



RMA
RURAL MUNICIPALITIES
of ALBERTA

RURAL ECONOMIC DEVELOPMENT INSPIRATION DECK

WHAT IS ECONOMIC DEVELOPMENT

Economic development is the process of improving the economic well-being and quality of life within a community. It involves creating and sustaining the conditions for economic growth and broad-based prosperity, focusing on:

- ✓ **Business Retention & Expansion:** Supporting the growth of existing businesses by providing resources, identifying potential barriers to growth, and creating a favourable environment to help local businesses thrive.
- ✓ **Workforce Development:** Strengthening the skills and qualifications of the local workforce to meet employer demands, often in collaboration with local/regional educational institutions, training programs, and employers.
- ✓ **Infrastructure Development:** Investing in physical infrastructure (roads, utilities, broadband) and community assets (parks, cultural spaces) to improve livability and attract businesses, residents, and visitors.
- ✓ **Entrepreneurship Support & Innovation:** Fostering entrepreneurship and supporting small business development to encourage innovation, resilience, and self-sustaining growth within the community.
- ✓ **Investor & Business Attraction:** Attracting external investment and new businesses by promoting the community's strengths, incentives, and market opportunities, bringing new capital and job opportunities to the area.
- ✓ **Economic Resilience:** Implementing strategies to strengthen the local economy's ability to withstand and recover from challenges—such as economic downturns, industry shifts, or natural disasters—ensuring long-term stability.

APPROACHES TO ECONOMIC DEVELOPMENT

Below are four examples of common approaches to rural economic development. These approaches are not exhaustive or mutually exclusive – in fact, they are often most effective when executed in tandem.

- **Place-Based Development:** Leveraging unique local assets – such as natural resources, historical sites, or cultural heritage – to attract visitors, support local businesses, and create an appealing community identity.
- **Industry Clustering:** Strengthening competitive advantage by supporting clusters of related businesses and industries. In rural areas, this might involve enhancing sectors like agriculture, energy, forestry, mining, or tourism.
- **Regional Clustering:** Partnering with nearby municipalities and regional organizations to pursue shared economic goals and access larger funding pools. This collaborative approach enables rural communities to combine their strengths, extend their reach, and attract greater investment by working as a unified region.
- **Public-Private Partnerships:** Collaborating with businesses, educational institutions, non-profits, and other organizations to leverage resources, drive investments, and address community challenges collectively.

HERITAGE RESTORATION INITIATIVE

Municipality: Bonavista, Newfoundland and Labrador

Population: 3,190 (2021 Census)

Primary Industries: Fishing, Tourism

Challenge

The town faced a significant economic and demographic crisis following the 1992 cod fish moratorium, which resulted in layoffs, population decline, and a shrinking tax base. Recognizing the urgency of stabilizing the population and attracting new investment, the community sought innovative solutions to leverage its heritage assets for revitalization and economic development.

Municipal Response

In 1994, the Bonavista Historical Society proposed the creation of heritage districts, which led to the establishment of the Bonavista Townscape Foundation in collaboration with the Town. As an arm's-length social enterprise, the foundation focused on heritage restoration for commercial and residential spaces, public art, and business development. It acquired properties at low cost through tax sales, donations, and transfers, restoring over 100 heritage structures and completing major streetscape and harbour-front projects. Projects like the \$6 million restoration of the Garrick Theatre created year-round cultural spaces, attracting residents and visitors alike.



The foundation worked closely with private initiatives such as Bonavista Living, a company that purchases and restores historic homes and buildings using local labour. These public-private synergies accelerated restoration efforts, reinvigorated local trades industries, and created a thriving heritage-based economy. The municipality supported these efforts through annual subsidies, matching grants for restoration projects, and reinvestment of revenues from restored property rentals.

Impact

The Townscape Foundation's efforts have driven over \$40 million in development since 2000, supporting local trades, such as woodworking and painting, while fostering entrepreneurship. Bonavista has experienced annual municipal revenue growth of 7-12% for six consecutive years, thanks to new residents, businesses, and increased tourism. The restored Garrick Theatre and other projects have enhanced the town's cultural offerings, drawing both visitors and investors. The Foundation's ongoing initiatives, such as a \$1.8 million harbour-front project, continue to position Bonavista as a vibrant and economically resilient community.

WATER MANAGEMENT INITIATIVE

Municipality: Dawson Creek, British Columbia

Population: 12,320 (2021 Census)

Primary Industries: Oil and Gas, Mining, Construction

Municipal Context

Dawson Creek, a city of 12,323 (2021), is located in northeastern British Columbia, 76 km from Fort St. John and over 400 km from Prince George. Known for its diversified economy in oil and gas, construction, manufacturing, and government services, Dawson Creek faced significant environmental and infrastructure pressures during the Montney gas field boom in the mid-2000s. Droughts, wildfires, and increased demand for potable water from hydraulic fracking highlighted the urgent need for innovative water management solutions.

Municipal Response

To address water shortages and growing industrial demand, Dawson Creek developed the Water Reclamation Facility, repurposing treated effluent from the City's sewage lagoons. This initiative reduced pressure on potable water supplies while supporting industrial needs and municipal activities like street cleaning and irrigation.



In 2010, the City partnered with Shell Canada under a public-private partnership (P3). Shell invested over \$11 million, with the City contributing \$1.5 million, toward the \$19 million facility. The partnership ensured that 3500 cubic metres of reclaimed water were allocated to Shell under a 10-year agreement, with the remainder available for municipal use or sale. The facility has become a vital resource for the City and a model for sustainable water management.

Impact

The Water Reclamation Facility has significantly reduced reliance on potable water for industrial use, helping to conserve the City's water supply during droughts and high-demand periods. The facility has supported sustainable development and infrastructure resiliency while maintaining strong industry partnerships. Following the expiration of the P3 agreement in 2022, the City anticipates generating up to \$2 million annually in municipal revenue by transitioning the facility to a municipal enterprise. This innovative approach positions Dawson Creek as a leader in resource management, ensuring long-term environmental and economic sustainability.

COMMUNITY HOUSING INITIATIVE

Municipality: Canmore, Alberta

Population: 15,990 (2021 Census)

Primary Industries: Tourism, Hospitality

Municipal Context

Canmore, Alberta, is a vibrant town located near Banff National Park. Its economy is heavily driven by tourism, construction, and services, but rapid growth and rising real estate prices have led to a housing affordability crisis. This challenge has made it increasingly difficult for workers essential to the community's economic engine to live locally, threatening the sustainability of Canmore's workforce and economy.

Municipal Response

To address the growing housing affordability gap, the Town of Canmore established Canmore Community Housing (CCH) in 2000. Operating as a non-profit corporation wholly owned by the municipality, CCH provides affordable rental and ownership-based housing for residents who meet eligibility requirements. These units are price-restricted, ensuring long-term affordability for workers in the community.



CCH operates independently from the Town of Canmore while benefiting from municipal contributions, such as land and financial support funded by a dedicated mill rate. Its collaboration with developers, local businesses, and higher levels of government ensures a multifaceted approach to tackling the affordability crisis.

Impact

CCH has been instrumental in stabilizing Canmore's workforce by providing housing solutions not met by the private market. The initiative has provided housing for more than 275 local families and individuals. This includes 118 dedicated rental units and 169 homes under its Vital Homes Ownership Program. By reinvesting profits into new developments and innovative programs, CCH has strengthened community resilience and bolstered Canmore's ability to attract and retain workers critical to its tourism and service-based economy.

ECONOMIC DEVELOPMENT OFFICE

Municipality: Ord, Nebraska

Population: 2,100 (2022 Census)

Primary Industries: Manufacturing, Agriculture

Municipal Context

Ord, Nebraska, with a population of approximately 2,310, is a rural, agricultural community located along the Loup River. The town faces challenges such as a 10% population decline over the past decade and an exodus of young workers. Despite being isolated, it offers access to the Sandhills natural area and a cost of living 21% lower than the national average. With a median household income of \$46,890, Ord needed a strategy to address its economic struggles and demographic decline.

Municipal Response

To combat these challenges, Ord partnered with Valley County and the Ord Chamber of Commerce to create a dedicated economic development office funded by a local-option sales tax. The office provides loans, grants, and expertise to local businesses. The municipality also focuses on youth retention, investing in entrepreneurship education through local schools and the SynoVation Valley Leadership Academy, which has helped launch new



businesses and increase community leadership roles. Programs like the Revitalize Downtown Ord Program and the ShopOrd website support local businesses and foster economic activity.

Impact

Ord's strategy has attracted over \$125 million in investment since 2000, creating 100 new businesses and 350 jobs. The local-option sales tax has provided \$4.4 million in loans, driving \$13 million in new developments. Initiatives like ChamberBucks and the ShopOrd website have strengthened the local economy, while the SynoVation Valley Leadership Academy has promoted entrepreneurial growth and leadership. Ord's efforts demonstrate the impact of collaboration and investment in revitalizing rural economies.

INNOVATION HUB INITIATIVE

Municipality: Grand Falls-Windsor, Newfoundland and Labrador

Population: 13,850 (2021 Census)

Primary Industries: Mining, Aquaculture, Forestry

Municipal Context

Grand Falls-Windsor, a former pulp and paper town with a population of 13,853 (Statistics Canada, 2021 Census of Population), is located in central Newfoundland and Labrador, 430 km northwest of St. John's. Facing economic challenges from forest industry restructuring, the town sought to diversify its economy by leveraging innovation and health research as drivers of growth.

Municipal Response

In 2001, the Town established the EXCITE Corporation as a social enterprise and innovation hub to attract start-ups and technology companies while supporting local economic diversification. Governed by a Board with municipal and community representation, the EXCITE Corporation initially focused on attracting tenants like DPSI, a tech firm employing 20-25 staff, and supporting health-focused research initiatives.



The Centre's efforts expanded to include genomics-based health research, such as identifying genes linked to hearing issues for aging populations. Partnerships with Memorial University enabled projects like the Rural Health Simulation Centre, aimed at recruiting and training health professionals. Tenants such as Central Health, Keyin College, and the Genome Project provided stable revenues, while in-kind space was offered to health research projects.

The EXCITE Corporation has reinvested revenues strategically into building improvements, tenant accommodations, and infrastructure upgrades, including a back-up generator and renovations for new uses. Moving forward, the Town is redirecting EXCITE's priorities to grow the IT sector through training programs and partnerships with local colleges.

Impact

The EXCITE Corporation has positioned Grand Falls-Windsor as a leader in genomics and health research, supporting economic diversification and enhancing local healthcare capacity. It has provided a platform for innovation, attracted private sector tenants, and facilitated collaborations that improve residents' quality of life. The renewed focus on IT sector development holds promise for further diversification and job creation, ensuring long-term resilience for the community.

COMMUNITY FOREST INITIATIVE

Municipality: Burns Lake, British Columbia

Population: 1,660 (2021 Census)

Primary Industries: Forestry, Mining

Municipal Context

Burns Lake, a forest-dependent community of 1,659 (2021), is located on BC's Interior Plateau, approximately 225 km from Prince George. In the late 1990s, the community faced economic risks from forest industry restructuring and the Mountain Pine Beetle epidemic, which threatened local employment and municipal operations.

Municipal Response

In 2000, Burns Lake established the Burns Lake Community Forest (BLCF), BC's first community forest, through an agreement with the province. Initially spanning 23,325 ha, the BLCF grew to 92,000 ha to manage areas affected by the beetle epidemic. Operated as a wholly owned subsidiary of the Village of Burns Lake, the BLCF is governed at arm's length by Comfor Management Services Ltd., which includes board members representing the Village, local First Nations (Ts'il Kaz Koh and Wet'suwet'en), and the Office of the Hereditary Chiefs of the Wet'suwet'en.



The Village contributed significant resources, including \$150,000 in start-up capital, staff time, and legal services, to launch the initiative. Harvesting and technical services are contracted to local businesses and specialized firms, generating an average of 62 full-time equivalent jobs annually.

Impact

The BLCF has become a cornerstone of Burns Lake's economy, generating fluctuating but substantial revenues based on market conditions. In 2021, profits exceeded \$5.2 million, providing dividends equally to the Village and partnering First Nations. These funds have supported municipal infrastructure, economic development staff, and a range of community initiatives, such as food banks, high school scholarships, a mountain bike park, and literacy programs.

The BLCF demonstrates the potential of community-led resource management to create sustainable economic and social benefits, ensuring resilience amid industry challenges and fostering strong partnerships with Indigenous communities.

OTHER EXAMPLE ROLES OF THE MUNICIPALITY

Support Services & Incentives

- **Marketing Assistance:** Supporting businesses by promoting community assets and economic opportunities through the local economic development office.
- **Settlement Assistance:** Assisting new employers and employees with resources such as job fairs and temporary workspace, fostering smoother integration into the community.
- **Tax Incentives:** Promoting business activity through tax incentives specifically targeted at supporting industries get off the ground.

Connector

- **Local Champion & First Point of Contact:** Acting as the first point of contact for key stakeholders such as business owners, local entrepreneurs, educational institutions, residents, and potential investors to foster economic engagement and development.
- **Access to Funding:** Helping businesses access provincial or federal funding for feasibility studies, research projects, and other growth initiatives.
- **Facilitating Procurement Opportunities:** Offering local businesses access to government procurement processes, encouraging economic activity within the jurisdiction.

Removing Barriers & Streamlining Processes

- **Fast-Tracking Development & Permitting Applications:** Simplifying and expediting the permitting process to support timely project starts and reduce regulatory bottlenecks.
- **Deferring Off-Site Levies for Developers:** Encouraging development by deferring fees for infrastructure improvements, reducing upfront costs for new projects.