

City of Medicine Hat Municipal Economic Development Strategy

Issue(s): *The City of Medicine Hat does not have a cohesive economic development strategy to guide development activities.*

EXECUTIVE SUMMARY

An economic development strategy plays a key role in directing and focusing economic development efforts within a municipal region. Currently, several initiatives and organizations are involved in contributing to economic development; however, there is no overarching strategy to provide direction for these organizations or to address the role of their activities. 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 economic development and that it is developed in partnership and consultation with the organizations currently engaged in economic development activities.

BACKGROUND

Economic development is a major objective of most municipal governments and seeks to create jobs, improve tax revenues, and promote overall growth. To achieve these goals municipalities, as well as provincial and federal governments, engage in a variety of activities. Economic development activities are typically carried out through a private organization (such as a Chamber of Commerce, or a Community Futures – Entre Corp), a public organization (such as a municipal department) or a public-private partnership organization (such as an Economic Development Organization [EDO]). In Medicine Hat, several organizations collaborate to carry out various economic development activities including the Economic Development Alliance of Southeast Alberta, Community Futures-Entre Corp, Palliser Economic Partnership, the City of Medicine Hat’s Business Development Office, The Medicine Hat and District Chamber of Commerce, Medicine Hat College, Apex Regional Innovation Network, Tourism Medicine Hat, and the Medicine Hat City Center Development Agency.

The Province of Ontario’s Rural Economic Development Data & Intelligence (REDDI) department provides information on a variety of effective development tactics. These include:

1. Downtown Revitalization
2. Business Retention and Expansion
3. Tourism
4. Investment Attraction
5. Entrepreneurship and Small Business Incubation¹

Between all of the aforementioned agencies and organizations, the activities associated with each of these tactics are currently being carried out within the region. However, to date, there is no comprehensive strategy to direct all five activity tactics.

Economic development strategies are important because they direct the efforts of economic development organizations. Strategies don’t question the general goal of economic growth or job creation as much as focus on more specific goals. Scholars note some key directions that strategies define include,

1. Job creation versus tax base expansion
2. Job quantity versus job quality
3. Local versus regional focus
4. The use of tax subsidies
5. Target sectors (e.g. manufacturing, energy, agriculture, technology, etc.)

ANALYSIS

By developing a concerted strategy for coordinating 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

¹ While this is not an exhaustive list of economic development strategies, these can be considered to be the main categories under which most economic development activities fall

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 what the city can look like.

It is essential that the development of a strategy include mention and direction for each of the major elements of economic development. As mentioned, these elements have been in existence but do not currently have a unified vision to focus their efforts towards.

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 and an economic vision statement for providing municipal economic direction. Therefore it recommends that the City of Medicine Hat:

1. Provide direct leadership and initiative to develop an economic development strategy and vision document.
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, the Economic Development Alliance of Southeast Alberta, Medicine Hat College, Apex Regional Innovation Network, Tourism Medicine Hat, and the Medicine Hat City Center Development Agency.
3. Incorporate considerations for each of the key tactics mentioned into their economic development strategy: including but not limited to Downtown Revitalization, Business Retention and Expansion, Tourism, Investment Attraction, and Entrepreneurship and Small Business Incubation.
4. Consider that an economic development strategy provide vision and direction over the medium to long term (i.e. 5 to 10 years)

REFERENCES

Province of Ontario Rural Economic Development Data and Intelligence – *Set Strategies*

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