

UBERE YEAR ONE REPORT



Results and Future Planning



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RESULTS AND FUTURE PLANNING

Prepared by:

UCLUELET CHAMBER OF COMMERCE

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BC RURAL DIVIDEND PROGRAM

DISTRICT OF UCLUELET

ISLAND COASTAL ECONOMIC TRUST

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EXECUTIVE SUMMARY

The Ucluelet Business and Employment Retention and Expansion (UBERE) program was created by the Ucluelet Chamber of Commerce as part of a strategic re-orientation of the services offered by the Chamber and the role it plays in the local economy. It was funded in Year One (2018) through grants from the BC Rural Dividend Program, the District of Ucluelet, and the Island Coastal Economic Trust, and by the Chamber.

The first year included an intensive program of 83 interviews, covering 90 local employers, to identify key issues and opportunities. The top five challenges that were identified are:

1. Employee attraction and retention
2. Commercial and industrial real estate
3. Seasonality of revenue
4. Housing
5. Strategic business and succession planning

Activities

Various tools and services were developed in response to what was learned in the interviews. A total of 19 workshops on various topics were hosted, most of which had good attendance (10+ people) and excellent satisfaction ratings. Several business networking events were also hosted.

UBERE staff provided ad hoc support to local employers on more than 30 occasions.

Youth programming is a key focus for the program, including a weekly after-school Youth Entrepreneurship Program, as well as

a Youth Employer Database and Youth Business of the Year Award.

A “Made in Ucluelet” campaign was developed, including graphic design and qualification criteria, that will identify locally-produced goods and the local businesses who sell them (including online).

Year Two Plan

The proposed plan for Year Two of UBERE is flexible and scalable, depending on the amount of funding support that is received. The baseline budget amount assumes a \$30,000 grant from the District of Ucluelet, while the “Full” scenario assumes a total budget of \$100,000+.

The ambitious Year One workplan for the UBERE program was successfully achieved. The Chamber leveraged tremendous value for the District’s \$30,000 investment.

This has been recognized and highlighted at a provincial level through an UBERE profile on the BC Ideas website (which is an online tool to share best practices in local economic development) and by securing a community nomination for a Small Business BC “Open for Business” award.

1 INTRODUCTION

1.1 Overview

The Ucluelet Business and Employment Retention and Expansion (UBERE) program is operated by the Ucluelet Chamber of Commerce. It is designed to support the health of local businesses, to encourage an environment for new economic development opportunities, and to help sustain quality employment options as part of Ucluelet’s exceptional quality of life.

Year One of the program, in 2018, included an intensive program of employer interviews to identify key issues and opportunities. Various tools and services were developed in response to what was learned and over the course of the year, the Chamber was increasingly viewed as a reliable source of ad hoc support and guidance for local employers. Year One also included a special focus on youth entrepreneurship and career development and featured regular collaboration and liaison with District of Ucluelet staff and Council.

The program was funded through grants from the BC Rural Dividend Program, the District of Ucluelet, and the Island Coastal Economic Trust, and by the Ucluelet Chamber of Commerce.

1.2 Program Components

According to the Chamber’s funding agreement with the provincial Rural Dividend grant, the UBERE program was required to have five components in Year One:

1. **Ucluelet Business & Employment – Retention & Expansion (UBERE) Program.** This was the core of the program and includes in-depth interviews with local employers and reporting of results to the District of Ucluelet.
2. **Business Care & Education Seminars/Workshops.** The program featured a total of 19 workshops tailored to employer needs, as identified through the interviews, as well as the creation of other information resources and tools and the provision of individualized ad hoc employer support.
3. **Youth Engagement.** A weekly youth entrepreneurship program for high school students started in the fall of 2018, a database of youth employers was created and distributed, and a new Youth Business of the Year Award, for business owners under 40, was established.
4. **Tourism Asset Retention Initiative.** An inventory of local organizations that are “tourism assets” was developed and their research results were analyzed separately, leading to a package of Year Two initiatives with a tourism asset focus. A “tourism asset” is an entity that draws visitors to the community (such as the Ucluelet Aquarium).
5. **UBERE Program Continuity Plan.** The final required component is the creation of a plan for the UBERE

program to continue past Year One, which is contained in Section 6 of this report.

1.3 UBERE History

The Ucluelet Chamber of Commerce was originally focused on providing visitor and destination marketing services. In 2015, Tourism Ucluelet (TU) moved from a Chamber sub-committee to an incorporated not-for-profit society. The contract for managing visitor services was transferred to TU, requiring the Chamber to seek alternative funding sources and to reinvent its focus and value proposition. It had to ask: “What do local employers need and how can we help?” The answer was a pivot toward economic development services.

As a smaller municipality, the District of Ucluelet had not recently employed a full-time economic developer, but the Chamber saw the opportunity to help fill that gap by implementing Strategy 2 of the District’s recently-updated Economic Development Strategy. This strategy is to “Operate or support a Business Retention and Expansion (BRE) program”. The Chamber decided to launch UBERE, a BRE program aimed at understanding business needs, supporting local employers, and informing municipal strategic planning.

The District partnered with the Chamber in April of 2017 to obtain the funding needed to operate UBERE. Ursula Banke, of the Alberni Valley Employment Centre, drafted a successful grant application and UBERE staff were hired in November of 2017.

1.4 What is BRE?

Business Retention and Expansion (BRE) programs are focused on strengthening local employers and encouraging them to thrive and grow. Most new employment and investment in rural communities comes from businesses that are already operating locally and invested in the local community.

The traditional approach to BRE involves regular and detailed consultation with employers to gather information about their challenges and opportunities, creating tools and programs that respond to the identified issues, fostering long lasting relationships, and keeping local government and the public informed about priority topics and trends.

UBERE had a broader scope than most BRE programs for the following reasons:

1. It engaged non-profit and public employers rather than focusing only on private businesses.
2. It included a special focus on issues affecting tourism assets.
3. It included an explicit youth engagement component.

2 PROJECT DESCRIPTION

2.1 Staffing

The UBERE program was created and grant funding was secured by a dedicated team of Chamber of Commerce Board members, including Ursula Banke, Dian McCreary, Suzanne Ryles, Marilyn McEwan and Laurie Gehrke. As Chamber President, Dian provided overall project oversight and liaison with funding agencies.

The funding was designed to support two staff positions – a “manager/trainer” and a “facilitator/trainee.” The manager position required experience with business retention or similar programs. A suitable person was not identified locally so the position was filled as a part-time contract by Jamie Vann Struth, an experienced economic development consultant based in Vancouver who had prepared Ucluelet’s Economic Development Strategy and was familiar with the community.

He managed the program remotely, with frequent trips to Ucluelet, particularly at the outset of the project to hire and train the local facilitator and oversee the launch of the employer interview program.

Joey Rotenberg was hired as the program facilitator, working out of the Chamber office. Joey and Jamie worked closely together in the early part of the program and conducted the first round of interviews together. Joey then took the lead on day-to-day program implementation. UBERE staff also worked closely with the Chamber’s Executive Director, Lara Kemps, on many events and initiatives over the year.

2.2 Employer Database

UBERE staff began by developing a database of local employers, based on the Chamber’s membership and newsletter lists and the District’s business license registry.

Research about each organization was then conducted to confirm location, contact information, and industry sector (using NAICS – the North American Industry Classification System). This allowed UBERE staff to use 2016 Census employment data as a reference to ensure the interviewed employers were a representative subset of the local economy.

2.3 Survey Questions and Software

Next, UBERE staff developed a comprehensive business survey by customizing publicly-available BRE questionnaires used in other communities to include Ucluelet-specific issues like the Kennedy Hill Safety Improvements.

A variety of software solutions were explored through online research and by interviewing several BC economic development organizations with experience managing BRE programs. The final choice was an online survey tool called SurveyAnyplace that had the key functionality of being able to run offline while conducting an interview.

Many interviews were held at the employer’s place of business and wireless internet access could not always be assumed. Interview responses were typed into the survey software on the UBERE laptop and uploaded to the server once an internet connection was available.

The UBERE survey included 114 questions (which did not apply to all respondents) that addressed a broad range of issues, including:

- Revenues and Growth
- Human Resources
- Exporting
- Business Planning
- Industry Trends
- Facility and Equipment
- Public Services
- Business Climate
- Management Capacity
- Management and Employee Training Topics

The survey also included an “early warning system” where the interviewer made a judgment of whether the employer was at risk of relocating, downsizing, or closing.

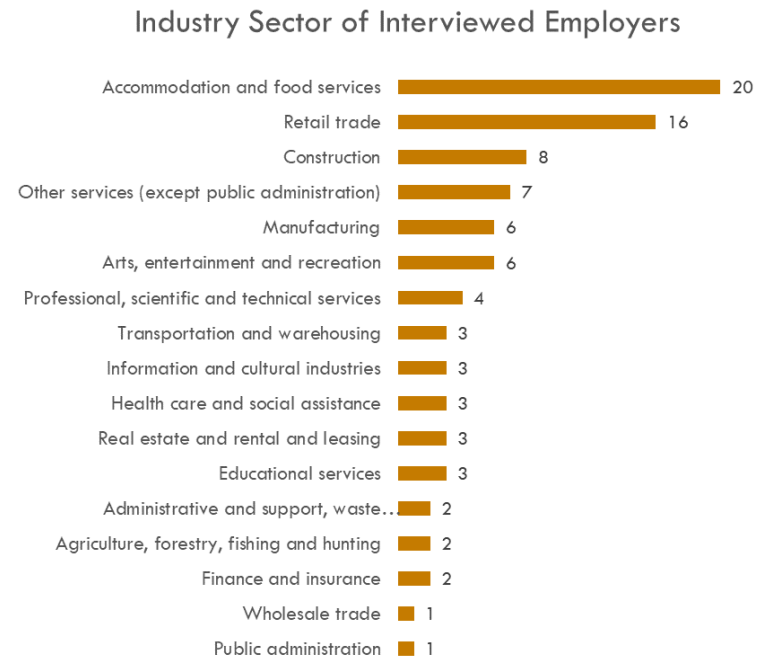
UBERE interviews were conducted in a conversational style and typically lasted for an hour, but sometimes longer depending on the verbosity of the respondent. Irrelevant questions were skipped, and employers were free to pass on questions they were uncomfortable answering. As a result, the number of questions included in each interview varied somewhat. The notation “N” is used throughout the report to indicate the number of responses for each question.

UBERE staff began coding data and identifying trends early in the interview process, which allowed responses to be developed throughout the program.

2.4 Interviews

A total of 83 in-depth interviews with local employer representatives were conducted. Since seven respondents

represented two distinct entities a total of 90 local employers from the public, private, and not-for-profit sectors were engaged. The chart below shows the interview count from each industry sector.

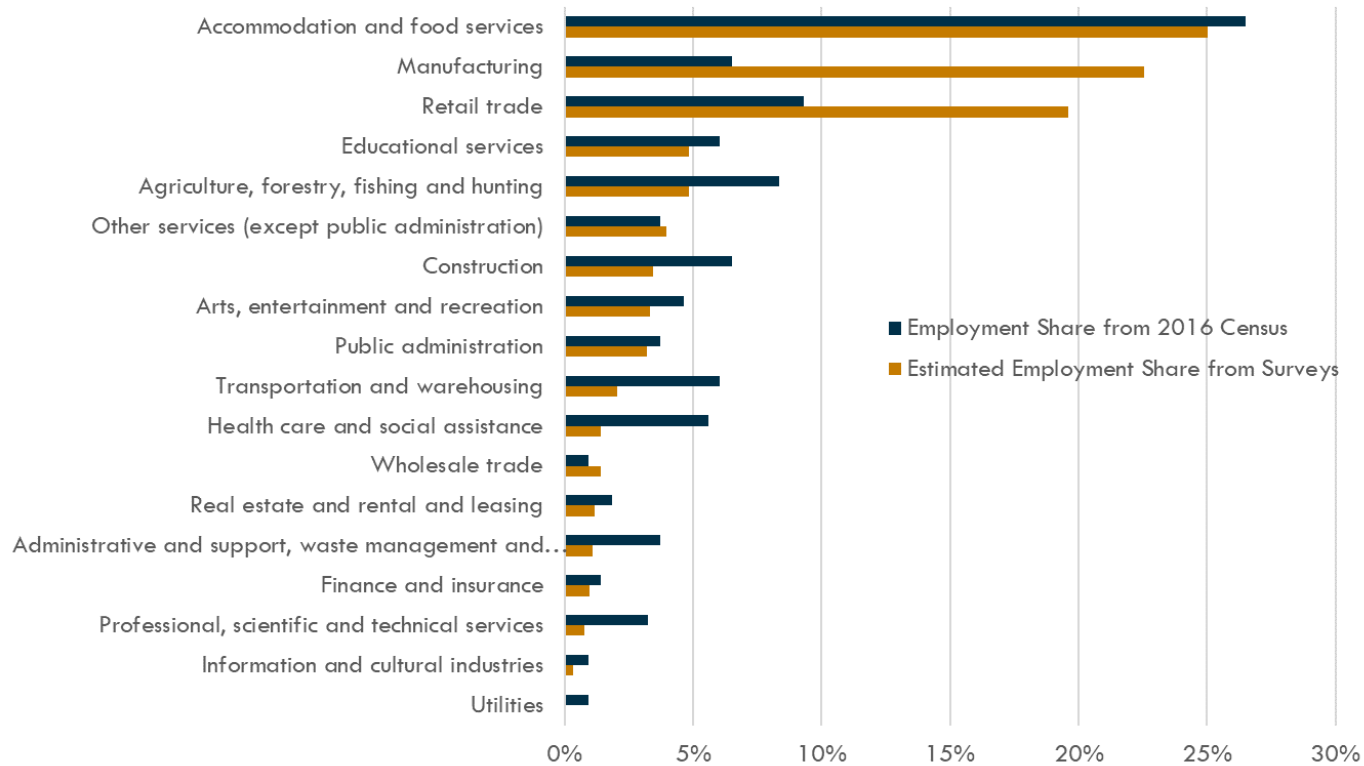


Some interview participants represent only themselves or a small number of people, while others have dozens of employees.

The next chart compares the estimated distribution of employment among the interviewed employers with the employment sector of Ucluelet residents from the 2016 Census.

These results show that the mix of survey respondents is a good representation of the local economy.

2016 Employment by Sector (Census) vs. Estimated Employment from Survey Participants



2.5 Advisory Committee

An UBERE Advisory Committee was created to provide advice and guidance to the program. It included the following individuals:

- Lori Camire, Community Futures Alberni-Clayoquot
- Jen Dart, Tofino Chamber of Commerce
- Laurie Gehrke, Ucluelet Co-op and Ucluelet Chamber of Commerce
- Laura Griffith-Cochrane, Ucluelet Aquarium
- Diane Harskamp, Sea View Seniors Housing Society
- Evan Hauser, Nuuchahnulth Employment and Training Program (NETP)
- Rebecca Hurwitz, Clayoquot Biosphere Trust
- Dian McCreary, Reefpoint B&B and Ucluelet Chamber of Commerce
- Cheryl McLay, Ministry of Forests, Lands, Natural Resource Operations and Rural Development
- Mayco Noel, District of Ucluelet Council
- Mary Ruff, Alberni Valley Employment Centre

The committee met three times over the course of the project. At each meeting, UBERE staff provided an update on project activities and committee members offered suggestions.

Guidance from the Advisory Committee led to several UBERE responses including utilizing Junior Achievement curriculum for UBERE's youth entrepreneurship program. The contributions of Committee members are gratefully acknowledged!

2.6 Communications

UBERE staff used different communication channels for different purposes. Oral presentations and written reports to Council were used to report progress and findings to local politicians and District staff. Chamber Chats published in the Westerly news were used to inform the public about the UBERE program. Chamber communications channels like social media, the Buzz (the Chamber's newsletter), and Ucluelet.ca were used for the following purposes:

- Increase the profile of local businesses through business spotlights (see example on the next page)
- Advertise local networking and workshop opportunities
- Advertise online and non-local workshops
- Disseminate information about funding opportunities
- Publicize the Business Support Catalogue developed by UBERE staff
- Publish follow-up articles about UBERE events

The West Coast Nest was also used to advertise local workshops, of which there were 19 (the workshops are discussed in detailed in section 5).

Pacific Rim Distilling - Locally Distilled Fine Spirits

Luke Erridge founded Pacific Rim Distilling in 2017 with one goal mind – distill high quality small batch spirits using his secret family recipe.

Humpback Vodka, Pacific Rim Distilling's first commercially available spirit, was introduced in early 2018 and it's terrific. But don't take my word for it, try it at one of the many local establishments that feature Humpback Vodka (like Hanks), or stop by the Pacific Rim Distilling headquarters for a sample!

Pacific Rim Distilling has been a long time in the making. Luke comes from a long line of distillers. He learned his craft from his grandfather Ken, and Pacific Rim Distilling uses recipes that have been passed down from generation to generation for 150 years.

Only the highest quality BC grown ingredients are used to produce Pacific Rim Distilling spirits, and Pacific Rim strives to make their products as environmentally friendly as possible. We, at the Chamber of Commerce, like that about Pacific Rim Distilling. Stay tuned, because Pacific Rim Distilling will be rolling out another batch of Humpback Vodka as well as their Whisky and Gin in the not too distant future.

For more information about Pacific Rim Distilling:

Drop in for a visit: Open Friday & Saturday, 11:00 a.m. - 7:00 p.m. at 2-317 Forbes Rd. beside Ucluelet Rent it Centre.

Follow them on Facebook or Instagram: <https://www.facebook.com/pacificrimdistilling> / @pacificrimdistilling



of 40. Starting in 2019, it will be presented annually at the Chamber's AGM in conjunction with the Business of the Year Award.

The **Youth Entrepreneurship Program** was an afterschool program for students between the ages of 14 and 17. It utilized curriculum developed by Junior Achievement known as the Company Program. The Company Program is a hands-on business program where local business leaders help youth design, organize, and operate a real company. Program participants pick an idea, market their product, sell it, and track their finances.

Nine youth from Tofino and Ucluelet participated in the Company Program. They formed a company called Wild Coasters with their own funds. Wild Coasters manufactured locally sourced wood coasters. The Company launched in early December and was in the black by the end of that month despite having to pivot after discovering a competitor was using their preferred name.

The youth participants built and enforced their corporate norms, pitched their ideas to the group, and interviewed for different executive level positions at Wild Coasters. They also developed a marketing plan, website (www.wildcoasters.ca), social responsibility plan, production plan, sales goals, and a video report. Participants sold their product at local markets and negotiated wholesale agreements with local retailers.

2.7 Youth Programming

UBERE's youth engagement program had three parts:

- Youth Employer Database
- Youth Business of the Year Award
- Youth Entrepreneurship Program

The **Youth Employer Database** lists local employers that hire high school aged youth. It is intended to be a starting point for local youth seeking employment. The Database received positive feedback from local employers and a representative from Ucluelet Secondary School.

The **Youth Business of the Year Award** recognizes innovative local businesses owned and operated by anyone under the age



Wild Coasters Sales Reps at the Ukee Christmas Market

Wild Coasters proved to be a profitable venture. As a result, when the company liquidated in February of 2019 the youth shareholders were issued healthy dividends and a portion of its profits were donated to a local charity. More importantly, Wild Coasters was truly a youth owned and operated company



Wild Coasters' Christmas advertising

in which participants learned from their peers and the adult mentors.

The UBERE program congratulates the Wild Coasters shareholders: Kaya, Rueben, Tim, Tristan, Will, Ella, Riley, Owen, and Lachlan for their hard work, commitment, and success!

A huge thank you to the adult mentors – Trevor Jurgens, Rich Lindsay, and Ming Kao – for their support, knowledge, and time. Special thanks to the Masso family for their help – the participants would not have met their production goals without you!

Participant and parent feedback about the UBERE's Company Program was positive. The participants had fun, and one parent wrote "Thank you for bringing this [program] to our community and our children."

Programs like the Company Program are particularly important in rural communities like Ucluelet for four reasons. First, they deliver curriculum that is not typically available at rural high schools like Ucluelet Secondary School. Second, they focus on financial literacy. Third, they give youth the opportunity to interact and learn from local entrepreneurs. Fourth, participants experience the challenges and rewards of operating a company in their hometown, which may encourage rural youth retention by motivating participants to open a local business after completing their studies. Given the importance of a program like this, the Chamber should strive to continue to offer the Company Program in future years.

2.8 Ad Hoc Support

UBERE staff provided ad hoc support to local employers on over 30 occasions throughout the program. The ad hoc supports included but were not limited to the following:

- Working with employers to define and isolate their issue
- Researching local bylaws and other discrete local issues
- Researching Provincial and Federal regulatory requirements
- Referring employers to legal information sources
- Referring employers to the Business Support Catalogue developed by UBERE staff
- Resolving conflicts between local entities
- Informing employers about business registration, tax, local bylaws, and zoning requirements
- Advising employers about government funding sources, lenders, and angel investment groups
- Publishing business spotlights and business support pieces
- Referring employers to business, tax, legal, and accounting experts
- Referring start-ups to potential mentors operating in their sector
- Referring employers to relevant training opportunities
- Referring employers to staff housing opportunities
- Referring employers to commercial lease opportunities
- Referring employers to business planning related statistics

UBERE staff received positive feedback about the support they provided. One business owner described the UBERE facilitator as the “perfect bridge” for dealing with municipal bodies and their regulations. He went on to state that “When I need

something that has to go through municipal government, I AM MUCH MORE comfortable after I have discussed it with Joey.”

3 RESEARCH RESULTS

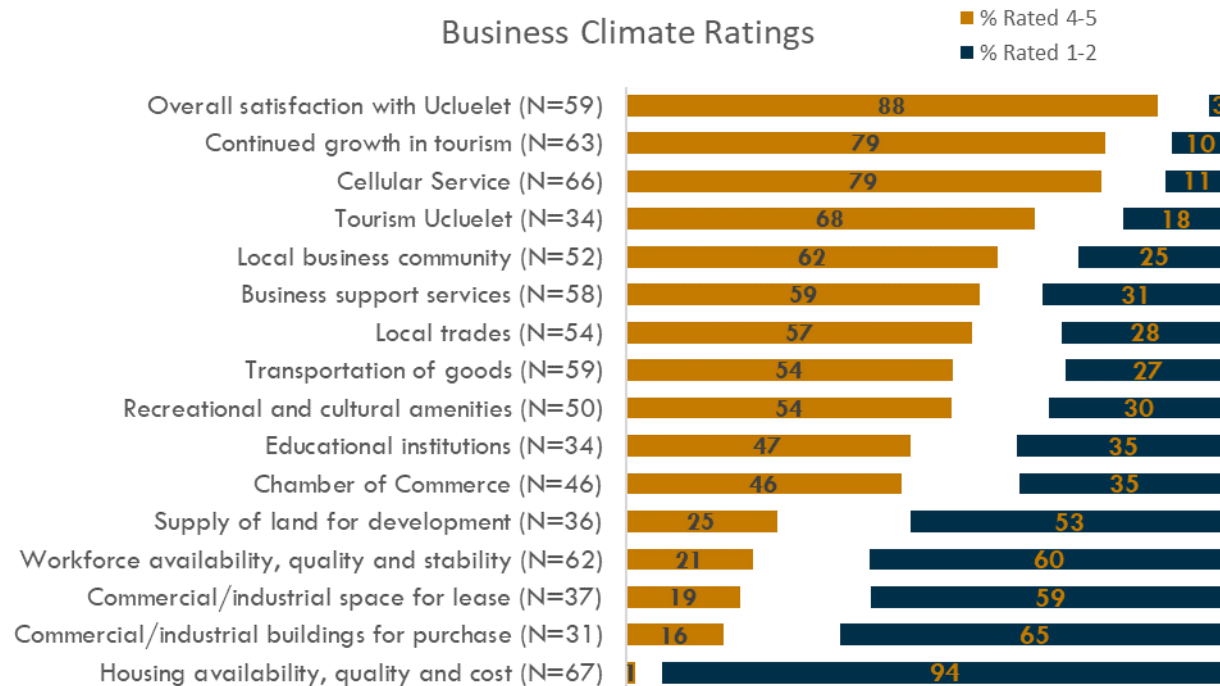
3.1 Business Climate Ratings

The UBERE interviews covered many detailed business topics, but there were two over-arching questions that provide excellent context for the more detailed discussion of issues in the rest of this section.

The first is the rating of various business climate factors on a scale of 1 to 5, where 5 is “Very Satisfied,” 3 is neutral, and 1

is “Very Unsatisfied.” The chart below compares the percentage of respondents with a favourable rating (4 or 5) compared to the percentage with an unfavourable rating (1 or 2).

The discussion that follows will often refer to the average rating for each topic, which is not shown in the chart but ranges from 4.33 (for Overall satisfaction with Ucluelet) to 1.31 (for Housing).



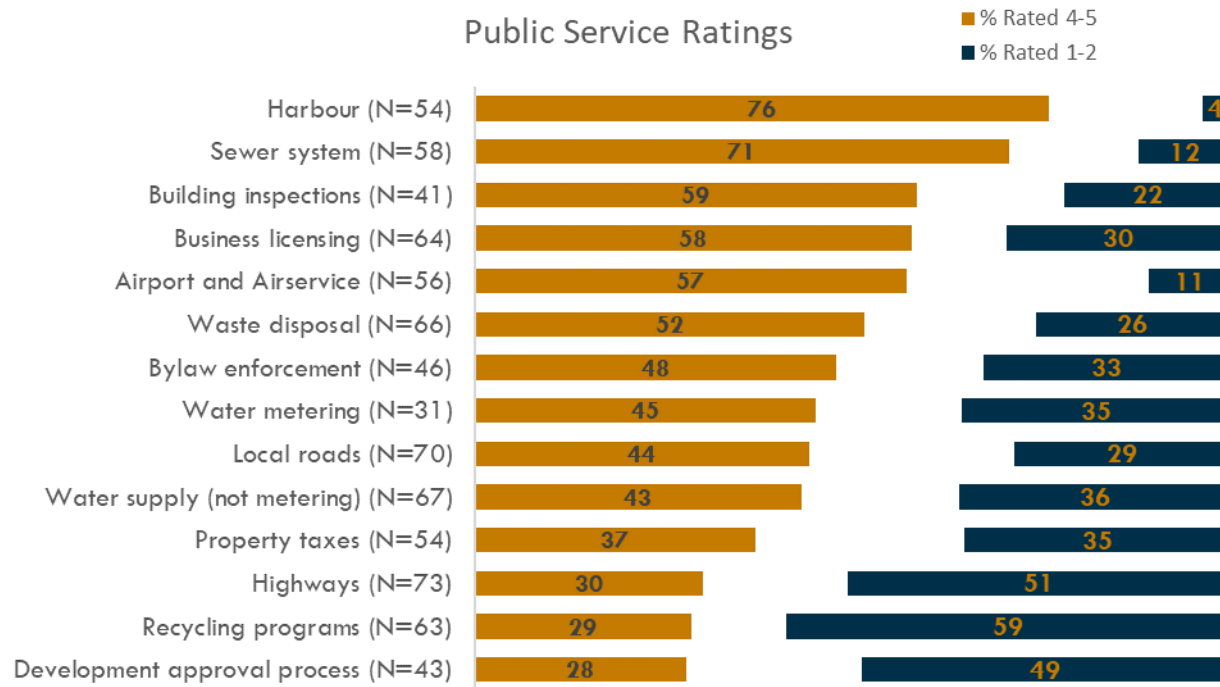
3.2 Public Services Ratings

The 2nd high-level summary of results that helps to inform the subsequent discussion is the rating of various public services.

They are rated on a similar 1 to 5 scale (5 is Very Satisfied, 3 is neutral, 1 is Very Unsatisfied).

Note that the comments relating to recycling programs are largely concerned commercial recycling services, meaning this is not an accurate rating of a purely public service.

Similar to the business climate ratings, the discussion of public services in the rest of Section 3 will refer to the average rating on the 5-point scale, which ranges from 3.93 for the harbour to 2.63 for the development approval process.

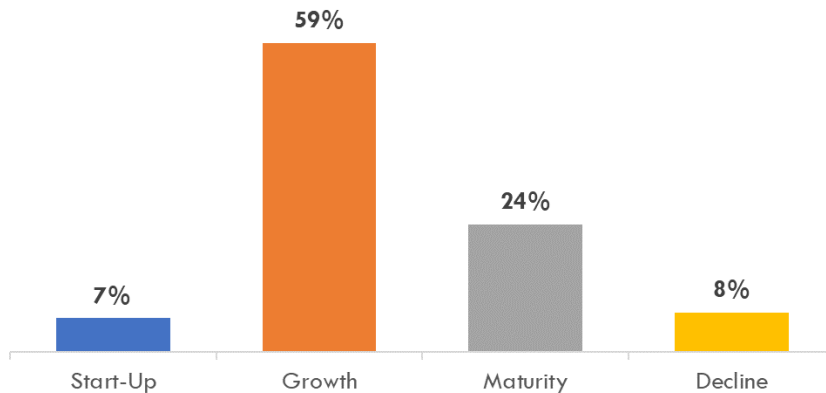


3.3 Strength of the Economy

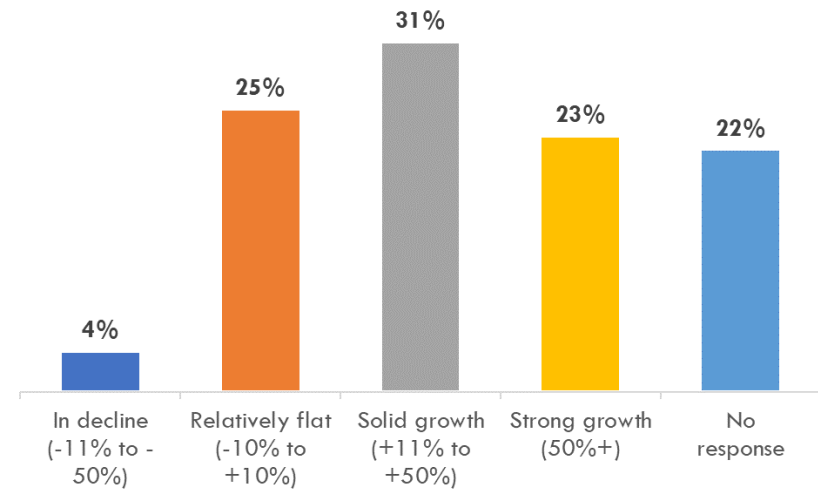
A variety of interview results suggest that Ucluelet’s economy is currently performing well:

- Most respondents reported solid or strong revenue growth over the last three years (only 4 percent reported a revenue decline of more than 10 percent)
- Most respondents indicated that their business was in a growth stage of the revenue cycle (only 8 percent reported being in decline)
- Only three percent of the respondents were identified as at risk of relocating, downsizing, or closing

Where in the revenue cycle is your business?



Revenue change between 2014 and 2017



Although most respondents reported solid or strong growth, only one-third of business owners pay themselves a regular salary. This attests to the unpredictable cash flow for many small businesses, particularly in the off-season.

It must also be noted that the employers included in the UBERE interviews were not a random sample. An attempt was made to balance the employers by industry, but the interviews were conducted with many of the largest employers, with employers who asked to be involved in the program, and with employers who had a personal or business connection to UBERE or Chamber staff and Board (which facilitated arranging the interviews). It is possible the general performance of Ucluelet employers is not as positive as what is shown here.

Barriers to Growth

Barriers to growth that were identified by at least 5 employers are listed in the chart below. They fall into the following general categories, many of which are inter-related:

1. Employee attraction and retention
2. Housing
3. Seasonality of revenues
4. Commercial and industrial real estate
5. Financing
6. Facility-related
7. Federal or provincial regulatory issues
8. Lifestyle

Each of these issues is interwoven into the discussion in the rest of Section 3.

Barriers to Growth(N = 86)

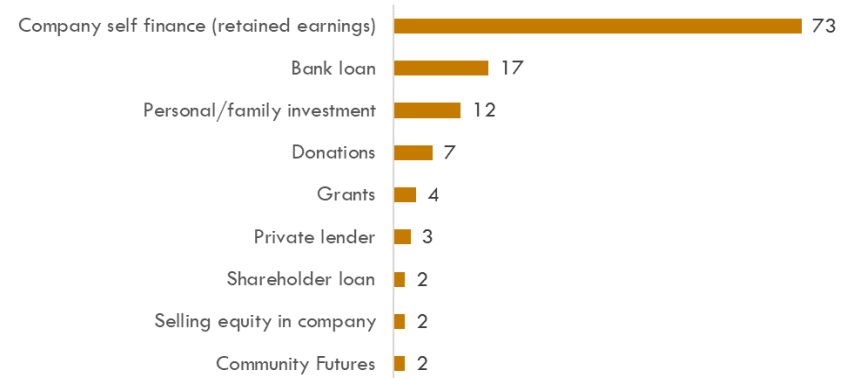


Despite the various barriers to growth enumerated on the previous page, most respondents were very satisfied with doing business in Ucluelet. The overall satisfaction with Ucluelet as a business location was higher than any single business climate factor, with an average rating of 4.33 out of 5. This bodes well for Ucluelet’s goal to retain local businesses.

Financing Future Growth

Most respondents reported that they were highly interested in growing their business and the vast majority will use retained earnings to finance growth. A noteworthy number of respondents will rely on institutional lenders or personal/family investments to grow and very few respondents plan to rely on grants, private lenders, shareholder loans, equity sales, or loans from Community Futures.

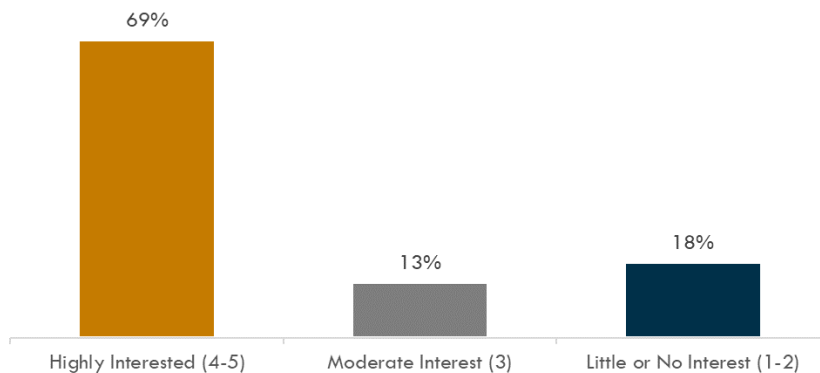
How do you plan to finance the growth of your business or future operations? (N=90)



There are three main factors explaining why some respondents are not interested in growth:

- 1. Retirement:** Five respondents plan to wind down operations, retire, or are thinking exit strategy. These comments align with the fact that 18 respondents were 60 years of age or older.
- 2. Work-life Balance:** Ten respondents were concerned with work-life balance. This is not surprising since resort municipalities like Ucluelet attract many amenity migrants who emphasize the value of free time.
- 3. Human Resources:** Seven respondents were discouraged by human resource issues. This aligns with this study’s finding that employee attraction and retention are significant challenges for many local employers.

How interested are you in growing your business? (N=85)



How do you plan to achieve this growth? (N=65)



Respondents identified a variety of strategies for driving growth, as noted above.

A total of 21 respondents have facility-related plans, including expanding, moving, renovating, or opening additional facilities. Other businesses are considering forward-looking strategies like diversifying their products and services and investing in either new equipment and software or hiring more employees or contractors.

Future Outlook

When asked about emerging trends in their industry, 48 percent of respondents (N=79) believe emerging trends will positively impact their business and 39 percent expect negative impacts.

Some of the topics that respondents think will affect their business in future years include:

- Changing customer preferences – 32 percent
- Changes in regulation or policies – 18 percent (this includes a wide range of policies, from access to fishing stocks to more restrictive environmental regulations to Airbnb crackdowns)
- Changes in technology, supplies or techniques – 13 percent
- Increase in online shopping taking business away from brick and mortar operations – 13 percent

3.4 Economic Development Challenges

Through careful consideration, the information collected through the UBERE interviews can be distilled into five priority challenges:

1. Employee Attraction and Retention
2. Commercial and Industrial Real Estate
3. Housing
4. Seasonality of Revenues
5. Strategic Business and Succession planning

Many of these challenges are interrelated and are discussed in sections 3.5 to 3.9.



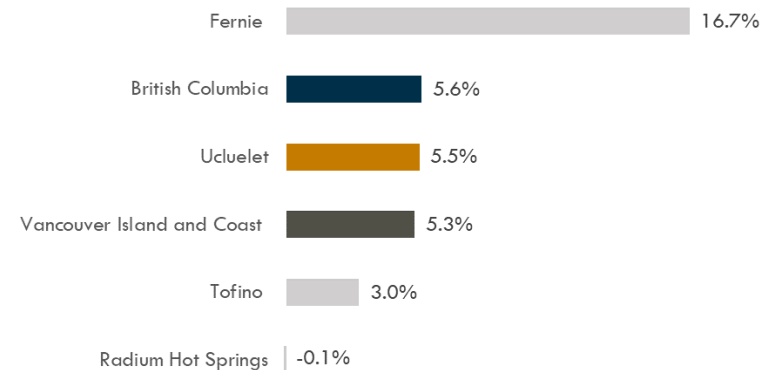
3.5 Challenge #1 - Employee Attraction and Retention

Background

Ucluelet’s population grew by 5.5 percent between 2011 and 2016, which is almost on par with the provincial rate. It exceeds the Vancouver Island and Coast regional growth rate as well as the growth rates of similarly sized resort municipalities like Tofino and Radium Hot Springs.

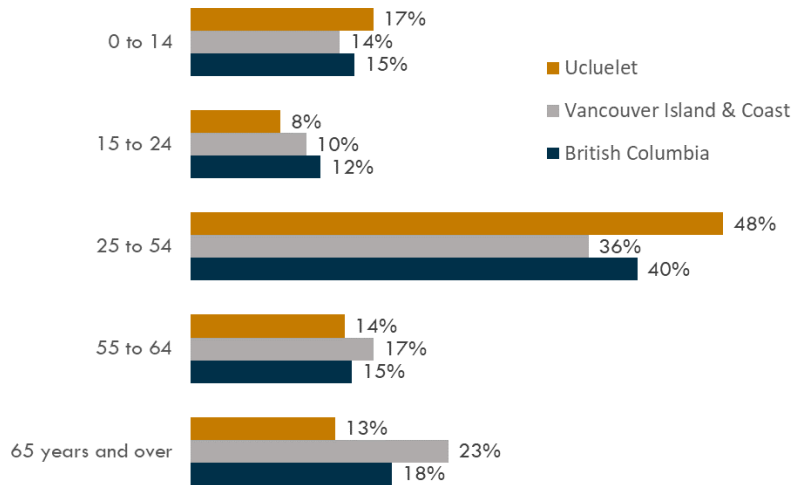
Ucluelet's growth rate demonstrates that it has the ability to attract residents.

Population Growth, 2011 to 2016 (Census)



Ucluelet’s population is younger than regional and province wide averages. On average it also has significantly more residents in prime working-ages of 25 to 54 and far fewer senior citizens.

Population by Age Groups, 2016 (Census)



Ucluelet’s unemployment rate as of the 2016 Census was 5.9 percent which is lower than both the provincial and regional unemployment rates. It also has an extremely high participation rate of 78 percent, much higher than the BC rate of 64 percent and regional rate of 60 percent, which can be attributed to Ucluelet’s younger age profile.

Of the 90 interviewed employers, 61 reported that they had arm’s length employees that received T4 income. The remaining 29 were either owner-operated or only employed family members.

Forty-three percent of those that responded (N = 89) engaged contractors to work on site regularly. Entities that only employ

contractors are not included in the 61 employers mentioned above.

Relevance

UBERE identified employee attraction and retention for the following reasons:

- 48 percent of those that responded (N=60) reported that positions were unfilled for extended periods of time in the last three years
- 33 percent of those that responded (N=86) specifically identified attracting qualified employees as a barrier to their growth
- 52 percent of the those that responded (N=61) reported that employee retention is a problem
- 19 percent of those that responded (N=86) specifically identified employee retention as a barrier to their growth
- Workforce availability, quality, and cost received the third lowest average business climate rating of 2.45 out of 5 (N=49)
- 17 percent of those who responded (N=41) stated that human resource issues are discouraging them from growing their business
- Employee attraction or retention was the most important issue for 13 percent of the respondents (N=88)

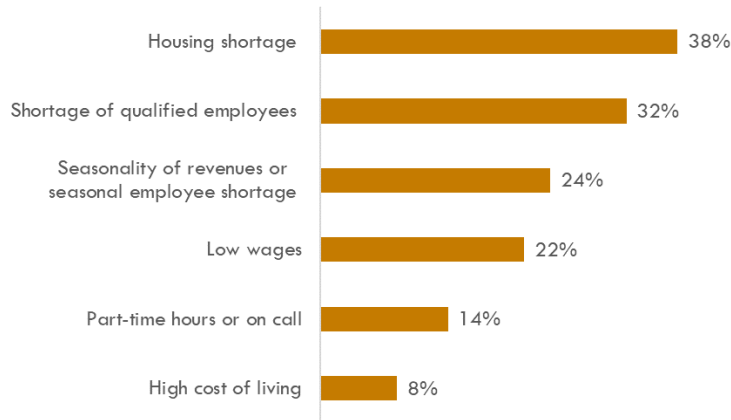
Comments

Respondents were asked to comment about why positions were unfilled, how employee retention is a problem, and why they rated workforce availability, quality, and stability the way they did.

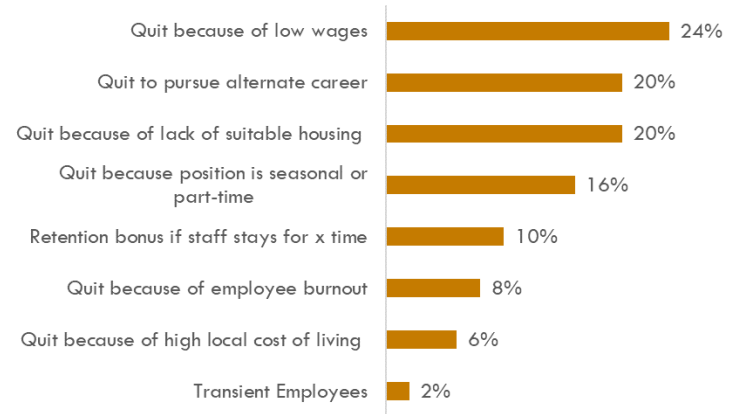
The comments show that the top four underlying employment attraction and retention issues relate to the following:

1. Housing shortages
2. Seasonal market trends
3. Low wages and affordability
4. Shortage of qualified employees

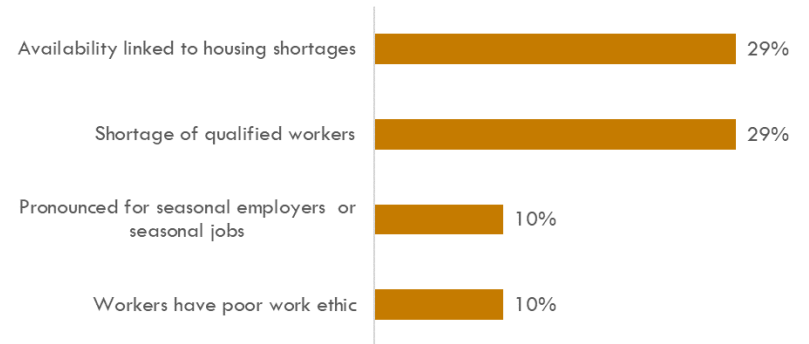
Why do you think the position was unfilled?
(N=37)



How is employee retention a problem?
(N=50)



Workforce availability, quality and stability comments (N=49)



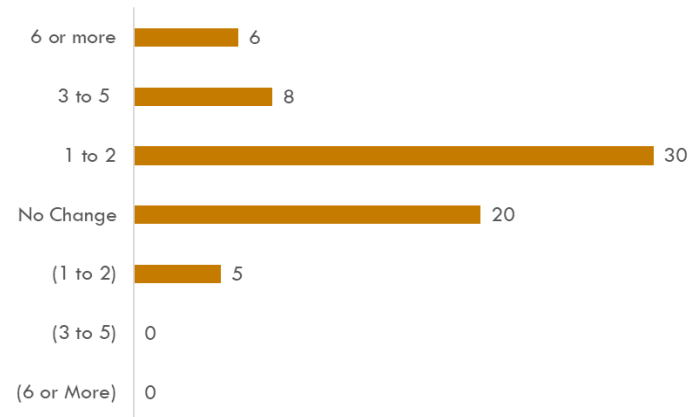
Worker shortages are particularly pronounced in the culinary industry as 63 percent (N=11) of respondents in the food service and drinking industry reported unfilled positions in the last three years. One respondent reported that this is an issue throughout the western world and even some Michelin-level restaurants are having a difficult time finding chefs.

Future

Demand and therefore competition for labour will likely increase in the future for the following reasons:

- 67 percent of respondents anticipate increased staffing over the next three years, while only 8 percent expect a decline (N=66)
- 31 percent anticipate losing employees to retirement (N=64)
- 14 percent specifically identified hiring more employees/contractors as part of their plan to grow their business (N=65)

Staffing Changes in the Next Three Years (N=66)



Some employers plan to compensate for labour shortages by streamlining their operations, including through investment in new equipment and software. 65 percent of respondents (N=88) anticipate significant new investment in machinery and equipment in the next three years.

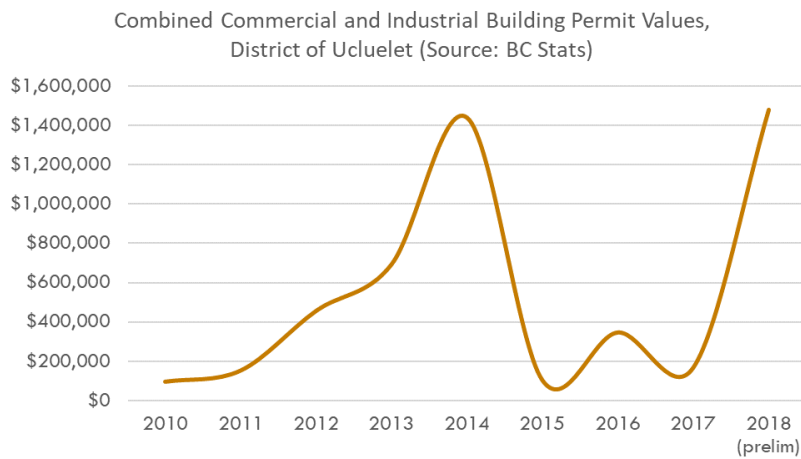
Related Issues

Housing and seasonality of revenues are related to this issue and are discussed in more detail in the following sections.

3.6 Challenge #2 - Commercial and Industrial Real Estate

Background

The value of local commercial and industrial building permits since 2010 has been variable, with peaks in 2014 and 2018. This is not surprising given small amount of inventory and the infrequency of structural renovations that require building permits.



52 percent of those who responded owned their facility and 48 percent leased (N=84). The graph below shows that a surprising number of the respondents that leased their premises had:

- No formal lease agreement
- Less than a year remaining on their lease agreement
- A month to month lease agreement

Comments About Facility Lease Duration (N=39)

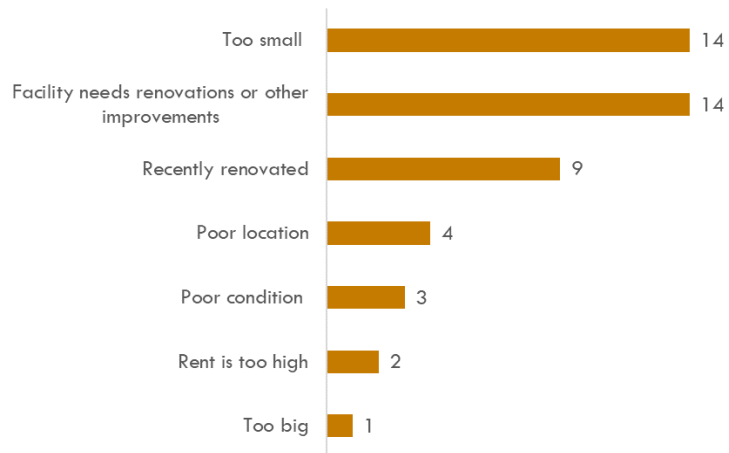


It also shows that many respondents with less than a year remaining on their lease agreement were not concerned about renewal or eviction.

The average satisfaction rating about the condition of the respondent’s facility was 3.75 (N=81), which is somewhat less than the “satisfied” rating of 4. On balance, nearly two-thirds of respondents were satisfied or very satisfied with their current lease (rated 4 or 5) compared to only 19 percent who were dissatisfied.

The respondent’s comments about their current facility show that many had either recently done repairs or believed the facility needed repairs or improvements. Another group stated that their facility was too small. Surprisingly, few respondents took issue with the location, condition, or cost of their current rent.

Comments about current facility (N=61)



Relevance

UBERE identified commercial and industrial real estate for the following reasons:

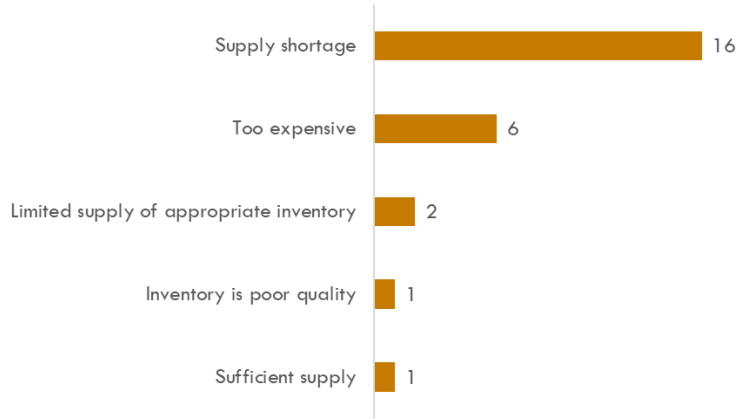
- The supply of commercial and industrial space for purchase received the second lowest business climate approval rating of 2.10 (N=31)
- The supply of commercial and industrial space for lease received the third lowest average business climate rating of 2.32 (N=37)
- Obtaining suitable manufacturing, retail, or office space was the most important issue to 6 percent of those who responded (N=88)

- 10 percent of those who responded (N=86) specifically identified challenges with their current facility as a barrier to growth
- 9 percent of those who responded (N=86) specifically identified limited supply of suitable industrial or retail space as a barrier to growth
- 21 percent of those who responded (N=71) specifically noted that identifying a suitable retail, office, manufacturing, or moorage space was a barrier to renovation/expansion/relocation

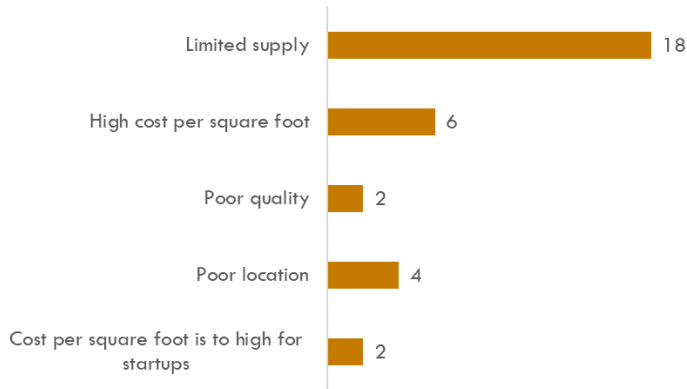
Comments

The supply of commercial and industrial space for purchase received the second lowest average business climate approval rating 2.10 (N=31). The supply of commercial and industrial space for lease received the third lowest average business climate rating 2.32 (N=37). The comments show that supply shortages and high costs are key underlying issues.

Comments on Supply of Commercial or Industrial Buildings for Purchase (N=26)



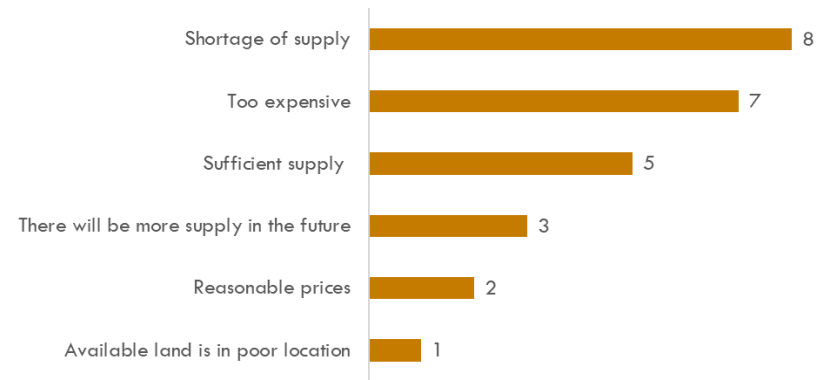
Comments about Commercial or Industrial Space for Lease (N=39)



Respondents were more satisfied with the supply of land for development although it received the fifth lowest average business climate satisfaction rating of 2.61.

Like leasehold and freehold commercial space, the comments show that cost is a central underlying issue. In contrast, the respondents made divergent comments about supply as eight respondents identified supply shortages and five respondents said that there was sufficient supply.

Comments about the Supply of Land for Development (N=30)

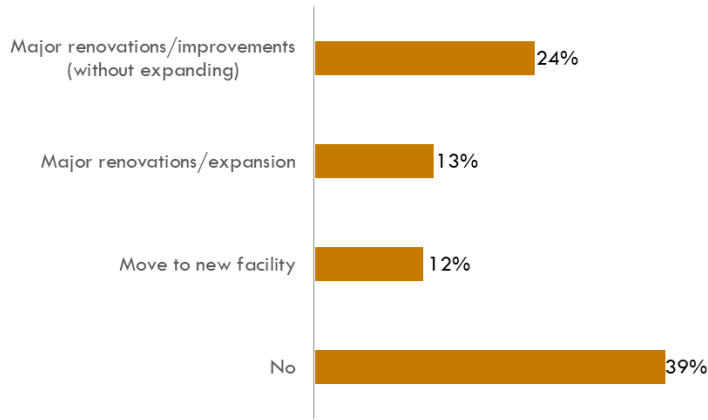


Future

It is likely that demand for commercial real estate will grow over the next three years for the following reasons:

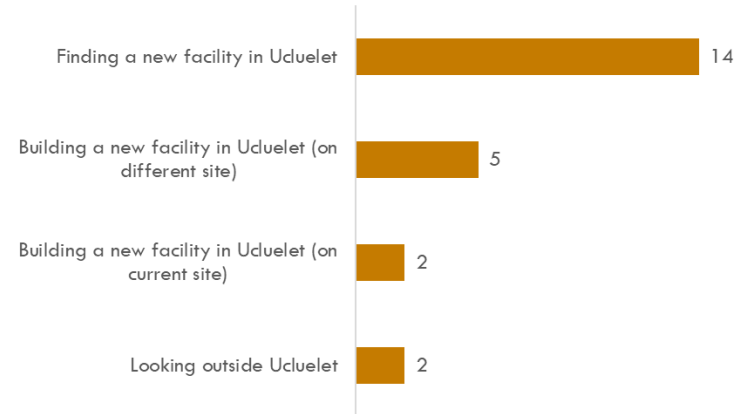
1. 13 respondents anticipate moving to a new facility in the next three years and 13 anticipate expanding their facility via major renovations

Over the next three years, do you anticipate making changes to your facility? (N=80)



Most of those who are planning to move or expand are looking for local commercial or industrial spaces while a minority are looking beyond Ucluelet. The majority plan to purchase or lease a commercial space that has already been constructed and a minority are planning to construct their new facility.

How do you plan to change your facility?
(N=23)



Most of the respondents that plan to build, rent, or purchase a new facility are looking for relatively small facilities. Ten respondents said they are looking for a facility that is 1,000 square feet or less and only two respondents reported that they were seeking a facility that was greater than 2,500 square feet.

Related Issues

The following issues may be related to the limited supply of commercial and industrial spaces:

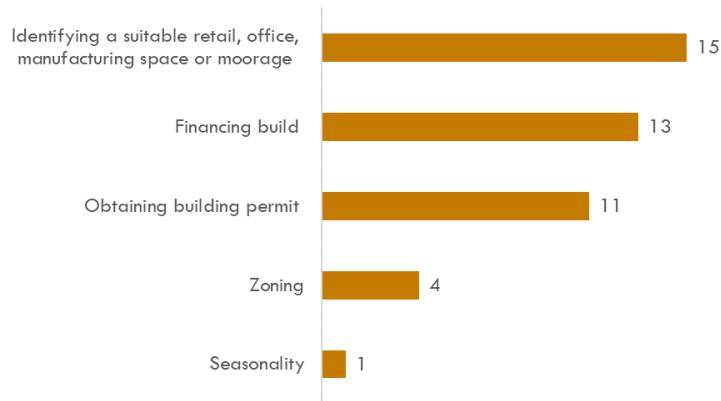
1. Barriers to Renovation, Expansion, and Relocation
2. Building Approval Process
3. Local Trades
4. Property Tax

Barriers to Renovation, Expansion, and Relocation

Several barriers to renovation, expansion, and relocation were specifically identified by the respondents. The most frequently identified barriers were related to the following:

- Suitable supply
- Obtaining financing
- Zoning
- Obtaining building permits

Barriers to Expansion, Relocation or Renovation (N=71)



Supply issues were discussed above, and the following comments shed some light on the financing issue:

- 11 respondents specifically identified obtaining financing as a barrier to their growth (N=86)

- 16 respondents reported having difficulty obtaining financing (N=45) while 14 respondents reported having no difficulty obtaining financing
- Five respondents (N=45) attributed difficulty obtaining financing to insufficient cashflow or revenues
- Three respondents attributed difficulty obtaining financing to limited business experience or an unestablished credit score
- Three respondents obtained loans from government backed lenders like Community Futures and the Business Development Bank of Canada
- One respondent stated that obtaining financing was not an issue because he finances through his credit

As indicated in the chart to the left, four respondents stated that zoning was a barrier to their expansion, renovations, or relocation. In one case, limited appropriately zoned property may result in the shutdown of a local business. That business owner explained that his current location is for sale and it is the only available appropriately zoned property. As a result, if he is unable to obtain the financing required to purchase his current location, he will have to close his doors.

Building Approval Process

The chart also shows that 11 respondents identified obtaining a building permit as a barrier to expansion, relocation, or renovations. This process appears to be a particularly topical issue for the following reasons:

- Seven percent of those who responded (N=86) stated that difficulty obtaining building permits, building approval, or business licenses is a barrier to operations or growth
- The building approval process received the second lowest average public service rating of 2.63 (N=43)
- The building inspector received the fourth highest average public service rating of 3.57 (N=59)
- Four respondents indicated (N=45) that they have increased confidence in the development approval process as a result of personnel changes at the District

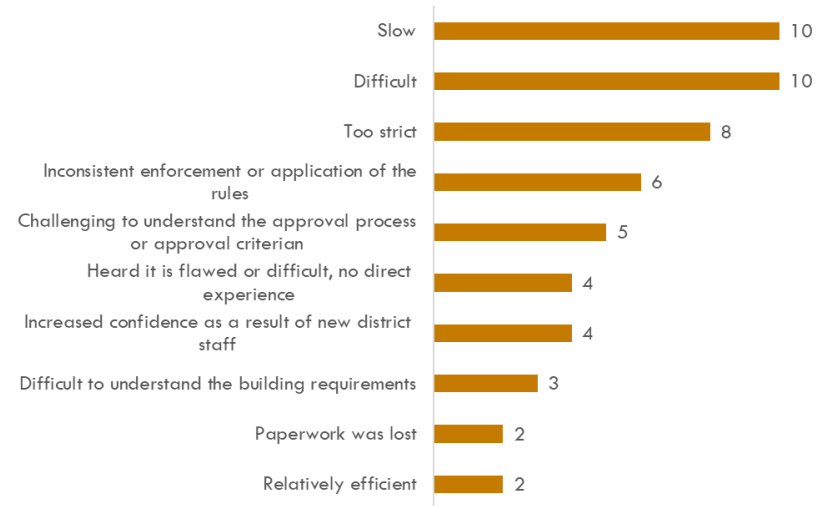
The chart to the right shows the comments about the development approval process. The most concerning trends include:

- Six respondents indicating that the rules had been applied arbitrarily
- Five respondents indicating that it is challenging to understand the approval criteria or process

These comments highlight some of the frustration felt by applicants and emphasize how the District should continue to work toward a transparent and more easily-understood processes.

On the upside, there were positive comments received about improvements to the process and public perception in the last 1-2 years.

Comments about the Development Approval Process (N = 45)



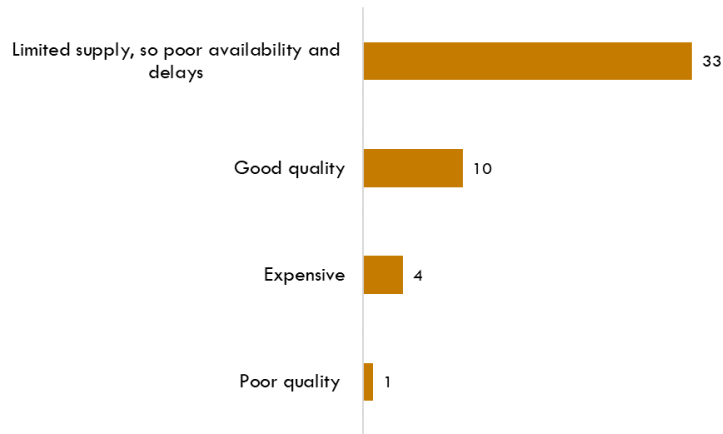
Property Tax

Property taxes received the fourth lowest public service rating of 2.95 (N=54). Related comments show that many respondents thought commercial taxes are too high - this may have some negative impact on supply.

Trades

The availability of local trades may also negatively impact the development, renovation, and expansion of commercial and industrial spaces. Trades received a relatively strong business climate satisfaction rating of 3.33 (N=54) but the comments show that availability and delays are an issue.

Comments about the local trades



3.7 Challenge #3 - Seasonality of Revenues

Background

Ucluelet’s main economic drivers are tourism and harbour-related activities. As a result, the local market is subject to the seasonal ebbs and flows related to those industry sectors. Most respondents reported that the summer is their high season while others have no seasonal variation.

Relevance

UBERE identified seasonality of revenues for the following reasons:

- 77 percent of respondents reported that their operations vary by season
- 13 percent of those who responded (N=86) specifically identified seasonality as a barrier to their growth or successful operations
- Seasonality was identified as the most important issue for 5 percent of those who responded (N=88)
- 8 percent of those who responded (N=65) plan to grow by increasing their revenues during the shoulder/slow seasons

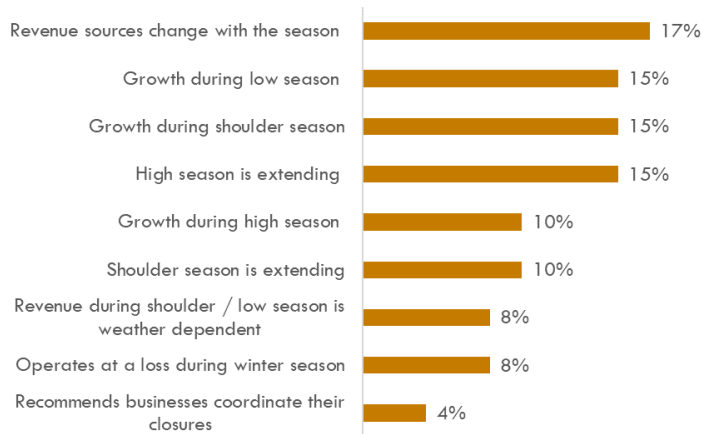
Comments

The comments about seasonality offer a stark reminder that Ucluelet’s economy is seasonal as almost eight percent of those that responded reported that they operate at a loss during the winter (N=52).

That said, the following shows that seasonality appears to be improving:

- 15 percent of those that responded (N=52) stated that the high season is extending
- 10 percent (N=52) reported the shoulder season is extending
- 30 percent reported (N=52) that they are seeing year-over-year growth during the shoulder or low seasons

Comments about Seasonality (N=52)



Comments about seasonality were also identified in the responses to what stage of the revenue cycle the respondent’s company was in. Two sets of comments stand out:

- Five respondents identified that they were at capacity during the high season, which suggests they only have room to grow in the shoulder and low seasons.

- Four respondents commented that their only way of increasing revenues is through price hikes. This suggests that those respondents are at capacity during their high season.

Related Issues

Seasonality may be linked to the following issues:

- Employee attraction and retention
- Housing

Employee Attraction and Retention

Respondents frequently linked seasonality to employee attraction and retention issues:

- 24 percent of those that responded (N=37) specifically identified seasonality of revenues or seasonal employee shortages as a reason that positions were unfilled for extended period of time
- Ten percent (N=50) indicated that they pay retention bonuses if staff stay for a specified period of time
- 16 percent of those that responded (N=50) indicated that employee quit because the position is seasonal or part-time
- 10 percent who commented (N=50) about workforce availability, quality and stability indicated that workforce issues are pronounced for seasonal employers

Based on these comments, it is reasonable to conclude that successful efforts to address seasonality will help to address employee retention and attraction.

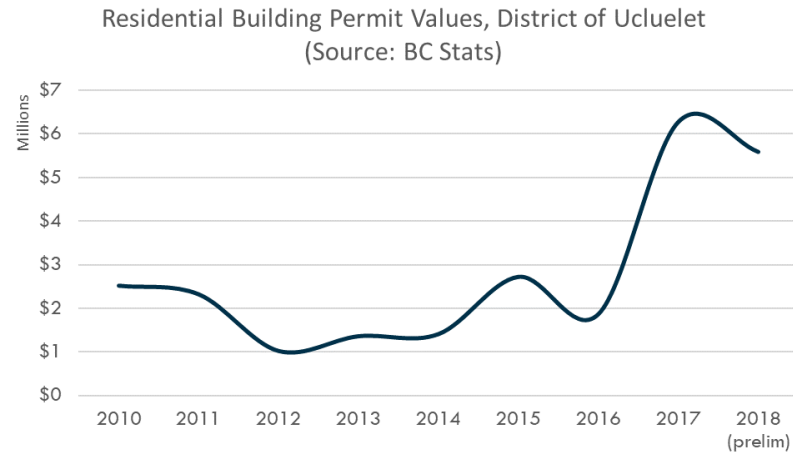
Housing

Seasonality of revenues may also be linked to housing as 29 percent of those that commented (N=72) about housing availability, quality and cost indicated that that they thought that seasonal staff housing as opposed to affordable housing was the solution.

3.8 Challenge #4 - Housing

Background

The value of residential building permits in Ucluelet were at their highest level in 2017 and 2018 in more than a decade. A total of 54 housing units were permitted, which is more than the combined total of the previous 7 years.



These trends suggest that there should be some increased supply of housing inventory in the near future. Despite any increases in local inventory, however, the median assessed value of single-family home increased by 32 percent since 2012.¹

Rent prices are also increasing:

- The median price of a 1-bedroom rental increased from \$650 in 2013 to \$700 in 2017
- The median price of a 2-bedroom rental increased from \$950 in 2013 to \$1,400 in 2017

¹ British Columbia Assessments, 2016 – 2018. *Median Assessed values for single Family Residential: Tofino, Ucluelet, Port Alberni, and Victoria*, as cited

in Clayoquot Biosphere Trust (2018). *Clayoquot Sound Biosphere Region’s Vital Signs 2018*, at pg. 11.

- The median price of a 3-bedroom rental increased from \$1,275 to \$1,600.²

In light of these trends it is not surprising that affordability is a serious challenge. According to the latest Census in 2016, over 30 percent of local households were spending 30 percent or more of their income on shelter costs, which is the federal government’s definition of unaffordable housing.

Availability also appears to be an issue as the average number of available rentals have been on a downward trend since 2013.³

Relevance

UBERE identified housing for the following reasons:

- Housing availability, quality, and cost received by far the lowest average business climate rating 1.31 (N=67)
- 17 percent of those that responded (N=86) specifically identified the lack of affordable housing as a barrier to their growth
- 24 percent (N=86) specifically identified the lack of staff housing as a barrier to their growth
- Housing was the single most important issue to 18 percent of those that responded (N=88)

² Ibid.

Comments

The comments about housing show that supply and affordability are both issues. Supply of rental accommodation appears to be particularly problematic as half of those who responded (N=72) commented that there was limited supply of rental accommodation. The comments also show that respondents believe that both affordable year-round housing and staff housing are needed.

Comments about Housing Availability, Quality and Cost (N=72)



Future

Housing demand may increase in the future for the following reasons:

³ Ibid.

- 65 percent of those that responded (N=66) anticipate increasing staffing needs over the next three years
- 14 percent of those that responded (N=65) specifically identified hiring more employees/contractors in order to facilitate growth

It is unlikely that rental supply will keep pace with increasing demand as between 2013 and 2017 the average number of available rental units in Ucluelet and Tofino decreased.⁴

Housing affordability will likely continue to be an issue as the majority of local employment is derived from relatively low paying tourism related industries like accommodation and food service, retail trades, and arts, entertainment and recreation.

At this point there is no sign that market rental rates are decreasing as the average assessed value of a home in Ucluelet increased 17 percent in 2018. Likewise, the median listed price of rental housing in Ucluelet and Tofino increased between 2013 and 2017 (as noted on the previous page). As a result, many employers will continue to struggle with housing related employee shortages in the near future.

Related Issues

The following issues may be related to the housing:

- Employee attraction and retention
- Obtaining Building Approval
- Trades

Employee Attraction and Retention

Many of those who commented on housing availability, quality and cost drew a correlation between housing and employee shortages:

- 14 respondents (N=50) indicated that housing shortages contribute to employee attraction issues
- 10 respondents (N=37) indicated housing issues contribute to employee retention issues

Obtaining Building Approval

As mentioned above, the approval process associated with obtaining a building permit received the second lowest average public service satisfaction rating of 2.63. Negative perceptions may harm the development of new inventory for the same reasons it may negatively influence development, renovation or expansion of commercial and industrial properties.

⁴ Clayoquot Biosphere Trust, 2013 – 2017, *Tofino and Ucluelet Rental Data Collection*, as cited in Clayoquot Biosphere Trust (2018). *Clayoquot Sound Biosphere Region's Vital Signs 2018*, at pg. 11.

Academic research suggests that development approval challenges may have a particularly pronounced effect on the development of new rental stock and affordable housing as there are substantial opportunity costs associated with developing rental housing or affordable housing rather than properties that generate revenues based on market pricing like single family homes, strata units, and short-term rentals.⁵

Trades

It is logical to infer that delays associated with trades may also negatively contribute to the housing issue. As indicated above, although the trades received the relatively strong average business climate rating of 3.33, the comments show that availability and delays are issues.

3.9 Challenge #5 - Strategic Business and Succession Planning

Background

Local age-related demographics suggest that Ucluelet's population is relatively youthful. This means that significantly more residents are in the prime working ages of 25 – 54. However, approximately 20 percent of UBERE respondents were 60 years of age or older. This suggests that a large subset of local business owners is nearing the age of retirement.

Generally, whether a business is young or old it is beneficial to have a business plan and most succession plans are critical to the successful transition of a company's ownership.

Relevance

UBERE identified strategic business and succession planning issues for the following reasons:

- Succession planning:
 - Succession planning received the lowest average management capacity rating of 2.78 (N=63)
 - Five respondents (N=41) commented that they were not interested growing because they were winding down operations, planning for retirement, or were thinking exit strategy

⁵ Miller R. L., Benjamin, D.K., & North (2014). *The Economics of Public Issues* 18th Ed. New Jersey: Pearson.

- Succession planning was identified as the most important issue for ten percent of those who responded (N=88)
- 40 percent of those who responded (N=84) indicated that they would appreciate succession planning training
- Strategic business planning:
 - Only 43 percent of those that responded (N=85) have a formal business plan
 - Strategic and business planning received the fourth lowest average management capacity rating of 3.24 (N=68)
 - 29 percent of those who responded (N=84) indicated that they would be interested in strategic or business planning training

- Eight respondents (N=47) that plan to sell to an unrelated third party
- Two respondents that plan to sell to a related party
- Three respondents that are grooming a staff member to succeed them
- Two respondents that are planning a staff/management buyout

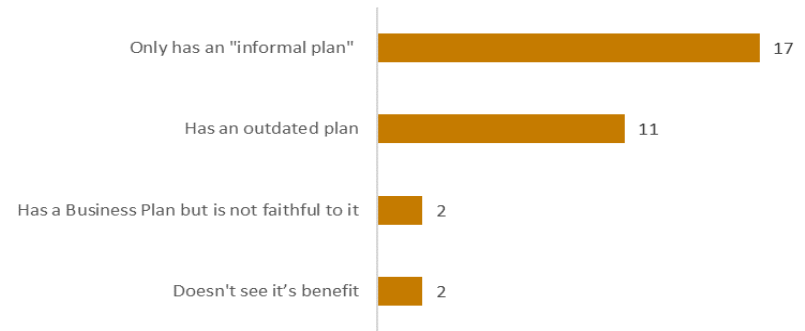
Comments

Although most businesses do not have a formal business plan the comments clearly showed the following:

- 17 of those that responded (N=48) have an “informal business plan”
- 11 respondents have an outdated business plan
- two respondents stated that they did not see the benefit of having a business plan

Respondents that did have an informal or formal business plan include:

Business Plan Comments (N=48)



Future

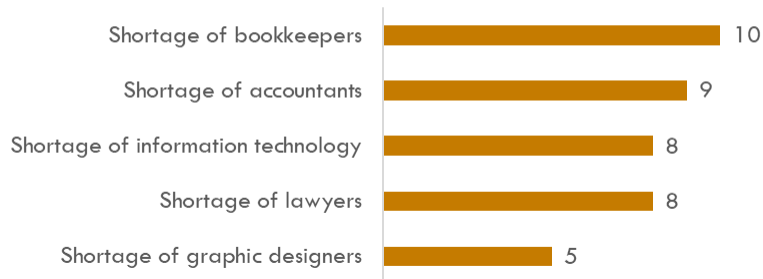
As local businesses owners in the baby boomer generation age, it is likely that succession planning will become a more important issue. In the interim, it is critical that the Chamber continue to advertise the benefit of developing business and succession plans.

Related Issues

Many rural communities have limited access to the professional services needed to develop comprehensive business and

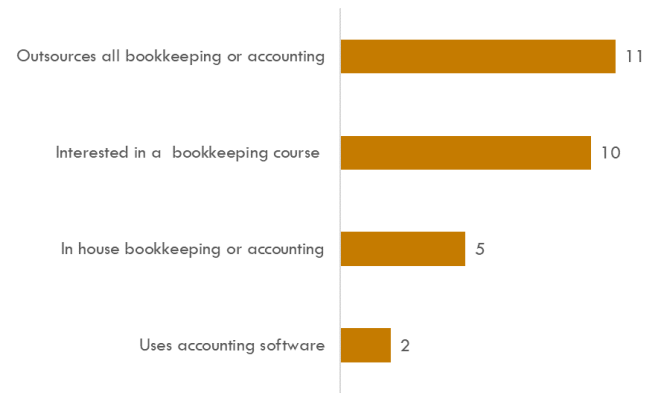
succession plans. Although professional business services received the relatively strong average business climate satisfaction rating of 3.33 (N=58), the comments confirm that there are shortages in information technology, legal, accounting, and bookkeeping. As a result, many respondents use non-local business support service specialists.

Business Support Services Comments (N=36)



Deficits in financial and accounting knowledge may also contribute to the lack of succession and business planning. Although finance and accounting received the fifth highest average management capacity rating of 3.71 (N=71) the comments show that many respondents outsource their accounting and many respondents are interested in learning more about bookkeeping or accounting.

Finance and Accounting Comments (N=71)



3.10 Other Results of Interest

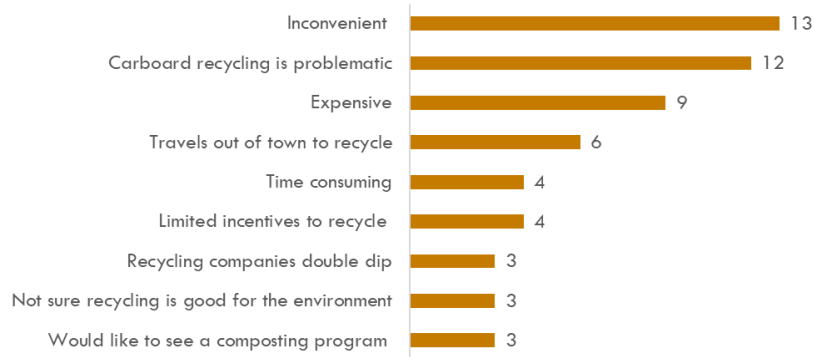
This section is a collection of other results of interest, some of which may be topics for further exploration and/or future programming.

Recycling and Garbage

Ucluelet’s recycling program received the lowest average public service rating of 2.43 (N=65). In contrast, waste disposal services received the relatively strong average public service rating of 3.14 (N=66).

The comments about recycling showed that 13 respondents found it inconvenient and nine respondents found it expensive. Cardboard recycling appears to be particularly challenging as 12 respondents specifically identified it as problematic.

Comments about the Recycling Program
(N = 60)



The comments about recycling and garbage suggest that there is some local demand for a regional composting program as nine respondents indicated that they would like to see a local composting program.

Highways

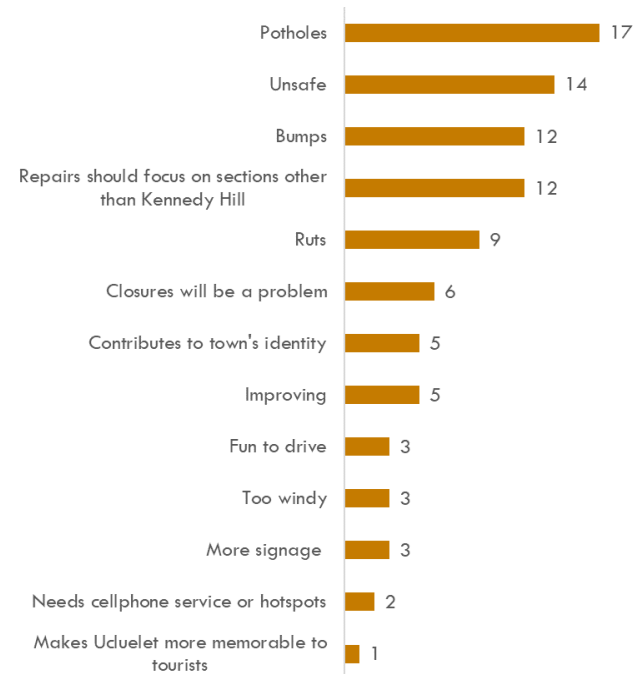
The Highways in and around Ucluelet received the third lowest average public service rating of 2.66 (N=73). Fourteen respondents believed local highways are unsafe, and 12 respondents thought repairs should focus on areas other than Kennedy Hill.

The primary safety issues appear to be potholes, bumps, and ruts.

Interestingly, there were several positive comments about the highways. Five respondents believed the highway system is

improving and another five respondents believed its rugged nature contributes to Ucluelet’s identity or character.

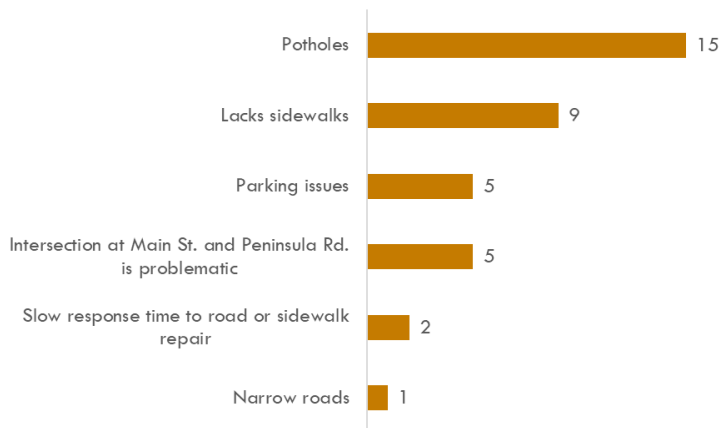
Comments about the Highway (N=63)



Roads

Local roads received the sixth lowest average public service rating of 3.06 (N=3.06). The comments show that the main issues are potholes, parking, lack of sidewalks, and the intersection at Main St. and Peninsula Rd.

Local Roads Comments (N=43)

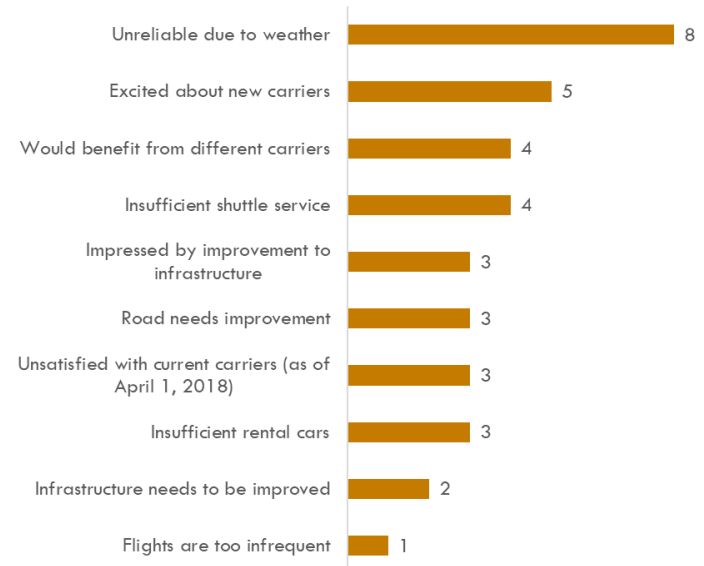


Airport and Airport Service

Although the Tofino/Long Beach Airport received the third highest average public service rating of 3.57, the comments show that respondents believe the following:

- The access road needs improvement
- It is unreliable due to local weather conditions
- There are insufficient shuttles to Ucluelet
- There are inadequate rental cars available at the Airport
- The region would benefit from a broader range of carriers

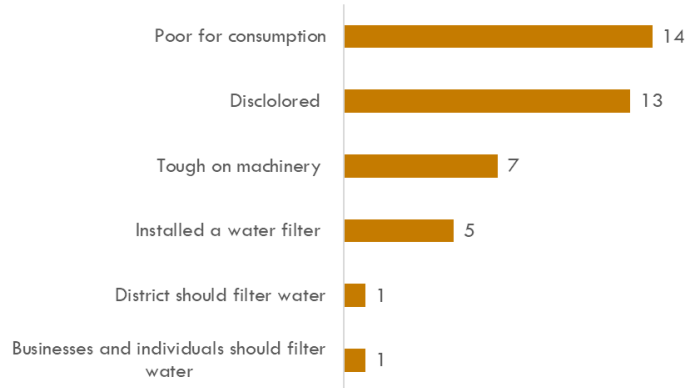
Comments about Long Beach Airport (N=43)



Water Supply

Local water supply received the fifth-lowest public service rating of 2.99 (N=67). The comments show that many respondents have noticed discoloration in their water supply from time to time. They also show that many respondents were concerned about water quality and its effect on machinery. To mitigate these issues, several respondents installed water filters.

Comments about Local Water Supply (N=47)



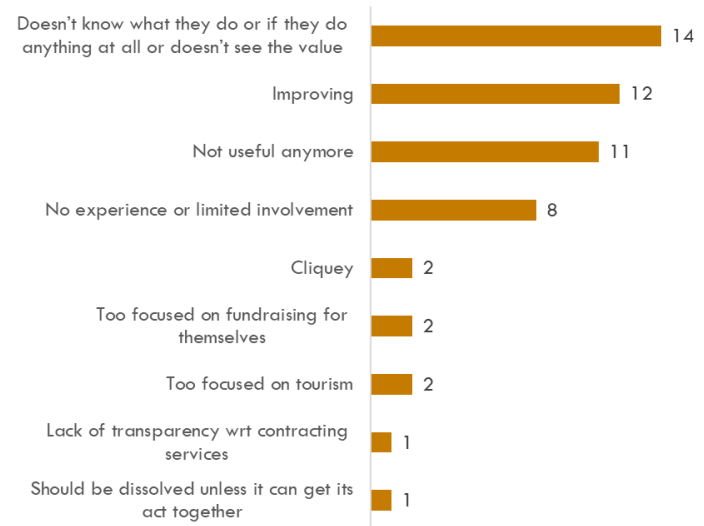
Transportation of Goods

Although the transportation of goods received the relatively strong average business climate rating of 3.25 (N=59), the comments show that delays and cost are an issue.

Chamber of Commerce

The Chamber of Commerce received the sixth lowest business climate rating of 3.07 (N=46). The comments show there are negative perceptions about the Chamber, but some respondents believe it is improving.

Chamber of Commerce Comments (N=43)

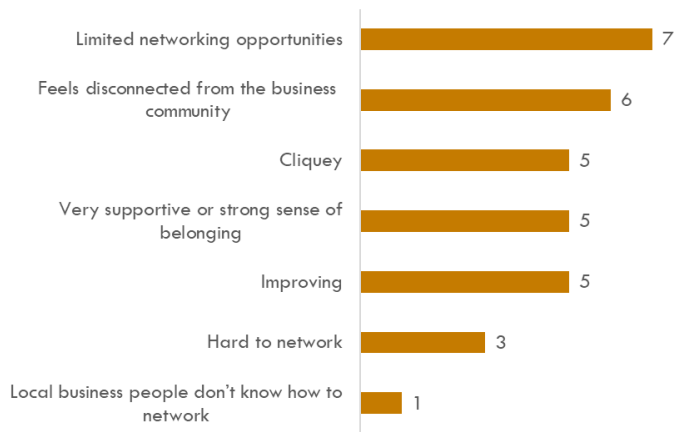


The Chamber should focus its efforts on developing clear and precise value and mission statements that resonates with the younger demographics of business owners. Once formed, the Chamber should target its messaging towards individuals with limited experience or involvement in the Chamber rather than its core constituents.

The Chamber should also focus on fostering an inclusive local business community as, despite the local business community receiving the relatively strong average business climate rating of 3.52 (N=52), the comments on that topic show that some respondents felt excluded.

Some respondents felt that the business community was supportive and experienced a strong sense of belonging while others felt isolated or believed that it was difficult to network in Ucluelet or there were limited opportunities to network.

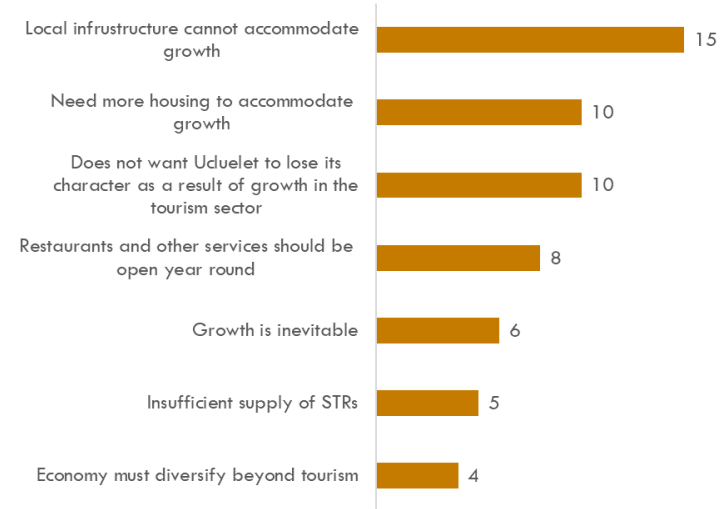
Local Business Community Comments (N=37)



Growth in the Tourism Industry

Although the continued growth in tourism received second highest business climate rating of 3.97 (N=63), the comments showed that some respondents were concerned that local infrastructure and housing could not accommodate further growth and others were worried that growth could undermine Ucluelet’s character.

Continued Growth in Tourism Comments (N=55)



4 TOURISM ASSET RETENTION

There is a high degree of overlap between the business retention and expansion issues discussed in Section 3, which are described in relation to all Ucluelet employers, and the retention and expansion issues that affect tourism assets.

This section provides some additional analysis of the interview results from a tourism asset perspective.

Background

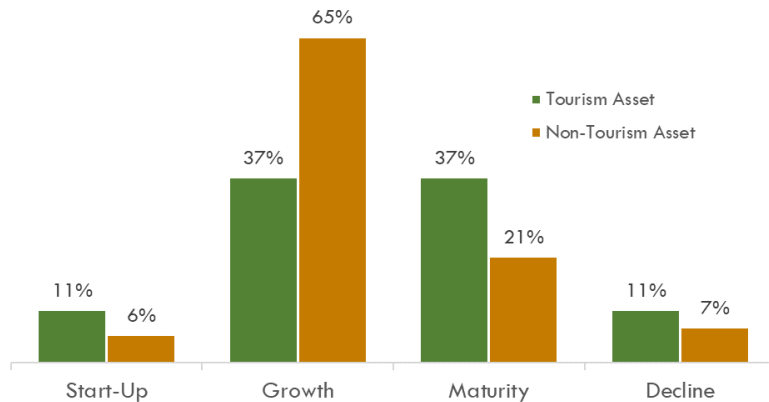
Representatives from 19 tourism assets were interviewed.

Tourism assets are defined as entities that draw non-residents to the region. For example, a charter fishing operation is a tourism asset because tourists travel to Ucluelet for the specific purpose of going charter fishing.

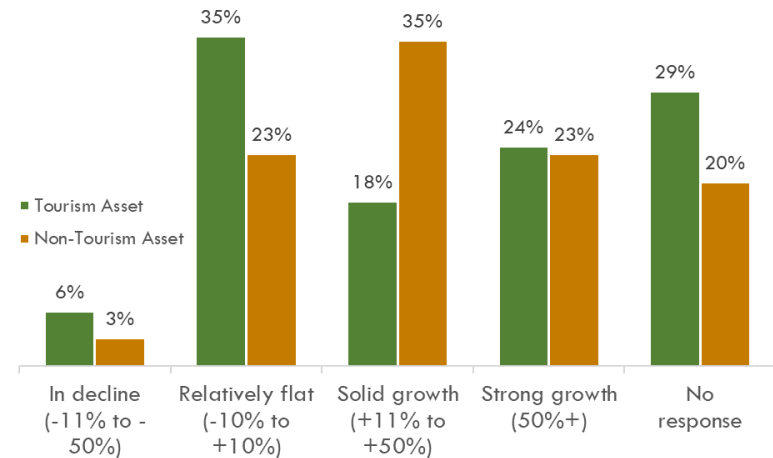
The two charts on this page indicate that Ucluelet’s tourism assets are not enjoying the same level of success as non-tourism employers. They show the following:

- On average, fewer tourism assets are in a growth stage of their revenue cycle
- On average tourism assets are more likely to be in the maturity or decline stages of their revenue cycle
- More tourism assets had relatively flat revenues over the last three years, and fewer had “solid growth” of 11 percent to 50 percent
- More tourism assets saw declines in revenues over the last three years

Where in the revenue cycle is your business?



Revenue change between 2014 and 2017



Despite these challenges, on average tourism asset owners are more likely to pay themselves a regular salary. This may be related to the larger number of tourism assets in the “maturity” stage, with strong cashflow and revenue predictability, even if they are no longer significantly expanding.

Even with more companies in the mature stage, most tourism assets owners reported that they are interested in growing their business in the future.

Summary of Issues

Four of the five economic development challenges described in Section 3 are also critical factors for tourism assets, but there are some additional issues that disproportionately affect tourism assets.

COMMON CHALLENGE FOR ALL LOCAL EMPLOYERS	SPECIFIC ISSUE FOR TOURISM ASSETS	TOP ISSUE FOR NON-TOURISM ONLY
#1 - Employee Attraction and Retention	Difficulty Obtaining Financing	#5 -Strategic Business and Succession Planning
#2 - Real Estate	Property Maintenance Costs	
#3 - Seasonality	Highway Closures	
#4 - Housing		

Employee Attraction and Retention

Employee Attraction

Employee attraction is a challenge for both tourism and non-tourism employers as 50 percent tourism assets reported that positions were unfilled for extended periods compared to 48 percent of non-tourism employers.

There is some divergence between tourism assets and non-tourism employers about why positions were unfilled. Seasonality is a bigger issue **for tourism assets**, but housing and qualified employee shortages less so.

ISSUE	TOURISM ASSETS AFFECTED	NON-TOURISM AFFECTED
Housing shortages	30 percent	41 percent
Shortage of qualified employees	20 percent	37 percent
Seasonality of revenues or seasonal employee shortages	40 percent	19 percent

Employee Retention

Overall, employee retention appears to be less of an issue for tourism assets (36 percent) compared to 57 percent of non-tourism employers.

But seasonality is a bigger issue for tourism assets:

ISSUE	TOURISM ASSETS	NON-TOURISM
Quit because position is seasonal or part-time.	40 percent	10 percent

Stress management and conflict management may be more significant retention issues for tourism assets as there was greater demand for conflict and stress management training among that group of respondents.

TRAINING OR PROFESSIONAL DEVELOPMENT TOPICS THAT WOULD BENEFIT STAFF?	TOURISM ASSETS	NON-TOURISM
Conflict Management	42 percent	14 percent
Stress Management	42 percent	9 percent

Future

In the future, tourism assets may be disproportionately affected by retention issues as 40 percent of tourism assets reported that they were concerned about losing employees to retirement compared to only 29 percent of non-tourism employers.

Housing

Housing is an issue for tourism assets, just like all employers:

- 18 percent of tourism assets identified staff housing and 12 percent identified affordable housing as barriers to growth
- 60 percent of tourism assets were unsatisfied or very unsatisfied with housing availability, quality, and cost
- 29 percent of tourism assets linked housing shortages to employee shortages

Both tourism assets and non-tourism employers identified limited supply of rental accommodation as the central housing issue.

Seasonal staff housing appears to be a much bigger issue for tourism assets.

	TOURISM ASSETS	NON-TOURISM
Affordable housing is the solution	24 percent	20 percent
Seasonal staff housing is the solution	53 percent	22 percent

Commercial Real Estate

Commercial real estate appeared to be a particularly important issue for tourism assets for the following reasons:

- 18 percent of tourism assets identified limited supply of suitable retail or industrial spaces as a barrier to growth or successful operations compared to only 7 percent of non-tourism employers
- 45 percent of tourism assets compared to 17 percent of non-tourism employers commented that identifying a suitable, retail, office, manufacturing, or moorage space was a barrier to their renovation, expansion, or relocation

Tourism assets, like non-tourism employers, are relatively satisfied with their current facility as the average satisfaction rating of the facility among tourism assets was 3.65 compared to 3.77 among non-tourism employers.

The comments about respondent facilities show that location is particularly important to tourism assets as 14 percent of tourism assets identified location as an issue with their facility compared to only 4 percent of non-tourism employers.

On average fewer tourism assets own their facility, fewer tourism assets have more than a year remaining on their commercial lease, and more tourism assets are on a year-to-year lease. The short duration of leases suggests that tourism assets may be more susceptible to fluctuations in price and supply of commercial and industrial leasehold properties.

	TOURISM ASSETS	NON-TOURISM
Own their facility	28 percent	53 percent
More than a year remaining on your lease	17 percent	33 percent
Year to year lease	25 percent	19 percent

Future

Tourism assets and non-tourism employers diverge with regard to their future plans. On average more tourism assets are planning to move to a new facility located in Ucluelet (rather than renovating their current facility), and fewer tourism assets plan to grow by expanding their facility. .

	TOURISM ASSETS	NON-TOURISM
Plans to grow by expanding their current facility	7 percent	18 percent
Plans to move facility	21 percent	10 percent
Looking for a new facility in Ucluelet	26 percent	13 percent

Seasonality

Many tourism assets and non-tourism asset operations vary by season as 89 percent of tourism assets operations reported their operations vary by season compared to 74 percent of non-tourism employers.

Seasonality of revenues is particularly problematic for tourism assets:

- 24 percent of that group identified it as a barrier to growth or operations compared to only 10 percent of non-tourism employers
- 18 percent of tourism assets report operating at a loss during the winter season compared to only 5 percent of non-tourism employers

Surprisingly, fewer tourism assets reported that the shoulder season was extending or that they were enjoying growth during the low or shoulder season.

Strategic Business and Succession Planning

Strategic business planning appears to be less of an issue for tourism assets than non-tourism employers:

- 61 percent of tourism assets have a formal business plan compared to only 38 percent of non-tourism employers
- The average management capacity rating for strategic business planning was 3.67 for tourism assets compared to 3.11 for non-tourism employers

Interestingly, 33 percent of tourism assets reported that they had an outdated plan compared to 19 percent of non-tourism employers. It is also noteworthy that only tourism assets suggested that businesses should coordinate their closures during the low seasons.

Difficulty Obtaining Financing

The following data suggests that obtaining financing is more difficult for tourism assets than non-tourism employers:

- 55 percent of tourism assets reported difficulty obtaining financing compared to only 29 percent of non-tourism employers (N=45)
- 29 percent of tourism assets reported that obtaining financing was a barrier to growth compared to only 9 percent of non-tourism employers

Cost of Property Maintenance

Costs associated with property maintenance appear to be particularly challenging for tourism assets as 29 percent of tourism assets identified this as a barrier to growth or operations compared to only 6 percent of non-tourism employers.

Examination of various related factors suggest that this difference is not due to inferior condition of the respondent's facility, different views about local trades, or cost sensitivity. It may simply be that physical appearance and functionality of the building and beauty of the landscaping is more important for tourism assets and hence costlier.

Highway Closures

Unsurprisingly, the following data suggests that the Kennedy Hill Safety Improvement project is a more important issue for tourism assets than non-tourism employers:

- 55 percent of tourism assets (N=18) believed that the ongoing Kennedy Hill Safety Improvements would negatively affect their revenues compared to 45 percent of non-tourism employers (N=66)
- 22 percent of tourism assets that responded indicated that they will likely have booking cancellations or already had cancellations compared to only 2 percent of non-tourism employers
- 22 percent of tourism assets indicated that the construction will decrease walk-in or last-minute bookings

5 RESPONSIVE PROGRAMMING

This section of the report explains how the UBERE program responded to the priority issues identified in the interviews.

Given that the issues affecting tourism assets almost entirely overlap with those for non-tourism employers, there is no separate programming stream that is exclusive for tourism assets.

5.1 General Employer Support Services

Twenty-three respondents indicated that they plan to grow through marketing or networking efforts. UBERE facilitated these growth plans by providing networking events, workshops, and a range of ad hoc support.

Networking

UBERE coordinated two networking events. The Blue Room hosted the first event - the **Summer Solstice Social**. It featured a presentation about local tourism trends and services by Denise Stys-Norman, the Executive Director of Tourism Ucluelet. Approximately 30 representatives from local government, the private sector, not-for-profits, and the public sector attended this event.



Summer Solstice Social at The Blue Room (photo: Brent Hohlweg)

The Chamber partnered with the Pacific Rim Surfrider Foundation and the Ucluelet Aquarium Society to deliver the second networking event - **Rise Above Plastic**. The Ucluelet Aquarium hosted the event which featured a presentation about ocean plastic pollution by the Aquarium's Curator, Laura Griffith-Cochrane, and the Pacific Rim Surfrider Foundation Chapter Manager, Lilly Woodbury. Approximately 15 representatives from local government, the private sector, and not-for-profits sector attended this event.

Workshops

UBERE delivered five workshops to support respondent plans to grow through marketing. Four workshops focused on online marketing and one focused on relationship marketing. The online marketing courses addressed the following issues:

- Managing online reviews

- Marketing through social media (Facebook and Instagram)
- Assessing the efficacy of third-party online marketing contractors
- Search Engine Marketing and Search Engine Optimization

The relationship marketing course featured marketing tools and techniques that increase customer loyalty.

On average 14 people attended the marketing related workshops, which received the average satisfaction rating of 4.4 out of 5 (which equates to satisfied/very satisfied).

Ad Hoc Support

Several employers sought ad hoc assistance from UBERE staff to implement their growth or startup plans. The following is a list of some of the supports that UBERE staff provided:

- Conducted research into local signage bylaws
- Conducted and referred startups to resources about relevant Federal and Provincial regulations
- Conducted research into specific tax issues and referred employers to relevant CRA resources
- Connected startups to prospective mentors operating in their sector
- Connected business owners to advertising platforms like Tourism Ucluelet and Long Beach Maps
- Referred startups to information about registering their business and the corporate form

- Referred employers to resources about angel investors and debt financing
- Referred employers to legal resources about Small Claims Court proceedings and to lawyers to provide specific legal advice
- Referred local employers to Export Navigator, a government funded program that assists firms that plan to grow into new markets
- Referred employers to resources about the Federal Government procurement process
- Drafted and published business spotlights on Chamber communications channels intended to increase the profile of the featured businesses

5.2 Employee Attraction and Retention

UBERE addressed employee attraction and retention by coordinating the delivery workshops and providing ad hoc support tailored to the specific needs of employers.

Workshops

The following five human resource related workshops were delivered:

- Immigration 101
- Employee Attraction and Retention
- Conflict Management
- Stress Management
- Forklift Operator Certification

The workshops **Immigration 101** and **Employee Attraction and Retention** introduced domestic and international labour trends as well as strategies for addressing this issue. Six employers attended immigration 101 and 11 employers attended the employee attraction and retention workshop. Participant feedback was strong as the average satisfaction rating was 4.4.

The **Conflict Management** and **Stress Management** workshops responded to nine interview participants indicating that their staff would benefit from conflict management training and 11 interview participants indicating that their staff would benefit from stress management training. These two workshops were intended to make employees more resilient to stress and conflict, and thereby address stress and conflict related retention issues.

Attendance was strong at both workshops as 12 people attended the Stress Management workshop and 15 people attended the Conflict Management workshop. The workshops average satisfaction ratings were unusually high as the average satisfaction rating was 4.76.

The **Forklift Operator Certification** course responded to local demand identified through the interviews. Two local managers were also referred to a course that certified managers to train their staff to be certified propane pump operators. These courses address attraction issues by upskilling current employees.

UBERE staff provided ad hoc support regarding attraction and retention issues by drafting and publishing **job ads for local employers** and the **Youth Employer Database**. UBERE staff also assisted employers by referring them to the Alberni Valley Employment Centre and publicizing opening for the **B.C. Employer Training Grant**.

5.3 Commercial and Industrial Real Estate

UBERE staff addressed matters related to commercial and industrial property by coordinating the delivery of a debt financing workshop and by providing ad hoc support to employers.

Workshops

UBERE coordinated the delivery of a **Debt Financing** workshop because 11 employers reported that financing was a barrier to their physical expansion, relocation, or renovations.

Representatives from Coast Community Credit Union and Community Futures delivered the workshop. It introduced financing options and qualification criteria.

Ten people attended the workshop, and it received the extremely high satisfaction rating of 5. UBERE recommends that the Chamber host this workshop annually because it is cost effective, informative, and builds relationships between lenders and local entrepreneurs.

Ad Hoc Support

UBERE staff provided ad hoc support related to commercial and industrial real estate by doing the following:

- Researching zoning requirements
- Communicating lease opportunities to interested parties
- Discussing local demand with municipal staff and Council members

5.4 Seasonality of Revenues

Seasonality is typical of resort municipalities like Ucluelet. One means of addressing this issue is by marketing low and shoulder seasons to tourists. Destination marketing falls directly within the mandate of Tourism Ucluelet and therefore outside of UBERE's wheelhouse.

UBERE addressed matters related to seasonality by helping employers reach new markets through its **Made in Ucluelet** campaign and by connecting employers with the **Export Navigator** program.

"Made in Ucluelet" Campaign

The Made in Ucluelet campaign is in its infancy. The graphic design of the branding and the qualification criteria have been completed, so it will be up to the Chamber to launch the brand.

The Made in Ucluelet brand is intended to distinguish local products and the retailers that carry them. Its primary target

market is tourists, but it could also be used to remind locals of unique, quality products that are produced and sold locally.

The Made in Ucluelet campaign is a product of information gathered through the interview process. UBERE respondents indicated that tourists are interested in buying locally-made products and a substantial portion of their off-season online sales are derived from past visitors. Made in Ucluelet leverages this reality by elevating the profile of locally-produced products in order to introduce as many tourists as possible and in turn and to increase low-season online sales for Made in Ucluelet producers and retailers.

Export Navigator

UBERE staff have also been promoting and referring employers to Export Navigator. This is a program offered through Community Futures that educates companies about trading beyond their local area and helps them access new domestic and foreign markets, helping to mitigate local seasonal effects.

5.5 Housing

UBERE staff addressed the housing issue by providing a workshop and ad hoc support.

UBERE staff coordinated the delivery of a **Residential Tenancy Act** workshop. This workshop informed landlords and tenants of their rights and responsibilities in order to encourage landlords to create tenancies and encourage tenants to protect themselves from unlawful evictions. Unfortunately, enrollment was soft as only five people attended.

UBERE staff **researched housing solutions** implemented in other communities and communicated their findings to members of Council. Staff members also **communicated housing opportunities** to in-need employers.

The creation of additional housing-related programs is part of UBERE's Year Two plan (see Section 6).

5.6 Strategic Planning

UBERE staff addressed strategic business and succession planning deficits by coordinating the delivery of workshops and drafting relevant publications.

UBERE staff drafted and published a **Business Support Guide** which identifies several online business planning supports. UBERE staff also published brief pieces on Chamber communications channels that highlight the benefit of business planning.

UBERE staff publicized and referred several local business owners to a succession planning support service called Venture Connect. Staff members also coordinated the delivery of a Succession Planning workshop. Unfortunately, enrollment was soft as only five people were in attendance.

UBERE staff addressed several issues related to business planning through a series of workshops. Staff members coordinated the delivery of a **Tax Planning Workshop** and a **Bookkeeping Course** (which included four sessions). Attendance at the Tax Workshop and Bookkeeping Course were strong. The average attendance was 23 people, and the average satisfaction rating was 4.4 out of 5.

UBERE recommends that the Chamber host tax planning and bookkeeping workshops in the future. It suggests that the Chamber run four Tax workshops that address corporate taxes and sole proprietorship/partnership tax issues separately. It also recommends that Chamber coordinate the delivery of a bookkeeping course that includes between six and eight drop-in coworking sessions (described in the Year Two Plan in Section 6.)

6 YEAR TWO PLAN

Year One of the UBERE program was conceived as the beginning of a multiyear program that supports local employer and youth development. This section outlines the Year Two program plan.

6.1 Overview

The proposed Year Two plan is designed to respond to the priority issues identified in Sections 3 and 4 of this report. It also aligns with the Ucluelet Economic Development Strategy Update.

The project is scalable depending on available funds. The “Base Budget” scenario assumes that the Chamber receives a \$30,000 grant from the District of Ucluelet to perform various economic development services, including continued implementation of parts of the Ucluelet Economic Development Strategy.

The “Full Budget” scenario assumes that the Chamber receives additional grant funding. The exact budget has not been finalized, but is likely to be \$100,000 or more in total (including the District grant).

Program Area	Components	Base Budget DOU Grant (\$30,000)	Full Budget Additional Grants (\$100,000+)
Business Retention & Expansion	Data collection, including 30 additional employer interviews, data review, and annual final report		X
	Responses to priority issues, including ad hoc business support, continuing to develop issue-based programs, and advocating for regulatory or policy changes, and regular reporting and collaboration with District Council and staff	X	X
Youth	Annual update to Youth Employer Database	X	X
	Year two of the Company Program aimed at students between 12 and 16 years of age rather than 14 to 17		X
Housing	Landlord & employer matching service akin to the Whistler Housing Authority's Home Run Program		X
	Advocacy and marketing to support increased rental housing inventory		X
Employee Attraction	Work with winter resort municipalities to facilitate the flow of seasonal workers between jurisdictions		X
	Attract seasonal workers through targeted social media campaign	X	X
	Host BBQ that celebrates seasonal employees	X	X
Employee Training	Assist employers with applications for BC Employer Training Grants	X	X
	Deliver local employee training certification courses tailored to local employer needs	X	X
Retail and Industrial Space	Track and communicate market demand, inventory, and cost sharing opportunities		X
Seasonality	Launch and expand the Made in Ucluelet campaign	X (Not including video production and online content)	X
	"Tourist in Your Hometown" week		X
Management Capacity	Two to four tax planning workshops	X	X
	Six to 12 coworking sessions with an expert floating to answer questions	X	X
	Two search engine optimization workshops		X
	Debt financing workshop	X	X
	Business planning workshop	X	X
	Other management topics identified through employer interviews		X

The rest of this section describes each program area and identifies a specific link to the Ucluelet Economic Development Strategy (UEDS).

6.2 Business Retention and Expansion (BRE)

UEDS Link: Strategy 2 – Operate or support a Business Retention and Expansion (BRE) program

The BRE program can be simplified to two components:

1. **Data collection**, primarily through in-depth interviews with businesses and other employers, as well as through informal discussions, occasional online surveys, and other methods.
2. **Responses** to the priority issues identified in Step 1, including ad hoc business support, developing and operating issue-specific programs, advocating for regulatory and policy changes, and so on.

The Year Two data collection component involves 30 employer interviews, of which 15 are follow-up interviews from Year One and 15 are new respondents. This component will allow the Chamber to continue to engage local employers, track year over year changes in the data, keep municipal staff and Council informed, and tailor workshops to local need. It aligns with Strategy 2 of the UEDS by building on the baseline developed in Year One and reporting changes to Council. It also has the ancillary benefit of Chamber staff continuing to engage with non-members and employers that are new to the community.

In order to provide ad hoc support tailored to local employer needs, Chamber staff will continue to directly engage with local

employers and start-ups. The experience in Year One is that over time, more and more entrepreneurs reached out to Chamber and UBERE staff for business support. In response Chamber staff have problem-solved when they could and referred entrepreneurs to online resource or specialists for more detailed assistance.

In effect, the Chamber and UBERE staff have begun to play the key supportive role of an Economic Development Officer by linking entrepreneurs to business support services and helping them navigate local bylaws. In that sense, the continued operation of the program is a fundamental underpinning for the entire Economic Development Strategy. For example, providing business assistance to tourism entrepreneurs helps with the implementation of *Strategy 19 – Support the expansion and diversification of tourism amenities and attractions.*

6.3 Youth

UEDS Link: Strategy 8 – Support closer ties between local educational institutions and the business community.

The Chamber's youth programming has two components:

1. Annual update to the Youth Employer Database
2. Year Two of the Company Program, targeting students between the ages of 12 and 14 rather than students between the ages of 14 and 17 (as in Year One)

The Youth Employer Database lists local businesses that may offer summer or after-school jobs to high school aged youth. It addresses local employee attraction issues in a manner that circumvents the need for housing by connecting employers with

possible workers who already live locally. It also provides a valuable service for local youth seeking work experience.

Year Two of the Company Program will be offered to students between the ages of 12 and 14. As a result the curriculum will feature more group activities and less mentor-led lectures. It could also be offered as a summer program. The Company Program partially implements Economic Development Strategy 8 by supplementing curriculum offered by Ucluelet Secondary School, introducing students to the possibility of entrepreneurship, connecting them with local business owners, and introducing universal business principles and skills. The Chamber could also coordinate the delivery of the program at Ucluelet Secondary School, which would encourage even closer ties between local educational institutions and businesses.

Note that the Chamber has applied for the Grant in Aid Program to fund year two of the Company Program and has identified other potential funding sources for this program.

6.4 Housing

UEDS Link: Strategy 12 – Continue to support the development of a range of housing options, including dedicated staff housing if the need arises.

The housing-related program has two components:

1. Landlord Employer Matching Service
2. Advocacy and marketing to support increased rental housing inventory

The landlord employer matching service is a tenant placement service modelled on Whistler Housing Authority's Home Run Program (<https://whistlerhousing.ca/pages/homerun>). It is

intended to encourage landlords to rent long-term and create staff housing by matching landlords and local employers for a small fee. The Chamber could expand this service in the future by providing property management services, also for a fee.

Advocacy and marketing activities include continued discussions with employers and the District about regulatory incentives for short-term versus long-term renting, supporting the development of new rental and staff housing units, and targeting through social media local landlords that are currently operating in the short-term rental market. The key message is the importance of employee housing to the local economy, as well as communicating any changes to regulations and incentives.

Housing is one of several priority issues in Ucluelet that is shared with Tofino (and other Island communities). As part of the ongoing search for grant funding in 2019, the possibility of developing joint programming and funding proposals with Tofino will be explored.

6.5 Employee Attraction and Retention

UEDS Link: The Ucluelet Economic Development Strategy does not have a single strategy that specifically addresses employee attraction and retention, but there is a clear link with UEDES **Goal #2 – Invest in Ucluelet's Human Potential**. Strategies focused on housing, the unique sense of place and quality of life, and expanded post-secondary education and health services are all designed to make Ucluelet a more appealing location for both seasonal and long-term employees.

The employee attraction and retention related programming has three components:

1. Work with winter resort municipalities to facilitate the flow of seasonal workers between jurisdictions

2. Attract seasonal workers through a targeted social media campaign
3. Host an annual BBQ that celebrates seasonal employees

The first component involves networking with Chambers, resort operators, and other groups that represent businesses located in winter-based resort municipalities like Fernie or Revelstoke. The long-term goal of this project is to encourage the development of symbiotic relationships between employers that experience labor shortages at opposite times of the year. It is also intended to encourage strategic planning and partnerships between these employers. Finally, the information gathered through this component may be used to inform any targeted employee attraction campaigns that the Chamber undertakes.

The second component is a targeted social media employee attraction campaign. It will highlight the benefits of working in Ucluelet in the summer including the proximity to the Pacific Rim National Park, seasonal events, and the community in general through video vignettes and employer profiles. The Chamber may partner with Tourism Ucluelet to leverage their substantial online marketing expertise. In which case, this component relates to UEDS Strategy 4 – Explore marketing synergies with Tourism Ucluelet.

The third component recognizes and thanks seasonal employees to encourage them to return year after year. It is a low-cost way of recognizing the necessity of their work and the benefit to Ucluelet’s economy.

6.6 Employee Training

UEDS Link: Similar to the previous section on employee attraction and retention, the most appropriate link for employee training is to **Goal #2 – Invest in Ucluelet’s Human Potential.**

Employee training related programming has two components:

1. Assist employers with applications for BC Employer Training Grants
2. Deliver local employee training certification courses tailored to local employer needs

The BC Employer Training Grant supports employers by funding a portion of training for current and new employees. There are typically three funding windows per year, applications must be submitted months before training is provided, and there is significant demand for limited funds. As a result, to be successful employers must plan their staff training well in advance and submit their grant applications as soon as the applicable funding stream opens. The Chamber can assist employers by helping to coordinate their training schedule with the grant openings and helping them draft and file their grant applications.

The local employee training component involves coordinating the delivery of certification courses that are in demand and not currently available locally. This will be done through continued engagement with local stakeholders, identifying available programming, and coordinating the delivery of courses. Employers and/or employees will pay for these courses so the programming will be cost-effective.

6.7 Retail and Industrial Space

UEDS Link: Strategy 13 – Ensure sufficient supply of industrial land is designated and, when appropriate, serviced for future use. The designation and servicing of industrial land is beyond the Chamber’s direct control, but information collected through this program can help inform both municipal planning and private development projects. Access to suitable space is a fundamental

need for most businesses and in that sense, this program area also supports all UEDC strategies under **Goal #4 – Support and Build on the Twin Pillars of the Ucluelet Economy – Harbour-Related Industries and Tourism** as well as **Goal #5 – Pursue Targeted Economic Development Opportunities**.

The retail and industrial space related programming involves tracking and communicating market demand, inventory and cost sharing opportunities.

Chamber staff will maintain internal records of available retail and industrial space, as well as a list of entrepreneurs and companies seeking leasable space. The purpose is not to create a comprehensive database of all properties and the database will not be available publicly. Rather, the intent is to support the Chamber’s role as an information resource and mediator between parties with common interests.

The initiative will also support the emerging trend for complementary businesses to become co-tenants of a single space, both as a way to lower real estate costs but also for cross-promotion and sometimes staff-sharing purposes.

The tracking system will include available moorage and properties that have access to the harbour. This service may be particularly useful for tourism assets that are planning to move, expand, establish a new facility in Ucluelet, or need to identify moorage opportunities.

6.8 Seasonality

UEDS Link: Strategy 4 – Explore marketing synergies with Tourism Ucluelet and Strategy 19 – Support the expansion and diversification of tourism amenities and attractions.

Seasonality programming has two components:

1. Launch of the Made in Ucluelet brand and campaign
2. Develop a “Tourist in Your Hometown” week

The Made in Ucluelet brand and campaign are intended to raise the profile of local artisans, artists, and manufacturers as well as the retailers that carry their products. Unlike most “made local” campaigns, its target audience is tourists rather than residents.

Initial development of the program has occurred during UBERE Year One and was prompted by several UBERE respondents saying that much of their low-season online sales were the result of interactions with tourists during the high season. The Made in Ucluelet campaign leverages this reality by expanding the profile of these producers and in turn their interactions with visitors.

The Chamber will leverage Tourism Ucluelet’s expertise and substantial social media following to introduce tourists to Made in Ucluelet products and retailers before they arrive and upon their arrival.

As part of Year One, a Made in Ucluelet logo has been developed as well as its qualification criteria. Year Two will see the launch of the brand in the following manner:

1. Chamber staff create an inventory of local producers and the retailers that carry their products
2. Chamber staff offer “Made in Ucluelet” vinyl stickers and cards with the “Made in Ucluelet” brand to retailers that carry local products

3. Tourism Ucluelet will develop a Made in Ucluelet landing page on their website which lists local products and the retailers that carry them. This website will have links to Tourism Ucluelet’s online store or the producer’s website, as well as links to the Chamber’s website featuring articles that celebrate Made in Ucluelet merchants and producers.
4. The Chamber will develop a racking card that features the Made in Ucluelet logo on one side and a map that features Made in Ucluelet retailers and producers on the other side. The racking card will be featured at Tourism Ucluelet’s visitor centres.
5. Made in Ucluelet products may also be featured at the visitor centres.
6. A social media campaign that features a Made in Ucluelet video and targets prospective visitors will be developed by the Chamber in partnership with Tourism Ucluelet.
7. An additional social media campaign that targets visitors and features the Made in Ucluelet producers and merchants that are planning to sell their business or are seeking capital investment will also be developed.

The Made in Ucluelet campaign leverages Tourism Ucluelet’s marketing expertise and deep network of followers for the benefit of local producers and retailers. It is an excellent implementation of UEDS Strategy 4 that recommends exploring “marketing synergies with Tourism Ucluelet” to increase the number of tourists who are exposed to economic development messaging about the community.

The Tourist in Your Hometown week seeks to improve low-season sales for tourism assets by offering discounts during a particular week during the low season. It may also serve as an opportunity to test new services. Chamber staff would identify participating businesses and work with Tourism Ucluelet to advertise the week both locally and further afield. It supports UEDS Strategy 19 on the expansion and diversification of tourism, and can also be viewed as part of UEDS Strategy 11 on “programs and events that enhance Ucluelet’s unique sense of place and high quality of life.”

6.9 Management Capacity Training

UEDS Link: Management training does not link to a specific strategy but is an integral part of a standard BRE program (linking to **Strategy 2: Operate or support a Business Retention and Expansion (BRE) program**) and supports the “human potential” of local management (supporting **Goal #2 – Invest in Ucluelet’s Human Potential**). It also cuts across all local industries, including tourism, harbour-related industries, and target sectors like technology, energy, and forestry.

The Management Capacity Training program is a series of workshops that is expected to include:

- Six to 12 drop-in co-working sessions with a floating subject matter expert
- Two search engine optimization workshops
- One debt financing workshop
- One business planning workshop
- Two to four tax planning workshops
- Possible other management topics that are identified through employer interviews

The 12 drop-in co-working sessions give local employers and self-employed individuals a chance to engage with their peers in an informal setting while also having access to an expert who can answer their questions. The sessions are cost effective because there will be no need for experts to develop curriculum and attendees could be charged a nominal fee. The Chamber could charge non-members for attending the sessions.

The sessions could also be used to gauge demand for a local co-working space that could become a revenue stream for the Chamber. Given the topics demanded by UBERE Year One workshop attendees, a bookkeeping expert should attend approximately half of the sessions and a marketing expert should attend at least a quarter of the sessions. The participants could then dictate what sorts of experts they would like to see at the remaining sessions.

The remaining workshop subjects were identified by reviewing both the UBERE data and the workshop feedback forms. The debt financing workshop and business planning workshop are cost effective because Chamber staff have identified experts who are willing to deliver these workshops at cost or free of charge. The search engine optimization and tax workshops are less cost effective but are in high demand and consequently the Chamber may be able to charge attendees more.

7 CONCLUSION

The UBERE program was created by the Ucluelet Chamber of Commerce as part of a strategic re-orientation of the services offered by the Chamber and the role it plays in the local economy.

An ambitious work plan was established to secure grant funding from the BC Rural Dividend Program and Island Coastal Economic Trust, as well as the District of Ucluelet. That work plan has been achieved.

The Chamber recognized a need to provide certain economic development services, in collaboration with the District. But the full benefit of an economic development function is rarely realized in a single year. It takes time for relationships and partnerships to form, for tools and support services to be tested and honed, and for businesses and community organizations to recognize and utilize the services on offer.

Judging from the feedback from employers who attended workshops or received other assistance from UBERE staff, the Chamber made a real contribution to the success of multiple local organizations in Year One. But none of the major challenges facing Ucluelet employers has a quick fix.

A sensible and flexible Year Two workplan has been developed that builds on the research and program successes completed in Year One. It identifies practical tools, services and initiatives to make further progress on the top economic development challenges facing Ucluelet, working in partnership with the District and exploring broader partnerships with Tofino

and other West Coast communities, including the Yuułu?it?ath and Toquaht First Nations.

Ucluelet is a small community with limited local government funds for economic development. But it is also a Resort Municipality and punches above its weight in the amount of economic activity that occurs in the community.

The Ucluelet Chamber of Commerce is the same, leveraging a tremendous amount of value for the community with limited resources. This has been recognized and highlighted at a provincial level through an UBERE profile on the BC Ideas website (which is an online tool to share best practices in local economic development) and by securing a community nomination for a Small Business BC “Open for Business” award.

APPENDIX A: LESSONS LEARNED

This Appendix will be of interest to those interested in replicating some of the programs operated by UBERE in Year One and who could benefit from the practical tips listed below.

Interviews

- **Program awareness can be an issue:** Make sure preprogramming marketing reaches all prospective respondents.
- **Booking interviews can be problematic and time consuming:** Use a well-connected local to book interviews. Leverage their goodwill with the respondent. Use networking events and workshops to book interviews. Incentivize participation.
- **Keep the interviews short:** Most employers have less than an hour to talk. Use leading questions and skip logic (in the survey) to streamline the interview process.
- **Make time for open questions:** Use open questions to create pens down discussion. They can be time-consuming, but often provide information about the most important topics to the respondent.
- **The interviews are a chance to resolve challenges:** Identify issues as you go and provide ad hoc support as soon as possible. Do not bombard employers with supports.
- **Keep data files small:** Make sure data do not become unwieldy, so data files run smoothly.

Ad Hoc Support

- **Provide support as soon as possible:** It is critical to respond to employer needs asap as they can change rapidly.
- **Refer to the experts:** Sometimes it is more time effective to refer employers to an expert.
- **The BC Employer Training Grant is very competitive:** Employers must be ready to submit their application as soon as the grant opens. They will need to apply for their BCEID well before they apply.
- **Work with local government to apply for funding and address municipal challenges**

Workshops

- **Tailor workshops to local need:** Use interview data and dialogue with local employers to identify useful workshop topics.
- **Keep the workshops short:** Divide complicated or boring topics like taxes into multiple hour and a half sessions.
- **Keep the workshops informal and avoid excessive lecturing:** Make sure there is time for attendees to ask questions that are specific to their business. Make sure the instructor engages in dialogue with his or her audience.
- **Look for local talent:** A good instructor is worth the money.
- **Keep the instructors “pitch” short:** Some instructors see leading workshops as an opportunity to pitch their service or product. Allow them to briefly pitch at the beginning or end of the workshop but make sure that

they acknowledge that they are being paid to teach not to pitch.

- **Workshops are networking opportunities:** Workshops are great opportunities for the attendees to network with local/non-local experts as well as their peers.
- **Offer workshops at a variety of times and on weekends:** Some employer cannot attend workshops held in the evening and others cannot attend workshops held during the workday.
- **Food matters:** Make sure there is food, it is good, and the caterer takes the opportunity to advertise.
- **Workshops are an opportunity for the Chamber to advertise its services:** The chamber should acquire signage that could be used at workshops which reminds attendees who delivered the workshop.
- **Survey workshop attendees:** Surveys are a great way to assess the workshop topic, instructor, and future topics.

Business Spotlights and Business Support Catalogue

- **Don't overwhelm the reader:** When choosing online resources for the business catalogue limit your selection to one or two resources per topic and focus on the flow and formatting of the resource.
- **Know how to reach your audience:** Before publishing resources understand your target audience and how to best connect with them.
- **Video vignettes may be more appealing business spotlights:** Depending on the target market and messaging, video vignettes about the spotlighted business may be more effective advertising vehicles.

- **Highlight the unique value proposition of the featured businesses:** Every spotlight should identify what is unique about the featured business as well as any unique strategies they have implemented to address local economic development challenges like employee attraction or retention.
- **The business spotlight is an opportunity to identify business needs:** Working with the featured entity to draft the spotlight is another opportunity to discuss any challenges they may have.

Networking events

- **Pick a central location:** The event will attract passers-by, which is good.
- **Make networking the priority:** Make sure any presentation that is offered is brief.
- **Invite politicians and DOU staff:** This is a valuable opportunity for stakeholders to engage with politicians and district staff in an informal/safe atmosphere.
- **Invite business leaders from surrounding communities:** Often times regional solutions require players from throughout the region.
- **Target the younger generation of business owner/manager:** It critical that the younger generation networks with the older generation to address business succession issues and to encourage the development of a cohesive local business community. Make sure the events are inviting to a range of demographics.
- **The more, the merrier:** It is critical to avoid any sense exclusivity. Invite business owners, managers, and employees. Everyone should be welcome.

Youth Entrepreneurship Program

- **Afterschool programs work:** Afterschool programs are great because only interested students attend.
- **Plan for attrition:** Some youth may quit.
- **This is not school, let the students run the show as soon as possible:** Avoid excessive lecturing, let the participants lead the sessions as soon as possible, and play more games. When necessary, a mentor may have to take the reins to prioritize the completion of specific tasks.
- **Set clear expectations:** Set clear goals, deadlines, and group norms. This will help to avoid free-rider syndrome or the tragedy of the commons. In particular, explain that some work will have to be done outside of program hours and everyone has to participate in producing the product or delivering the company's service.
- **Establish response mechanisms** and policies for the human resources department to use when expectations are not being met.
- **The program is all about the mentors:** Make sure they:
 - are committed, fun, energetic, and clear communicators
 - have diverse backgrounds with different work experiences
 - know it is a substantial time commitment
 - have an opportunity to communicate their expectations to the youth
- **Use business software:** The program is an excellent opportunity to introduce students to software like Slack, Canva, and Excel.
- **Use multiple modes to communicate with the youth:** Many of this year's participants did not regularly check their email.
- **Measure the individual performance of each student:** Encourage the group recognize outstanding performance.
- **Records, records, records:** Keep precise inventory, sales and financial records.
- **Start final video report early in the program:** Start shooting the final video early in the program, so there is plenty of footage to use.
- **Make time to adjust curriculum:** J.A. curriculum is flexible, but a substantial amount of time is needed to coordinate and organize its delivery.
- **The food matters:** Teens get hungry, hangry, and distracted. Make sure there are snacks at the beginning of the session and serve dinner at the end of each session (not the middle).

APPENDIX B: QUESTION LIST

Has the Employer Claimed their Company on Google

Q1: Head office location?

Q2: Other locations, if any?

Q3: Chamber member?

Q4: Year organization founded?

Q5: Year that Ucluelet location opened?

Q6: Change in ownership and/or management in last 3 years?

Q7: Type of organization?

Q8: Change in Ucluelet business location in last 3 years?

Q9: Other relevant background information from researching the company? (E.g., summary of products/services, customer types, recent developments, etc.)

Q10: Do your operations vary by season?

Q11: When is your high season? Do you have a shoulder season (in between high and low)? Does the low season include a period where you don't operate or have significantly reduced hours?

Q12: Do you pay yourself a regular salary?

Q13: Do you have paid employees (now or at any point during the year)?

Q14: What was your peak employment in the last high season for full-time, part-time and casual staff? (Note: Full-time is defined as 30+ hours per week).

Q15: How has the number of employees changed in the last three years?

Q16: How do you expect the number of employees to change in the next three years?

Q17: Within the last three years, have you had any positions that were unfilled for an extended period of time? If yes, how many?

Q18: Why do you think it was unfilled?

Q19: How has the number of unfilled positions changed in the last three years?

Q20: When you have a job opening, how do you advertise or recruit?

Q21: How does year-round workforce break down by required skill level? What is the average hourly wage by skill level?

Q22: Is employee retention a problem?

Q23: If yes, how is employee retention a problem?

Q24: Do you conduct exit interviews with leaving staff?

Q25: Are you concerned about losing employees to retirement?

Q26: Do you have a training budget for staff?

Q27: How is training currently provided?

Q28: Are there training or professional development topics that would benefit your staff?

Q29: What is the preferred format for staff training?

Q30: Are you aware of the following workforce supports?

Q31: Do you have any contractors who regularly work at this site (now or at any point during the year)?

Q32: image shows a typical business life cycle. Where would you say you are on this chart?

Q33: Approximately how much has your revenue changed in the last three years?

Q34: Do you expect the highway construction to have an effect on your revenue going forward?

Q35: What is your projected annual revenue growth in percentage?

Q36: What is the typical geographic source of your revenue, by percentage?

Q37: Who are your competitors for revenue? Where are they located?

Q38: Are you interested in starting to export / increasing your exports?

Q39: If interested in exporting Are you aware of any government programs that provide export assistance?

Q40: How much are you interested in growing your business, on a scale of 1 to 5, where 5 is very interested and 1 is not at all interested?

Q41: [If 4 or higher on previous question] How do you plan to achieve this growth? (adding staff, longer hours, more/better sales and marketing, diversifying into new products/services, natural growth of the market)

Q42: What are the barriers to growth/successfully operating your business?

Q43: If you require financing to grow/sustain operations, what are you planning to use?

Q44: Are you having difficulty obtaining financing? Or do you have any other comments about financing?

Q45: What has been the effect of the recent change in company ownership/management? How does it affect the future outlook?

Q46: Do you have a formal business plan?

Q47: Enter type of facility

Q48: Is the facility owned or leased/rented?

Q49: How satisfied are you with the condition of your current facility, on a scale of 1 to 5? (5 is Very Satisfied, 3 is neutral, 1 is Very Unsatisfied)

Q50: Over the next three years, do you anticipate any major changes in your facility? [Major Renovations / Improvements (Without Expanding)]

Q50: Over the next three years, do you anticipate any major changes in your facility? [Major Renovations / Expansion]

Q50: Over the next three years, do you anticipate any major changes in your facility? [Move to New Facility]

Q50: Over the next three years, do you anticipate any major changes in your facility? [No]

Q51: If considering changing facilities, do you anticipate finding a new facility in Ucluelet?

Q51: If considering changing facilities, do you anticipate building a new facility in Ucluelet on your current site?

Q51: If considering changing facilities, do you anticipate building a new facility in Ucluelet on a different site?

Q51: If considering changing facilities, do you anticipate looking outside Ucluelet?

Q52: What size of facility would be looking for?

Q53: Are there barriers to your renovations / expansion / relocation?

Q54: How satisfied are you with the condition of your current machinery and equipment, on a scale of 1 to 5? (5 is Very Satisfied, 3 is Neutral, 1 is Very Unsatisfied)

Q55: In the last three years, do you feel you've invested enough in machinery and equipment to remain competitive? (Please rate on a scale of 1 to 5, where 5 is sufficient investment to maximize competitiveness and 1 is no investment.)

Q56: [If previous question is 4 or less] If you haven't been investing as much as you think is needed, what are the barriers that have prevented additional investment?

Q57: Do you anticipate significant new investments in machinery and equipment in the next three years?

Q58: What point-of-sale technology do you use? Are you satisfied with it? Have you looked at alternatives?

Please indicate your level of satisfaction with the following public services, on a scale of 1 to 5, where 5 is Very satisfied, 3 is neutral, and 1 is Very Unsatisfied. If no opinion or not relevant, leave blank and skip to the next.

Q59: Long Beach Airport

Q60: Harbour

Q61: Highways

Q62: Local roads

Q63: Waste disposal

Q64: Recycling programs

Q65: Development approval process

Q66: Building inspections

Q67: Bylaw enforcement

Q68: Business licensing (cost and application process)

Q69: Water supply (not including metering)

Q70: Water metering

Q71: Sewer system

Q72: Property taxes

Q73: Any other government regulations or issues (for any level of government)

Please indicate your level of satisfaction with the following aspects of the local business climate, on a scale of 1 to 5, where 5 is Very satisfied, 3 is neutral, and 1 is Very Unsatisfied. If no opinion or not relevant, leave blank.

Q74: Cellular service

Q75: Internet service

Q76: Supply of commercial or industrial space for lease (Availability and/or cost)

Q77: Supply of commercial or industrial buildings for purchase (Availability and/or cost)

Q78: Supply of land for development (Availability and/or cost)

Q79: Transportation of goods

Q80: Business support services (Accounting, legal, IT consulting, etc.)

Q81: Where are your business support services located?

Q82: Local trades

Q83: Local business community (networking, mentorship, sense of belonging to a community of business owners/managers)

Q84: Chamber of Commerce

Q85: Tourism Ucluelet

Q86: Continued growth in tourism (That is, if tourism continues to grow, how does this have a positive or negative or mixed impact on your business?)

Q87: Workforce availability, quality and stability

Q88: Housing availability, quality and cost

Q89: Recreational and cultural amenities

Q90: Educational institutions

Q91: Overall satisfaction with Ucluelet as a business location

Please indicate your or your management team's level of knowledge or comfort with the following aspects of operating a

business, on a scale of 1 to 5, where 5 is very knowledgeable or comfortable, 3 is neutral, and 1 is Not at all

Q92: Sales and Marketing

Q93: Human resources

Q94: Finance and accounting

Q95: Succession planning

Q96: Strategic and business planning

Q97: Working with a board

Q98: Attracting, managing and retaining volunteers?

Q99: Grant writing

Q100: Sustainable in your business practices

Q101: Software and information technology

Q102: Company website and online presence (SEO, online bookings)

Q103: Social media

Q104: Stepping back and thinking about your industry, are there any emerging trends that will affect your business in the next few years? (changes in technology, changing customer preferences)

Q105: Are you interested in local training opportunities for any of the topics we've discussed, or any other topics not mentioned?

For what topics would you like to have training?

Q106: Human Resources

Q106: Finance and Accounting

Q106: Strategic Business Planning

Q106: Succession planning

Q106: Working with a board

Q106: Information technology

Q106: Social media

Q106: Grant writing

Q106: Other topics not mentioned?

What is the preferred format for training?

Q107: Classroom setting

Q107: At your workplace

Q107: Online/webinar

Q107: Other?

Q108: We are working on developing youth entrepreneurship program, would you be interested in participating?

Q109: We are creating a registry of employers who provide youth employment opportunities, would you like to be added to that registry?

Q110: Would you like to be added to the Chamber's email newsletter, the Buzz?

Q111: Is there anything else you would like to tell us?

UBERE Assessment

Q112: Estimated age of interview subject?

Q112: Organization's overall health (1-5)?

Q112: Management's attitude toward the community (1-5)?

Q112: Single most important issue for this company?

Q112: Risk of downsizing in next 3 years (1-5)? (5 is high risk)

Q112: Risk of going out of business in next 3 years (1-5)? (5 is high risk)

Q112: Chance of expansion in next 3 years (1-5)?

Q113: Final notes, thoughts, etc. after pens down?

Q114: Follow-up items?

