use procurement as a tool to support economic goals by acting as the first customer for local SMEs with innovative ideas and technology. This approach provides the government partner with solutions to problems, while supporting the scale-up of local businesses by providing revenues and first customer validation.

### AUMA Actions

- Share opportunities to pilot new technologies with members.
- Promote the success stories of members piloting new technologies.

For more information on ELA, please read the City of Beaumont's report to citizens.

<https://www.beaumont.ab.ca/DocumentCenter/View/5202/Autonomous-Shuttle-Pilot-Project-Report?bidId=>

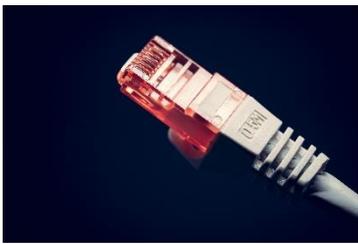
Mitacs grant program information can be found here:

<https://www.mitacs.ca/en/newsroom/news-release/canadian-municipalities-gain-access-mitacs-funding-talent-and-solutions>

## Open Data Portals for Economic Development Opportunities

Open data refers broadly to a government making the information it collects freely accessible to the public. Open data can have impacts on academic research, software developers and citizens as they are able to view and interpret data in different ways.

In Alberta, the City of Edmonton has won numerous awards for their open data efforts. Another example of open data's value is after the Canada Revenue Agency (CRA) started putting their data online in the mid-2000s, an analysis of charitable tax returns by members of the public revealed \$2.3 billion in charity fraud taking place. With this information, the CRA was able close the loopholes that made this fraud possible, and prosecute the responsible individuals.



There are also developers who use open data to create apps that provide various services to citizens. This can be as simple as better transit information or a matchmaking service that examines pedestrian traffic, average income and vacant real estate to provide lucrative pop-up store locations for new businesses. These opportunities enhance the lives of residents, support small businesses, and create value from public data at no added expense to the different orders of government providing the data.

### AUMA Actions:

- Inform members of opportunities to participate in open data initiatives.
- Support members that are seeking partners for open data projects.

## Opportunity for disruption

The unique conditions that arose due to the COVID-19 pandemic forced many businesses and organizations to dramatically adjust how they delivered service and conducted business. Capturing these innovative approaches will embed this flexibility into future decision making. Business continuity planning can be used as an incentive for local businesses to identify innovative ways of doing business as they become available. It integrates planning for future disruption as a normal way of doing business and can also be used to tie into future funding opportunities.

### Why Business Continuity?

A Business Continuity Plan guides the actions and decisions of staff of a municipality and facilitates efforts to ensure effective continuation of recovery of all essential services. (*Municipal Affairs and Environment, April 2019*)

- All organizations experience disruptions
- BCP concentrates on the "people, processes and things" required to keep critical functions operational
- When activated, continuity plans ensure a pre-determined and acceptable level of service for stakeholders
- BCP builds organizational resilience by protecting critical assets, brand value and key stakeholder interests

Support businesses that have a willingness to adapt  
Generally, a Business Continuity Plan outlines:

- **Who** is responsible for recovery actions
- **What** is needed to deliver, resume, continue, or restore the municipality's services
- **Where** to go to resume operations if necessary, and,
- **How** the municipality's critical services and operations will continue to be provided during a disruptive event (detailed procedures for provision, recovery, resumption and restoration of services)

### Supports Available:

- **Economic Developers Alberta:** Community Toolkit for Economic Recovery and Resiliency (2019 Canadian Version) <http://www.edaalberta.ca/page-1861533>
- **AUMA-** Business continuity Resource planning <https://www.auma.ca/covid19>
- **Municipal Innovators Community:** <https://municipalinnovators.ca/mic-local>

### AUMA Actions:

- Support innovative practices through development of resources and educational opportunities for members.

'This wave of innovation is helping to save lives and livelihoods during a time of great uncertainty. However, there's a danger that by only focusing on short-term needs, businesses may soon find that they're out of step with the people they serve.'  
(*InformationWeek August, 2020*)

'When push comes to shove, Municipalities can be extremely innovative with their approaches to resolving multifaceted challenges. This is all based on the staff and leadership's ability to embrace change and innovate their way through challenges.'  
(*The full version of the survey can be found in the upcoming February 2021 issue of Municipal World*)\*  
*State of Canadian Municipalities Amid COVID-19 Survey Results Your World Amidst a Global Pandemic Report:*  
<https://www.municipalworld.com/wp-content/uploads/2020/12/MW-WGroup->

## Procurement

Innovative approaches to procurement represent a novel way for municipal governments to support Alberta's economic recovery. According to a July 2020 paper titled "Buying with Intent: Public Procurement for Innovation by Provincial and Municipal Governments" from the University of Calgary's School of Public Policy (<https://journalhosting.ucalgary.ca/index.php/sppp/article/view/69277/54206>), municipal and provincial governments in Canada are responsible for more procurement than in any other OECD country. This represents an opportunity for local governments to direct this funding toward small and medium size businesses to help address the local economic impacts of the low price of oil and the COVID-19 pandemic.

Local governments must comply with procurement regulations but can still support local small and medium-size businesses by innovating within their procurement processes. For example, under the New West Partnership Agreement, municipalities are only allowed a procurement threshold of \$75,000 to preference local firms. For larger contracts, a municipality may want to review their needs and decide to split one large request for proposal (RFP) into several smaller RFPs.

Procurement can also drive innovation within local businesses. Municipalities can support economic goals by acting as the first customer for local small and medium-size businesses with innovative ideas and technology. This approach provides the government partner with solutions to problems, while supporting the scale-up of local businesses by providing revenues and first customer validation.

### AUMA Actions:

- Share procurement best practices and innovations with members.
- Develop materials for members to implement innovative procurement practices within their organizations.

The [Municipal Information Exchange \(MIX\)](#) project is a joint effort by the cities of Guelph, London and Barrie, as well as the MaRS Discovery District, to each undertake innovation procurement challenges.

The goal is to develop a best practice Municipal Innovation Procurement Framework.



## Conclusion

Through the process of developing this report, it became apparent to the members that the impacts to the Alberta economy and municipalities due to COVID-19 and the low price of oil will be significant and long-lasting. This is why the task force is recommending that a standing committee be created at AUMA. The recommendations developed in this report may be more or less important as we navigate Alberta's recovery, but a standing committee ensures that this work continues past the mandate of the task force.