




Greater Saint John: Competing and transforming in the 2020s

The Objective



- A new, innovative approach to regional economic development that aligns the key players in the ecosystem focused on economic growth.
- With a budget and the scale to compete with the other larger urban centres across Atlantic Canada and beyond.
- This **IS NOT** about consolidation to achieve cost efficiencies. The focus is **GROWTH**.
- This new economic development model will be funded regionally in the Greater Saint John area.

Engagement Process

- Advisory council came together at request of Saint John City Manager to build a path forward for the City of SJ.
 - During this engagement, the model evolved from a SJ centric exercise to a regional approach with all municipalities (Quispamsis, Rothesay, Grand Bay-Westfield, Hampton, and St. Martin's engaged by Fall 2019).
 - This process was driven by the Municipalities/City – the major investors in this new model and all work done was accountable back to the collective (municipalities/city)
 - Smaller Advisory council continued as David Campbell and Cathy Simpson asked to play a facilitation and consultative role.
 - Other investors including GNB, ACOA, and Hotel Association engaged at a high level throughout.
 - Existing agencies engaged through the Executive Directors & Board Chairs as the process unfolded.
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Why Regional collaboration?



The Saint John metropolitan area



Economically integrated economy



Scale matters



Competing & winning in the 2020s

A path
forward

“A singular economic development entity with greater impact and alignment that propels growth for the Greater Saint John region.”



Vision for this Approach



One Organization



One Leader



One Board



One Budget

Four broad areas for economic development collaboration



Economic development: industries, investment, entrepreneurs, etc.



People Attraction & population growth



Tourism development



Infrastructure development

A Game Changer



Will be one of the largest regional economic development agencies in Atlantic Canada



Private sector led Board of directors from various organizations, LSD, and municipalities



Funding & governance model that is fair and equitable with intent to increase funding & investment over time



Multi-year funding commitments to deliver greater stability that will drive results based on the “right” KPI’s

Funding the new economic development model: Principles



- Fair and equitable funding from all Saint John CMA municipalities (including LSDs). Securing core and stable municipal funding is critical.
- Per capita model with municipalities ramping up funding over a five-year time period.
- New entity tasked with leveraging other sources of funding with the goal of driving economic development and people attraction to the region.
- The provincial government contributes \$250,000 per year for the first two years while a negotiated funding formula with the LSDs is developed.

Proposed Five-Year Revenue Forecast, New Economic Development Organization



Core municipal funding:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Saint John	\$1,700,000	\$1,700,000	\$1,900,000	\$1,900,000	\$1,900,000
Rothesay	\$148,000	\$192,000	\$250,000	\$266,000	\$283,000
Quispamsis	\$168,000	\$219,000	\$284,000	\$370,000	\$454,000
Grand Bay-Westfield	\$36,000	\$48,000	\$64,000	\$86,000	\$118,000
Hampton	\$31,000	\$41,000	\$56,000	\$74,000	\$102,000
St. Martins	2,800	3,600	4,700	6,000	6,800
<u>Other communities (LSDs)</u>	<u>250,000</u>	<u>250,000</u>	<u>275,000</u>	<u>300,000</u>	<u>330,000</u>
Core municipal funding:	\$2,335,800	\$2,453,600	\$2,833,700	\$3,002,000	\$3,193,800
Accommodation levy:*	\$700,000	\$1,500,000	\$1,700,000	\$1,800,000	\$1,900,000
Other potential funding					
Prov/federal government**	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
Private sector**	<u>200,000</u>	<u>300,000</u>	<u>400,000</u>	<u>450,000</u>	<u>450,000</u>
Total – other	\$1,900,000	\$2,000,000	\$2,100,000	\$2,150,000	\$2,150,000
Funding forecast (proforma):	\$4,935,800	\$5,953,600	\$6,633,700	\$6,952,000	\$7,243,800

Table 2: Proposed Five-Year Revenue Forecast, New Economic Development Organization

*Estimated by the Saint John Hotel Association.

**Based on current provincial and federal funding of local economic development and people attraction initiatives.

**Recommended private sector contribution.

Summary of governance model



- The board will consist of Inside Municipal/Government Directors and Outside Private Sector Directors. The Chair will be an outside director.
- The inside directors will be appointed by the municipalities from senior staff members; primarily the city and/or town managers. No elected representatives will sit on this board.
- Municipalities (the shareholders) will have preferred shareholder status, which in effect will require a majority of municipal director's approval surrounding certain key directional decisions of the board and, by extension, the organization.
- The board will be made up of 12 – 15 directors including 7-8 outside private sector directors and 6 inside municipal directors, and 1 provincial/federal government nominated director.

Summary of governance model



- Inside Municipal Directors will be appointed to the board on 4-year terms coinciding with municipal election cycles.
 - Representation is proposed as follows:
 - 2 from the City of Saint John, including the City Manager with 2 votes each for a total of 4 votes
 - 4 Municipal representatives from Grand Bay-Westfield, Rothesay, Quispamsis, and Hampton with a total of 4 votes
- There will be four board committees: executive, governance/nominating, finance/audit, and human resources.

Summary of governance model



Preferred Shareholder Status

- Inside Municipal Directors will have to approve certain essential and material decision of the board such as:
 - Four-year strategic goals and objectives.
 - New Funding Arrangements of a material and/or directive nature.
 - Bylaws.
 - Annual business plans that vary in a material way from the approved strategic plans.

Transition Planning for model

1. August: Transition committee of 6 set up as recommended by the five municipalities to recruit new board chair and initial board of directors

2. August: Firm to facilitate recruitment of the Chief Economic Development officer hire

3. Fall: Transition activities with agencies underway/ GNB begins process for LSD engagement by 2023/ Municipal govt priorities established with KPI's approved by councils

4. January: New organization up and running

Letters of Support

- GNB - Premier Blaine Higgs
- GNB - Minister Jeff Carr
- Fed Govt - Wayne Long – MP, Saint John –
Rothesay
- Roxanne Fairweather – Innovatia
- Dr. Shelley Rinehart – UNB
- Derrick Stanford – SJ Airport
- Shilo Boucher – YMCA
- Peter Stoddard – Restaurants – Ale House and
more
- Frank McKenna
- Dr. David Elias – Elias Mgmt Group
- Leslie Magee – Real Estate, Develop SJ
- Danielle Timmons – Aquilla Tours
- Brice Belyea – Living SJ
- Rob Beliveau – Emera
- Martin Chaisson – Entrepreneur
- Saint John Hotel Association – 11
Hotels
- Doug Jenkins – iSpire
- JD Irving Ltd.

More to come