



REPORT

TO: WPSEDC Municipal Stakeholders Board

FROM: Town of Parry Sound

DATE: October 29, 2024

SUBJECT: Parry Sound Proposal for Regional Economic Development

Executive Summary:

West Parry Sound has evolved organically into one economic catchment area. People, goods and services flow throughout West Parry Sound, irrespective of municipal boundaries. There are numerous examples where residents choose to live in one community and work in another. With today's technology, globalization, and the range of tourism options the economy has moved well beyond local and regional competition. Businesses are competing at the provincial, national and international level.

Remaining competitive in an increasingly competitive world is an ongoing challenge. To meet that challenge, the Town of Parry Sound is proposing a new model for regional economic development to replace the existing West Parry Sound Economic Development Collaborative (WPSEDC). The new model will build on the existing regional brand identity and will keep costs down by leveraging the Town's existing Economic Development Officer, and support services.

Background:

The West Parry Sound Economic Development Collaborative (WPSEDC) was established in 2017 to drive collaborative economic development across West Parry Sound. Significant funding support was provided by FedNor in 3-year increments. The balance was funded from contributions from the constituent municipalities of the Township of Carling, the Municipality of McDougall, the Township of McKellar, the Town of Parry Sound, the Township of Seguin, the Township of The Archipelago, and the Municipality of Whitestone. Annual municipal funding totalled \$56,250 as follows:

- Town of Parry Sound and Seguin funded \$12,500 each annually
- The five (5) other municipalities funded \$6,250 each annually.
- The Township of Seguin and the Township of McKellar have subsequently withdrawn from the WPSEDC.

As currently constituted, the organizational structure of the WPSEDC is comprised of a Board of Stakeholder Municipalities, a Steering Committee, a Core Group of Advisors, and the Regional



Economic Development Officer (EDO). Over the six (6) years the collaborative has operated, there were 3 different individuals in the EDO role. The position has been vacant since August 2023.

FedNor has advised they will not be providing any further funding. Given the reduction in membership, the lack of FedNor funding and a key staff vacancy, the future of the Collaborative and regional economic development in West Parry Sound, was re-evaluated.

On September 4, 2024, the board received a report from Karen Jones of Karen Jones Consulting Inc. entitled " West Parry Sound Economic Development Collaborative Action Plan 2024". The report's key recommendation is that the WPSEDC remain as currently constituted, but with proposed changes to the operating structure. The proposed changes include increased municipal funding (to account for the loss of FedNor funding, the withdrawal of McKellar and Seguin), hiring an Economic Development Officer and identifying a third-party organization to oversee and guide the new EDO. A board structure would remain in place, however there would no longer be a need for the CAO Steering Committee.

Proposal:

The Town of Parry Sound proposes that the partner municipalities of West Parry Sound adopt a new model for regional economic development. The proposed model is for the Town of Parry Sound, led by it's Economic Development Officer (EDO), provide regional economic development services to the current WPSEDC member municipalities in return for an annual budgetary contribution. The amount of this contribution will have to be negotiated. This proposed model (if adopted) would permanently replace the WPSEDC.

The proposal is based on the concept that West Parry Sound is one economic region and economic development doesn't follow municipal boundaries. The proposed approach will allow area municipalities to draw on the area's collective strategic advantages, while eliminating duplication of resources and simplifying the reporting structure. An overview of the proposed structure is as follows:

- To convey the message economic development will have a regional perspective the Town of Parry Sound would seek to acquire the "Parry Sound: Bay & Beyond" brand from the WPSEDC, including ownership of the current "Parry Sound: Bay & Beyond" website. All economic development messaging and inquires will flow through the regional website. It is essential that the successful regional brand identity "Parry Sound: Bay & Beyond", should be maintained.
- To control costs and provide access to other resources the EDO will be physically located in the municipal office of the Town of Parry Sound.
- Continuity of economic development services will be greatly improved as the Town's EDO is a full-time position.
- The EDO will provide regional economic development services to member municipalities. This includes concierge-style services to existing/prospective businesses, events, trade shows, networking and the management of the "Parry Sound: Bay & Beyond" website.



- Member municipalities will have input into the direction of regional economic development through consultation on the economic development strategy.
- The EDO will provide each member municipality with an Annual Regional Economic Development Report.
- The EDO will continue to report directly to the Town of Parry Sound's administration and Council.
- Member municipalities will pay an annual contribution in support of regional economic development activity, (to be negotiated).

The rationale for this proposed structure is outlined below:

- 1) Successful economic development in West Parry Sound must have a regional focus. However, the existing model of the WPSEDC must be reformed to be more efficient, effective and financially sustainable.
- 2) The Town of Parry Sound is well positioned to lead regional economic development, with well established staff/municipal resources and clear strategic plan initiatives.
- 3) The Town of Parry Sound is considering the creation/implementation of an “Economic Development and Tourism Strategy” as a concrete guide for municipal Economic Development/Tourism policy now and in future. The scope of this strategic planning process would include input of the partner municipalities.

Conclusion:

The Town of Parry Sound strongly believes that regional economic development is essential, but that the current regional model must be reformed. As outlined above, the proposed new model is that the Town of Parry Sound, led by its Economic Development Officer (EDO), will provide regional economic development services to the current WPSEDC member municipalities in return for an annual budgetary contribution.

It is the Town of Parry Sound's suggestion that each municipality review the outline of this proposal with their respective council and provide a response for discussion the next meeting of the WPSEDC board. Thank you for your consideration.