

City of Medicine Hat Municipal Economic Development Strategy

Issue: *The City of Medicine Hat does not have a comprehensive and cohesive economic development strategy to guide growth and development activities.*

EXECUTIVE SUMMARY

An economic development strategy plays a key role in directing and focusing economic development efforts within a region. Currently, several initiatives and organizations are involved in contributing to economic development within the Southeast Alberta region; however, there is no overarching strategy to provide direction to these organizations or to address the role of their activities. In order to create a more collaborative and strategic approach the Medicine Hat and District Chamber of Commerce recommends that the City of Medicine Hat create an economic development strategy that addresses the major elements and tactics of growth and development and that it is developed in partnership and consultation with the organizations currently engaged in

BACKGROUND

An economic development strategy should be broad, foundational and cohesive in order to do what markets alone cannot do: influence growth through action and investments. When designing an economic development strategy there is an opportunity to design a framework for continuous growth, prosperity and inclusion that influences growth and development beyond what markets alone would do.

In a report from the Brookings Institution entitled *Remaking Economic Development – The Market and Civics of Continuous Growth and Prosperity*, five action principles are included in a broader vision of economic development that can deliver on the vision of continuous growth, prosperity and inclusion:

1. Set the right goals: expand the scope and metrics of economic development to reflect a more foundational and holistic understanding of how to expand the economy and opportunity
2. Grow from within: prioritize established and emerging firms and industries, invest in the ecosystems of innovation, trade, talent infrastructure, and governance to support globally competitive firms and enable small business to grow in the market.
3. Boost trade: facilitate export growth and trade with other markets in ways that deepen regional industry specializations and bring in new income and investment.
4. Invest in people and skills: incorporate skills development of workers as priority for economic development and employers so that improving human capacities results in meaningful work and income gains.
5. Connect place: catalyze economic place making and work at multiple geographic levels to connect local communities to regional jobs, housing and opportunity.¹

These action principles represent a broader approach to traditional economic development and requires a delivery system that involves an integrated team of economic development professionals, elected officials, employers, workforce and education leaders, and other civic and nonprofit executives.

Several organizations currently exist within our region to carry out various economic development activities including Verge Economic Development, Community Futures-Entre Corp, Palliser Economic Partnership, the City of Medicine Hat's Economic Development and Land department, The Medicine Hat and District Chamber of Commerce, Medicine

¹Remaking Economic Development – The Market and Civics of Continuous Growth and Prosperity: https://www.brookings.edu/wp-content/uploads/2016/02/BMPP_RemakingEconomicDevelopment_Feb25LoRes-1.pdf

Hat College, Apex Regional Innovation Network, Tourism Medicine Hat and the Medicine Hat City Center Development Agency.

In order to harness and coordinate the actions and expertise of the organizations that participate in economic development efforts in our region and municipality a strategy needs to be developed that encompasses a comprehensive and cohesive plan that provides a vision and direction going forward for growth and development. Such a plan would ensure that strategic plans, municipal development plans, inter-municipal plans and growth plans are working together to achieve a unified purpose.

In 2014 the City of Medicine Hat identified economic development priorities in the Strategic Economic Development Priorities and Consideration Report² with five economic development priorities identified including:

1. Development of the River Valley and other Tourism Destination Assets
2. Airport and air services expansion; airport land development
3. City Hall “Open for Business” – ensuring a business-friendly environment
4. Capitalize on industrial development and “value add” opportunities for agricultural inputs
5. “Telling the Medicine Hat Story” – communication and promotion

Along with the priorities identified above the following implementation considerations were also included:

1. Service Delivery Choices
2. Business and Investment Attraction
3. Business, Retention and Expansion
4. Research, Marketing and Promotion

While it is appreciated that the City has started on developing a direction for the growth and economic development of Medicine Hat through the City’s current strategic priorities, the work being conducted through the Municipal Development Plan along with other business retention expansion and workforce development initiatives, in order for our municipality to capitalize on the opportunities and face the challenges ahead, a much more robust and detailed plan is necessary.

That is why now is the right time to focus on a strategy that could encompass a vision for growth in conjunction with a detailed economic development plan, including an overarching direction and detailed framework to ensure that timeframes, actions and a plan for implementation would be addressed including strategies for:

- Downtown Revitalization
- Business Retention and Expansion
- Tourism
- Investment Attraction
- Entrepreneurship and Small Business Incubation

ANALYSIS

By developing a concerted strategy for coordinating growth and economic development activities within the municipality, the city provides a structural blueprint for decision making as it pertains to development related issues. Because Medicine Hat has several organizations that are all engaged in varying aspects and types of economic development activity, a central reference such as an economic development strategy would ensure that efforts are harmonized and focused on achieving goals that will, ultimately, lead to a single vision of the City.

² City of Medicine Hat – Strategic Economic Development Priorities and Implementation Considerations:
<https://www.medicinehat.ca/home/showdocument?id=9168>

It is essential that the development of a strategy include mention and direction for each of the major elements of growth and economic development. While various organizations have addressed these elements a unified vision to focus economic development efforts does not currently exist.

Moreover, the development of a strategy should incorporate the experience and expertise of existing economic development organizations and operatives. This will capitalize on the expertise and knowledge of these players in the Medicine Hat landscape and will maintain that any strategy developed is holistic, inclusive, and well-rounded.

RECOMMENDATIONS

The Medicine Hat and District Chamber of Commerce supports the development of a comprehensive economic development strategy. Therefore, it recommends that the City of Medicine Hat:

1. Provide direct leadership and initiative to develop an economic development strategy, defining a vision and guiding principles.
2. Collaborate with all major regional economic development organizations in the development of this document including but not limited to Community Futures-Entre Corp, Palliser Economic Partnership, the City of Medicine Hat's Business Development Office, the Medicine Hat and District Chamber of Commerce, Verge Economic Development, Medicine Hat College, Apex Regional Innovation Network, Tourism Medicine Hat, and the Medicine Hat City Center Development Agency.
3. Incorporate considerations for key tactics into the economic development strategy: including but not limited to Downtown Revitalization, Business Retention and Expansion, Tourism, Investment Attraction and Entrepreneurship and Small Business Incubation, along with collaboration, marketing measures and a process to monitor progress.
4. Consider that an economic development strategy provide vision and direction over the medium to long term (i.e. 5 to 10 years)

RESOURCES

<https://www.countygp.ab.ca/assets/Departments/Economic~Development/Strategy/Growth%20and%20Economic%20Development%20Strategy%20-%20Executive%20Summary.pdf>

https://www.newmarket.ca/TownGovernment/Documents/2016%20to%202020%20Economic%20Development%20Strategy%20%28Web_Accessible%29.pdf

https://www.sfu.ca/ced/news_events/5_principlesofCED.html

https://www.lgc.org/wordpress/docs/ahwahnee/economic_principles.pdf

<https://www.brookings.edu/research/remaking-economic-development-the-markets-and-civics-of-continuous-growth-and-prosperity/>

https://www.brookings.edu/wp-content/uploads/2016/02/BMPP_RemakingEconomicDevelopment_Feb25LoRes-1.pdf

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