

# Comprehensive Economic Development Strategy for the City of Lloydminster

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## ISSUE:

Economic development is incredibly important for growth and diversification of the Lloydminster economy. Due to budgetary constraints and restructuring, Lloydminster has not had adequate economic development services since the dissolution of the Lloydminster Economic Development Corporation. At a time when the economy is slower, and budgets are tighter, investment in economic development is even more important to grow and diversify our economy, and to retain and expand existing business.

## BACKGROUND:

1. A survey of Chamber members was conducted in July 2017 and Chamber members rated economic development as the highest priority in what they believe are the biggest issues affecting business.
2. Economic development is about building strong economics in order to have healthy communities:
  - a. Increase tax base: The additional revenue provided by economic development supports, maintains and improves local infrastructure, such as roads, parks, libraries, and emergency medical services.
  - b. Job Development: Economic development provides better wages, benefits, and opportunities for advancement.
  - c. Business Retention: By building a stronger economy, businesses have a greater ability to flourish and are more likely to be retained.
  - d. Economic Diversification: A diversified economic base helps expand the local economy and reduces a community's vulnerability to a single business sector.
  - e. Quality of Life: More local tax dollars and jobs raise the economic tide for the entire community, including the overall standard of living of the residents.
  - f. Recognition of Local Products: Successful economic development often occurs when locally produced goods are consumed in the local market to a greater degree.
3. Due to budgetary reasons, the City of Lloydminster dissolved Lloydminster Economic Development Corporation (LEDC) with plans to move the operations in-house. Once brought in-house all LEDC staff were transferred to other departments or no longer employed at the City of Lloydminster, leaving Economic Development vacant.
4. As per City of Lloydminster, Minutes of a Regular Council Meeting on Monday, January 16, 2017<sup>1</sup>:  
Director Corrigan provided Council with three options for providing economic development to the City of Lloydminster, reporting that the current Lloydminster Economic Development Corporation (LEDC) has a surplus of approximately \$238,000.00. Clarification was provided to Council that if LEDC was to be dissolved and staff be brought in-house, that the current LEDC surplus would be transferred to the City.

Discussion was held that Option 3 of the City of Lloydminster Economic Development Strategy would transition existing LEDC staff in-house, becoming team members of the City of Lloydminster.

5. A Regional Economic Development Alliance (REDA) of Northeast Alberta exists, known as the Northeast Alberta Information HUB, also known as Alberta HUB. Alberta HUB provides economic development support to its members and increases the awareness of our region as the place to invest, grown and live. The region that the Alberta HUB serves spans from Saskatchewan towards Edmonton and up towards Fort McMurray. Some communities included in the Alberta HUB are Cold Lake, St. Paul, Elk Point, Lac La Biche,

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<sup>1</sup> <http://lloydminster.ca/ArchiveCenter/ViewFile/Item/1475>

Bonnyville, Vegreville, Vermilion, and more. Lloydminster is not a member of the Alberta Hub, even though it serves our area.

Municipality membership of Alberta HUB is based on a per capita rate of \$0.50. Due to Lloydminster's bi-provincial status, the Alberta portion of Lloydminster would be included in the per capita HUB expense. Alberta HUB caps the amount a municipality would pay at \$10 000. Based on the 2015 Municipal census, the population on the Alberta side of Lloydminster is 19 740, making our membership in Alberta HUB \$9 870.

6. Dependence on oil creates risks and challenges that makes a proactive approach to economic development crucial to the long-term health and durability of our economy. While oil will most likely always anchor our economy, it is important to take charge of our long-term economic future by actively building a community that is supportive of diverse local employers, attractive to new ones, and encouraging of entrepreneurship.
7. Internet infrastructure in the north end of Lloydminster and the Industrial Park's is slow and not adequate for business. To recruit new businesses and to foster an environment in which existing businesses can grow, adequate internet services need to be offered to businesses. Most places north of the tracks in Lloydminster can only get a package from Telus of 5 Mbps/.5Mbps. This is not adequate services for business.

#### **RECOMMENDATION:**

The Lloydminster Chamber of Commerce recommends that the City of Lloydminster:

1. Ensure that economic development is a key priority of the City of Lloydminster and acted upon immediately
2. Develop a strategy for economic development in Lloydminster including a vision and action plan that speaks to efforts to promote business retention, business expansion, entrepreneurship, and marketing.
3. Develop either an Economic Development Master Plan or an Economic Development Strategy that provides a comprehensive plan outlining numerous strategic directions and recommendations aligned with short, mid and long-term goals.
4. Create an economic development advisory committee consisting of community stakeholders
5. Conduct an annual Lloydminster economic outlook forecast
6. Conduct an evaluation into joining the Alberta HUB
7. Work towards building a more diversified economy for Lloydminster
8. Work with stakeholders to develop a strategy to offer adequate internet infrastructure in Lloydminster