

OVERVIEW

- The City's Economic Development Manager participates in the ACRD's Agricultural Development Committee and the Alberni Valley Regional Airport Advisory Committee.
- The City works with many organizations in the Alberni Valley who provide business retention, expansion and attraction services or support those activities. These include, but are not limited to, the Alberni Valley Chamber of Commerce, Community Futures Alberni-Clayoquot, the Nuuchahnulth Economic Development Corporation, the Port Alberni Port Authority, the economic development staff and agencies of Tseshaht First Nation, Hupacasath First Nation, Huu-ay-aht First Nation, Uchucklesaht Tribe, several employment agencies, and the Alberni Clayoquot Regional District.
- Council for the City of Port Alberni has directed its Economic Development office to focus on non-tax revenue sources and diversification of the economy in 2026.
- The initiatives being focused on are listed below along with commentary.

INITIATIVES APPROVED BY COUNCIL FOR 2026

1. Business plans for the development of City-owned properties and, possibly, a more direct role in leasing of those properties.
 - The primary focus at present is achieving Fair Market Value for all leased assets and assuming operations at the Clutesi Haven Marina.
 - The creation and operation of municipal campgrounds is also being considered.
2. Participation in the Ship Recycling Leadership Group with follow up as needed.
 - This group was established by MP Gord Johns and MLA Josie Osborne. It is being facilitated by ICET CEO Brodie Guy and has two sub-committees; one focused on determining if there is a business case and one focussed on understanding the regulatory environment.
 - The Group has four key commitments: Indigenous leadership and decision-making authority; World-class environmental standards; Federal and private sector investment; and Community support and social licence.
 - The Ministry of Jobs and Economic Growth has just funded a Business Case and established a Steering Committee from the Leadership Group to work with the consultant.
3. Participation in the Alberni Valley Forestry Coalition with follow up as needed.
 - This is being championed by Tseshaht First Nation Chief Councillor Ken Watts with support from Hupacasath Chief Councillor Brandy Lauder.
 - Approximately 40 stakeholders are meeting regularly with the goals of ensuring fibre for the area's mills and a future for forestry in the Alberni Valley.
4. Reviewing/implementing the creative arts & circular economy blueprint recommendations.
 - Grant funding from the provincial government has been received for this initiative.
 - The role of the arts community in creating a vibrant community and in assisting an economic transition is well known.

- A contract will be awarded for this work in alignment with procurement policies.
5. Reviewing/implementing bio-innovation hub business case recommendations that get made.
 - Grant funding from the provincial government has been received for this initiative.
 - The intention is to provide for the next evolution of the Dock + Food Hub and to explore the feasibility of using cellulose in combination with aquatic resources by-products. If the business case proves out, and an investor is found, a new facility would provide more space and allow aquaculture and agriculture businesses to 'move up the food chain'.
 6. Attraction of remote workers.
 - On average, one new family a day is moving in to the Alberni Valley. They are coming here because of affordable housing, ease of access to recreational opportunities, a central location and high-speed Internet.
 - Anecdotally, we know some of these are remote workers; there is room for more.
 7. Reviewing/implementing recommendations from the Economic Development Master Plan and (Re) Branding work.
 - Grant funding from the provincial government has been received for both.
 - 28 firms from across the country replied to a Request for Proposal for Branding Services. 7 were interviewed and 1 has been selected but no contract has been signed yet. On March 9th, Council will consider a recommendation to complete on the RFP process and prepare a ten-year implementation plan.
 - All municipal departments have been doing or are going to do Master Plans to support the Official Community Plan Process. The intention for the Economic Development plan is to get it done in parallel with the branding work.
 8. Participation in the bi-annual Medical Staff Association's Healthcare Summits which have the goal of attracting more physicians and other health care personnel
 - This work is key to the community's economic well-being.
 - The proposal for a Campus of Care is meant to provide a working environment and training opportunity that attracts physicians and other health care professionals.
 - City Council has approved preparation of an application to exclude some of the City-owned 17 acres that are behind Staples in the ALR, conditional on preparation of a report to Council from Community Futures Alberni-Clayoquot, CFAC's assumption of all costs beyond \$10,000 for the preparation of an application to the Agricultural Land Commission and Council's final approval. McTavish Consultants were selected to do soil testing and the preparation of the application.
 9. A business case for an arms-length economic development corporation that would ensure highest and best use of municipally owned assets.
 - Council wishes to explore the pros and cons of a different model of economic development that would complement the other economic development corporations in the community.
 - The focus on Non-Tax Revenue Sources and the subsequent hiring of a Business Development and Property Advisor are viewed as steps towards that different model.

10. Support of diversification initiatives being introduced by Tseshaht, Hupacasath and other Nuuchahnulth First Nations.

- Tseshaht and Hupacasath recently increased their emphasis on economic development and entrepreneurial activity by creating economic development corporations.
- The Huu-ay-aht Group of Businesses is headquartered in Port Alberni and the Uchucklesaht Tribe has a few business interests here.
- Individually and between them there is a significant and varied array of businesses providing jobs for their members (and others in the community) and revenue for their communities.
- The Indigenous-themed seacan market at Clutesi Haven Marina and the increased protection for and showcasing of the Whaling Canoe sculpture at Victoria Quay are examples of the City's support of Indigenous diversification initiatives. Together these have provided work for approximately 40 local small businesses.

11. Attraction of a post-secondary institute dedicated to bio-innovation or the creative arts.

- The economic benefits provided by institutes of learning are well-known.
- It is expected that the 'Creative Arts & Circular Economy blueprint' or the 'Business Case for a Bio-Innovation Hub' will identify a post-secondary institute that could have a satellite campus here in conjunction with the initiative(s).

12. Ensuring that new small businesses whose work would diversify the economy are supported.

- The need to support existing businesses is acknowledged by all the agencies identified in the Summary at the outset of this report.
- There are a small number of new businesses being launched here that are unlike others in the community. These businesses also need to be nourished.

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ADDENDUM TO REPORT

Over the last two decades, staff reports and several initiatives have advanced, identified and/or recommended economic sectors that are considered appropriate for diversification given our strategic goals and community assets (such as human resources, location, infrastructure, natural resources and business community). Investments have been made in efforts to diversify or evolve the aerospace industry, agriculture, many aspects of the blue economy, health care, forestry-related manufacturing, lifestyle, post-secondary education, retail and tourism sectors.

The initiatives have included two programs piloted by BC with the City of Port Alberni: (1) a 2009 Memorandum of Agreement on Community Economic Development that aimed to accelerate the economy's diversification by way of agreed upon milestones that each of the jurisdictions committed to achieving within a set time frame and (2) a 2018 Sector Diversification by Data Design program that utilized local, regional and provincial data to identify sectors with the most potential for the City's economy.

Some initiatives have facilitated investments in infrastructure which in turn have led to diversification:

- the sale of two lots of the former plywood plant site to Canadian Maritime Engineering (CME)
- a site for the Pacific Coast University for Workplace Health Sciences (PCU-WHS)
- the expansion of the Alberni Valley Regional Airport runway
- the Somass Lands keystone project
- the CEDI project at Clutesi Haven Marina uplands
- several trail projects:
 - Quay to Quay, Rogers Creek link, Log Train Trail link, Alberni Inlet, Runners Trail, etc.
- the Choose Port Alberni investment attraction website
- a grant to 'kick-start' the Dock +
- grants for the Alberni Athletic Hall rebuild and the Train Station upgrade

Yet other initiatives have identified areas for consideration: i.e. a grant that researched industrial land possibilities; a feasibility study for a virtual Canadian Seaweed Centre of Excellence; a grant allowing an exploration into alternative methods of gathering residual wood to create additional biomass opportunities; a feasibility study for ship building and repair.

Some initiatives (an outdoor adventure coalition, a biochar facility, a district energy project, a look at alternative inputs into the paper making process, efforts to create an Arts District in the uptown) got off to a great start but ultimately did not provide the results hoped for.

Some factors continue to impede economic resilience and diversification. These include:

- regulatory challenges and the perception held by some that our processes make it harder for them to succeed; these have been, in part, Development Services and Economic Development Office capacity issues (which are being resolved)
- the relative scarcity of entrepreneurs in our community; this is changing but is, in part, a carry-over from the days of large corporate employers
- image (perception of community); this is also changing but is, in part, also a carry-over from the days of large corporate employers and in part the visible need for investment in commercial, residential and industrial properties

- social issues: homelessness, addiction, vandalism, theft and other aspects of poverty that are obvious to visitors (including potential investors) and residents thus impacting our image and small business decisions
- the slow pace of physician recruitment
- a relative lack of regional collaboration in the economic development arena
- tariffs imposed by the US and the Softwood Lumber Agreement

Many initiatives have been, and are, for the most part 'paying off'. CME has grown, PCU-WHS has increased their offerings throughout the world, the Coulson Group has grown exponentially, the Somass Lands are nearer their redevelopment potential, the Clutesi project has built a stronger relationship with Tseshaht and Hupacasath, the trails are being used by visitors as well as current and prospective residents, the investment attraction website is getting traction, the entrepreneurs in the Dock + have innovated in food processing technologies, the Alberni Athletic Hall is home to many events attracting visitors and serves as the dorms for the West Coast Junior Hockey Prep Camp attendees, the Train Station has been transformed into a restaurant and the attraction of IGV Housing has created jobs and brought a new manufacturing business into the community.

Some of these initiatives have increased municipal tax revenues, some have been better at stimulating the economy and adding jobs as the following matrix of a few selected initiatives spanning the past 20 years shows.

Economic Development Report to ACRD Electoral Area Directors March 2026

| Sector | Impetus | Diversification Initiative | Outcome | New Jobs | City Revenue | Impact |
|--------------------------|--|--|--|----------|--------------|--------|
| Agriculture | ➤ RD Agricultural Study | • Successful Grant Application | • Islands Agriculture Show | N | N | L>M |
| Aerospace | ➤ Coulson Group Ask | • Business case for investment | • Runway extension | Y | N | H |
| Aquaculture | ➤ BC Food Hubs | • Successful Grant Application | • Dock + | Y | Y | H |
| Energy | ➤ BC Program | • Successful Grant Applications | • Failed District Energy Project | N | N | L |
| | ➤ Have Assets at Paper Mill | • Join Canadian Hydrogen Assoc. | • Increased awareness | N | N | N |
| Forestry | ➤ Former primary driver of economy | • Business Attraction | • Bio-char plant | ST | N | L |
| | | • Successful Grant Application | • Residual biomass capture | N | N | L |
| | | • Grant Application | • Alternatives to mill inputs | N | N | L |
| | | • Industrial Revitalization Tax-Exemption Bylaw | • No New Investment | N | N | L |
| Retail | ➤ Merchant Concerns | • Successful Grant Application • Approval of patios | • Uptown Revitalization • More vibrancy | ST | N | M |
| Ship Building & Repair | ➤ CME interest | • Sale of City land to CME | • New Fabrication Building & Travel Lift | Y | Y | H |
| | | • Industrial Revitalization Tax-Exemption Bylaw | • No New Investment | N | N | L |
| | ➤ Federal Non-Combat Vessel Building Program | • Successful Grant Application | • Document | N | N | L |
| | | • Outreach to successful bidders • Support CRS grant applications | • ST Relationship • Site exploration | P | P | L>M |
| Tourism | ➤ Visitors become residents | • MRDT Campaign | • MRDT | N | N | M>H |
| | | • Successful Grant Applications | • Trails | ST | N | M>H |
| | | • Successful Grant Applications | • Indigenous Market | NY | Y | M |
| | | • Successful Grant Application | • Alberni Athletic Hall | ST/PT | N | M |
| Post-Secondary Education | • Institutes attract students | • Attract PCU-WHS | • Institute for Remote Students | Y | N | L>M |
| | | • Successful Community Workforce Grant Applications | • Cruise Ship, Market Garden, Food Processing, Deconstruction, Home Renovation credentials | Y | N | L>M |

N = No; Y = Yes; L = Low; M = Moderate; H = High; ST = Short Term; PT = Part Time; P = Possibly.