



CITY OF BELLEVILLE
Karen Poste
Economic & Strategic Initiatives
Report No. ECDEV 2021-06
February 25, 2021

To: Councillor Williams and Members of the Economic & Destination Development Committee (EDDC)

Subject: Additional staff resources

Recommendation:

“THAT the Manager of Economic and Strategic Initiatives Report No. ECDEV 2021-06 be received and further that the Economic and Destination Development Committee (EDDC) recommends that Council support an additional full-time staff person in the Economic and Strategic department to help fulfill the objectives of the City’s Strategic Plan and the Strategic Plan approved for the Economic and Destination Development Committee”

Strategic Plan Alignment:

The vision for the City of Belleville as noted in the current City strategic plan is

“The City of Belleville will be a healthy, progressive, diverse and economically vibrant community that invests in its future in a financially sustainable and environmentally responsible way.”

The strategic themes prioritized in the plan include:

- Infrastructure
- Industrial and Commercial Development
- Residential Development
- Transportation and Mobility
- City Centre Revitalization
- Culture and Recreation
- Tourism and Waterfront Development
- Community Health, Safety and Security
- Environment

These are thoughtful and aspirational objectives for our City and it is clear progress and diversity are cornerstones to the priorities established in the plan. The foundation of fulfilling the objectives of all strategic plans for the City is the development of a strong and diversified local economy where good paying jobs are prevalent. The tax revenue generated by businesses and residents will provide the funding necessary to fulfill all objectives over time. Without tax revenue, the City will not be able to grow and improve the community and supporting economic development is the best way to grow the business sector and attract and maintain good paying jobs in the City. Based on assessed value, business typically pays almost double what a residence will pay and they generally use fewer services – having a strong business sector in the community ensures a more stable, financially viable community for everyone.

Strategic support for economic development is considered an investment that will pay dividends for the entire region in the future.

Background:

The City's economic and strategic initiatives office consists of three full time staff – the manager, a development/tourism coordinator and an administrative assistant. This department is the primary resource for all business attraction and business retention activities in the City. Like most communities, Belleville also partners with other organizations to support local and regional economic development objectives. Partners such as the Quinte Economic Development Commission (QEDC), the Bay of Quinte Regional Marketing Board (BQRMB), the Belleville Downtown Improvement Area (BDIA), the Chamber of Commerce and others, work cooperatively with City staff to support the local economy. Some of these partnerships have resulted from a regional focus and others have developed because of statutory requirements or the complex nature of the services being provided. Regardless, these partnerships continue to help the City support additional economic activity.

For many years now, management has been advising of a staff shortage in the economic development department – the City's competitive advantages have been eroded as other communities have continued to invest in additional staff in their departments. Customer service levels, response times and project implementation opportunities are all negatively impacted when levels are not increased. Management recommends that at least one additional staff member be added to the department as detailed in this report.

When considering an adjustment to the structure of any organization, it can be helpful to look at what is working in other similar or local organizations. The following chart details local economic development staffing levels for information.

<u>Community</u>	<u>Population</u>	<u># of Businesses</u>	<u># of Staff</u>	<u>Staff / 10,000 population</u>
Belleville	51,000	4,000	3	.59
Quinte West	44,000	2,500	6	1.4
Prince Edward County	25,000	1,200	7	2.8
Hastings County	40,000	1,200	4	1.0
Cornwall	47,000	3,500(?)	6.5	1.4

Although every community's economic development department is set up a bit differently when it comes to how they are structured and what tasks they focus on, these numbers are appropriate for high level comparison purposes. The chart clearly illustrates that the City of Belleville has a higher population, more businesses overall and the lowest number of staff.

Community economic development is a very competitive business. The City is constantly competing for investment and being compared to other areas and our ability to out-service other communities is what will win Belleville new investment. Our efforts to provide support, respond to inquiries, develop products and market the community are critical to the success of the City. There is always more we could and should be doing to support local business investment and at this point our biggest limitation is having enough staff resources to implement the priorities and objectives of the strategic plans we are guided by.

The current structure of the department was first created in 2004 when the City had very little focus on tourism. Since that time, Council's stated priority on tourism and tourism product development, as well as the implementation of the Municipal Accommodation Tax (MAT) has significantly increased the workload in the department. Many important activities have been given little or no attention in favour of allocating resources to our tourism mandate. Priorities like business outreach, BRE, doctor recruitment and retention, building inventories, etc. have been under-resourced and many projects and initiatives have been shelved due to a lack of staff resources.

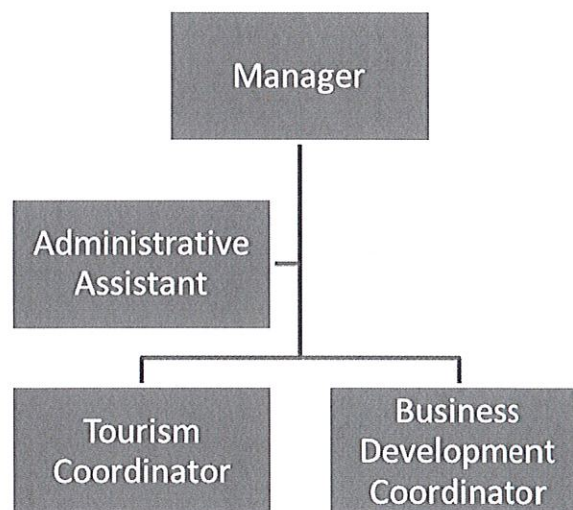
The City can be proud of the quantity and quality of the work the current staff has been doing but there is no ability to sustain or grow the effectiveness of the department, particularly in light of the resources other communities are channelling into their economic development departments. Our ability to compete and our resource gap is being eroded/widened with every passing year.

The impact that additional staffing costs will have on the property tax bill for Belleville residents and businesses is always an issue for economic development. Management will continue to work hard to ensure the investment in staff will pay dividends to the City in terms of business retention and new business investments. Belleville staff have consistently punched above their weight and that will continue if additional staff resources are approved.

Proposal:

Recognizing the increased mandate for tourism and the implementation of the MAT, management recommends that the current Development/Tourism Coordinator position be split into two separate positions - a tourism coordinator and a business development coordinator.

It is proposed that the department be structured as follows:



With additional staff resources more attention will be focused on business retention, downtown investment attraction, industrial land sales and development, customer service, tourism product development, marketing, the retail retention strategy, the economic recovery plan and many other projects that simply can't be put into our work schedule effectively.

Under a revised staff structure, the Manager would continue to be responsible for all functions in the department with particular focus on business retention, customer service, contract management, land sales, workforce development, business visitation, BRE, department networking, doctor recruitment, awareness building, etc.

The Business Development Coordinator would be responsible for downtown revitalization/attraction, general business attraction initiatives (newsletters, marketing and advertising), immigrant attraction, community profile, relocation guide, retail retention strategy, lure brochures, agriculture supports, business attraction advertising and marketing, influencer networking, etc.

The Tourism Coordinator would be responsible for tourism product development, working with the BDIA, Chamber and BQRMB on joint initiatives, management of the MAT and development of an expenditure plan, visitors guide, fulfillment of the tourism development plan, cultural development, farmer's market, etc.

The administrative position in our department would continue to be a key role as it will support all functions and be the position that organizes the office and works to ensure the administrative duties (which are many) are organized while others are working on specific projects and attending meetings and events. The administrative person is also instrumental in supporting events and projects and they work extensively on the 'Work in Belleville' program (data base and job fairs) and web site updates including the online business directory.

The proposed configuration represents the most efficient and effective structure for a four person department. The additional resources will allow the City to better support the priorities in the strategic plan and the investment will result in the retention and expansion of business assessment in the community.

Financial:

Staff estimates that the full year cost of an additional staff person with benefits and pension will be approximately \$75,000. It is proposed that this position be funded out of general tax revenue given the variability of other revenue sources.

With an annual City budget of approximately \$151,000,000, the additional cost of a staff person would mean a budget increase of .0005%.

Conclusion:

Providing programs, services and initiatives to support the local business community has been established as a priority in every strategic plan the City has approved. A

healthy business community will provide the funding necessary to support the programs and services that will result in a healthy, vibrant city. The only way to support and enhance the quality of life Belleville enjoys, is to ensure the business community has what it needs to grow and prosper.

Belleville has had the smallest economic development department in the region for many years and it is impacting our ability to support our businesses and attract new investment. Business outreach efforts are suffering and our response rates and times are not where they should be. Belleville has the best opportunity in the region to grow and add jobs and investment to the community and additional staff resources in the economic development department will help ensure this additional investment happens. It will be an investment that will pay dividends over the short, medium and long term. Fulfilling the objectives of the EDDC strategic plan, the pandemic recovery plan, the retail retention strategy and the tourism development plan will be much better served with an additional staff person.

As the City recovers from the pandemic, the staff shortage will continue to hamper our efforts to attract and accommodate new investment. Filling vacant commercial space, supporting labour attraction efforts, attracting businesses, residents, investment, connecting with local business leaders, and generally improving the business climate locally and leading the region with new growth and investment will be far more achievable with additional staff resources.

Respectfully submitted,

A handwritten signature in cursive script that reads "Karen Poste".

Karen Poste, AMCT, Dipl. M.M.
Manager, Economic and Strategic Initiatives.