



City of North Bay Report to Council

Report No: CSBU 2021-06

Date: February 2, 2021

Originator: Ian Kilgour, Director of Community Development and Growth

Business Unit:

Department:

Community Services

Community Development and Growth

Subject: Invest North Bay Development Corporation

Closed Session: yes ☐ no ☒

Recommendation

That Council not renew the Operating Agreement with Invest North Bay Development Corporation and Council direct the Director of Community Development and Growth to prepare a report to Council detailing the terms of reference for a proposed Economic Advisory Committee.

Background

Invest North Bay Development Corporation (INBDC) began operating in 2016 with a five (5) year operating agreement with the City of North Bay set to expire in July of this year. When it was established, INBDC was a new innovative approach for North Bay to maximize the City's economic growth potential. INBDC was incorporated as an independent corporation and not considered as a "Local Board" and has operated as such since.

Most municipalities undertake economic development activities internally through their Economic Development Departments, some incorporate an economic development corporation pursuant to Section 203 of the Municipal Act, 2001, c.25, as amended and O.Reg. 599/06. Since 2016 the City of North Bay, has maintained both the Economic Development Department internal department and INBDC, an external organizational structure to advance economic development activities.

With the oncoming expiry of the Operating Agreement between INBDC and the City of North Bay in July 2021, the Board had considered possible new Board structures at meetings of INBDC in 2020.

The Board reviewed and considered a number of options which included the Board moving to an advisory role.

At their May, June and November meetings of 2020, the INBDC Board reviewed INBDC's structure and mandate. A scan of readily available information on other Ontario municipalities was undertaken to look at other municipal economic development structures.

It was found where development corporations are created for economic development, the separation of roles and responsibilities between Council, City Staff and the development corporation board are complicated and challenging to manage. It was also found, that the public's questioning of a development corporation's effectiveness, transparency and accountability is not unique to North Bay.

At their recent meeting, the Board of Directors of INBDC agreed that the current structure is not optimal and that a new advisory committee structure that operates under the same Conflict of Interest and Code of Conduct rules that are applied to Council is appropriate.

The Board passed the following Motion 001-2021:

That the Board of Invest North Bay Development Corporation (INBDC) advise City Council that it is not seeking a renewal to the existing five (5) year Operating Agreement set to expire July 2021, and that Council transition to an economic advisory committee to replace the current INBDC Board to enable opportunities for the local business community to provide input to the City's future economic success.

INBDC undertook a number of initiatives that have resulted in positive outcomes. Most notably was the identification of the need for an Innovation Hub in the City and the implementation of the concept by having the City lands at the end of Wyld Street across from the Transit Terminal identified as an Innovation Hub and ensuring the lands were properly designated in the City's Official Plan and zoned for its future construction.

A number of other key initiatives were undertaken with economic development partners to promote and grow North Bay including: participation in the Canadian Smart Cities Competition, North Bay Jack Garland Airport Corporation business development, technology and investment workshop, sponsorship support for World Women's Curling Championship and Pinty's completion. INBDC also initiated strategic marketing efforts of North Bay's economic strengths to the GTA. Senior government funding was leveraged where possible to partner in funding projects where feasible.

Financial/Legal Implications

The operating budget for INBDC will remain as submitted in the 2021 Operating Budget and will be updated in future budget cycles.

Corporate Strategic Plan

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|---|---|
| ☐ Natural North and Near | ☒ Economic Prosperity |
| ☒ Affordable Balanced Growth | ☐ Spirited Safe Community |
| ☒ Responsible and Responsive Government | |

Specific Objectives

Attract investment by better telling the North Bay story regionally and across Ontario.

Engage the business community in identifying and developing economic opportunities.

Options Analysis

Option 1:

That Council not renew the Operating Agreement with Invest North Bay Development Corporation and Council direct the Director of Community Development & Growth to prepare a report to Council detailing the terms of reference for a proposed Economic Advisory Committee.

Option 2:

That Council not adopt the recommendations as set out in this Report To Council and direct staff to further review potential models utilizing Invest North Bay Development Corporation.

This is not the recommended option.

Recommended Option

That Council not renew the Operating Agreement with Invest North Bay Development Corporation and Council direct the Director of Community Development and Growth to prepare a report to Council detailing the terms of reference for a proposed Economic Advisory Committee.

Respectfully submitted,

Name: Ian Kilgour, MCIP,RPP

Title: Director of Community Development & Growth

We concur with this report and recommendation.

Name: Peter Leckie

Title: City Solicitor

Name: Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer

Name: David Euler, P.Eng.,

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Ian Kilgour