

2016 COMMUNITY EXCELLENCE AWARDS APPLICATION LEADERSHIP & INNOVATION, Agriculture

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Name of Local Government

Regional District of Central Okanagan, Economic Development Commission (COEDC)

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The Mayor/Chair is aware that I am submitting this application on behalf of my local government.

Yes

Project/Program Title:

Agriculture to Agri-Tourism Project

Project Summary Paragraph

Please provide a summary of your project/program in 150 words or less.

The COEDC's agricultural site visitation, in existence since 2006, and a 2011-2012 Labour Market Partnership Program, whereby over 500 Okanagan Valley farm operators were visited/surveyed, indicated a desire among farm operators to incorporate value added income streams like agri-tourism to their operations.

Agri-tourism is an innovative economic development strategy demonstrated in a number of countries as a way for farmers to add value to their farm businesses. In 2012, the COEDC created a pilot Agriculture to Agri-tourism project where a vetted group of qualified applicants participated in a 4-month business planning program consisting of 1:1 mentoring, group sessions with expert industry advisors and takeaway resources. From 2012 to the last intake in 2015, 15 farm businesses have completed the program. From resource guides and agriculture profiles to 30+ hours of mentorship and expertise provided to each operator, participants gained business skills, industry connections and farm-to-farm networking to enhance their operations.

Project Analysis

1. STEWARDSHIP

Please describe how your project/plan strengthens farming and agriculture in your community.

The Central Okanagan region has long been a major centre for agriculture in the province. Agriculture has important links to tourism - the landscapes, locally grown

products and experiences provided by our agricultural heritage attract visitors to the region, and enhance the quality of life that the Central Okanagan is known for.

Over the last 30 years, agriculture throughout the region has been challenged by factors that greatly impact traditional farm operators' abilities to derive income from their land. Agri-tourism is one innovative solution that provides farm operators with value-added income streams to enhance profitability. Successful agri-tourism operations require detailed business planning and unique skillsets in addition to those historically associated to farming. The Agriculture to Agri-Tourism program addresses the skills gap and increases farm operators' capacity, thereby developing agri-tourism as a sustainable economic practice in the region.

The program has been covered extensively in local media throughout the region and beyond, reinforcing agriculture as an economic driver in the Central Okanagan. Media coverage focused on profiles of program participants, many of whom are young farm operators, promoting agriculture as a viable career path for young people in the region.

Starting with the pilot program in 2012, two additional cohorts in 2013/2014 and 2014/2015, the development of resources including the Agriculture Economic Profile and the Agri-Tourism Business Planning Guide and an extensive site visitation program, COEDC programming has contributed to a direct increase in the profile of agriculture regionally through connectivity throughout the community and municipal, provincial and federal government.

2. RESULTS

a. Please provide a brief outline of the steps involved in the program/project and the status of each step.

Pilot Project Phase 1 and 2 – August, 2012 to October, 2012

- Research/study to develop program, including extensive consultation with farm operators, tour operators, tourism organizations and multiple levels of government.
- Program applicants invited, vetted and selected based on commitment and capacity to implement value-added business streams to their operations

Phase 3 – November, 2012 to mid- January, 2013

- Agri-Tourism Business Planning Guide developed in partnership with University of Tennessee, a leader in agri-tourism development

- Customized speaker presentations and stakeholder engagement between government, industry associations and private enterprise coordinated for each participant, including:
 - Municipal zoning meetings
 - Tourism Kelowna and Thompson Okanagan Tourism Association representative site visits
 - Presentations from insurance providers, accountants and other business service providers
 - Networking, mentoring and presentations by successful operators on lessons learned, best practices in development

Phase 4 – Mid-January to April, 2013

- Program participants finished their research and worked on their plans
- COEDC provided up to 30 hours of coaching/mentoring and business plan review

Second Cohort – October 2013-April 2014

Third Cohort – October 2014 – April 2015

Building upon all resources and contacts developed through the pilot program and following cohorts, 2016 activities have been centered on conducting farm site visits to identify barriers to growth for the sector and facilitate access to information and resources.

Several informational sessions have been coordinated focused on industry need and opportunities, such as leasing agricultural land, trends and opportunities in agri-tourism in the Central Okanagan, and coming in the fall of 2016: Succession Planning for Farm Operators.

b. Describe the results achieved and provide measurable results where possible.

Direct results include:

- 15 successful program graduates, representing up to 100 farm workers, have reported that they are more profitable, better organized and in optimal positions to grow their businesses
- Building upon program findings and needs of the sector, as of 2016 the COEDC conducts 1:1 consultation and expertise with over 20 farm operators annually, identifying barriers to growth and opportunities in the industry. Ongoing follow up and expertise is provided to 25-30% of operators.

- Development of a customized local database of approximately 100 agri-tourism interested farm operators, stakeholders and industry representatives that can be connected to in communicating new initiatives and resources
- COEDC assisted with zoning amendment applications; the approval of which allowed for significant value added activities to their operation
- Production of multiple resources including:
 - Farm Operators guide
 - Agri-Tourism Business Planning Guide
 - Agriculture Economic Profile
- Program graduates reported better connectivity to supply chain and benefits from collaborative marketing efforts and mutual support. Participants also reported greater connectivity to the local business community and government.
- COEDC has facilitated the increased profile of agriculture in the region by facilitating media coverage in regional news outlets like the Kelowna Daily Courier, YLW magazine and a major feature in the Spring and Summer 2016 issues of Orchard & Vine, a high profile industry publication with distribution across Western Canada

3. CHALLENGES

What challenges did you face in implementing this program/project and how did you overcome them?

For a variety of reasons, a lack of business skills and awareness of the importance of business planning is prevalent in the agriculture sector. Some farm operators are reluctant to engage in planning activities due to a lack of time or perceived lack of importance. The COEDC developed a communication strategy including direct 1:1 contact to raise awareness of the benefits of enhancing their business skills. Engaging successful existing agri-tourism operators in mentorship roles further addressed this challenge.

4. LEADERSHIP

Describe how acting on this initiative demonstrates leadership in the advancement of farming in your community. Please include examples that are indicative of the shift in your overall approach from what may have been done in the past.

Lack of understanding and ambiguous definitions of agri-tourism has historically resulted in a lack of resources for farm operators wishing to explore agri-tourism opportunities. The Agriculture to Agri-Tourism program was created in response to needs identified by industry and is the first of its kind by a local government in BC. Consultation with farm operators through the COEDC's Agricultural Support Program since 2006 and approximately 500 interviews with operators of farms and agriculture-related businesses in the region through the 2011-2012 Labour Market Partnership Program coordinated by the Okanagan Valley Economic Development Society indicated an interest in value-added activities like agri-tourism. At the same time, 51% of those interested said they needed helping with developing a marketing plan and 49% with an overall business plan.

Discussion with the Ministry of Agriculture indicated that people often purchase agricultural land in the Central Okanagan and attempt business activities without a thorough understanding of the regulations, operational requirements and available resources. Through the Agriculture to Agri-Tourism program and other recent agricultural support initiatives like the Economic Profile for Agriculture, the COEDC takes a proactive approach by reaching farm operators before starting or in the early stages of agri-tourism operations.

Media coverage of the program has enhanced the profile of agri-tourism and the agriculture sector as a whole in the community. By focusing on economic impact, strategically paired with the people behind the operations in media features, agriculture is positioned as a sustainable industry and a viable career path for young people in the region.

5. ECONOMIC DEVELOPMENT

How does the project encourage economic sustainability? (e.g. life cycle analysis, internalizing costs and alternative financing, economic instruments)

A 2012 report developed by the COEDC's Agricultural Support Program developed in cooperation with Community Futures of the Central Okanagan presented several strategies for creating a sustainable environment for value-added agriculture in the region, including:

- Diversification and innovation – a move away from traditional commodity products into highly value-added artisan agricultural and food products
- Conducive regulation: A regulatory environment that is transparent and does not inhibit agriculturalists from taking advantage of current and emerging opportunities.

- Incubation and facilitation: An environment that nurtures and supports innovation, creativity and its commercialization.
- Infrastructure: An environment that provides the necessary infrastructure including transportation, communications, natural resources and financial resources, and expertise for establishment and sustainability.

By developing a transferable model that provides a foundation for agri-tourism businesses to succeed in the Central Okanagan, the COEDC offers business planning resources and expertise for farms to diversify their income streams and increase value-added activities, while encouraging mentorship and connectivity within the sector. The model considers both general tourism industry trends and the specific interests of visitors to the region. It offers practical guidance for planning a business that must operate within the regulatory environment of the Central Okanagan and at the same time, may open the door to regulatory change to build the agri-tourism sector as the benefits of this form of value-added agriculture are demonstrated, leading to a sustainable agriculture sector in the region.

6. EDUCATION

Please describe the educational aspects of your program/project, details of your target audience and results of this outreach. (e.g. public participation, knowledge sharing, capacity building, community identity and marketing)

After significant research into the skills and competencies required in an agri-tourism operation beyond those historically required by traditional farming, the COEDC's Agriculture to Agri-Tourism program addressed the skills gap through the following educational components:

- Agri-Tourism Business Planning Guide developed by the COEDC in partnership with the University of Tennessee, a recognized leader in the field
- Customized speaker presentations coordinated and facilitation of meetings for market research individualized for each participant, including:
 - Municipal zoning meetings
 - Tourism Kelowna and Thompson Okanagan Tourism Association representative site visits
 - Presentations regarding insurance needs, access to capital & financial resources and business support services
 - Networking, mentoring and connections to successful operators on lessons learned, best practices in development

- Up to 30 hours of coaching and expertise from COEDC Business Enhancement/Agricultural Officer, including business plan review/assistance and ongoing follow up as required

In addition to educational programs and supports aimed at capitalizing on the opportunity for value added business operations for farm operators, the COEDC used regional media to promote agri-tourism as a sustainable economic sector and viable career option in the region, including profiles of participants in the Kelowna Daily Courier, features in Orchard & Vine magazine, YLW magazine and many other local publications. The COEDC also produced a short professional video to promote the program and the agriculture sector.

7. INNOVATION

What makes your program/project innovative?

Agri-tourism is an innovative value-added solution to many barriers facing farm operators in the region, including declining profitability and succession planning. The COEDC's Agriculture to Agri-Tourism program aims to position the Central Okanagan as a leader in the agri-tourism initiatives in the Province by providing support for farm operators developing innovative value-added operations to their farms and closing the business skills gap.

The economic benefits of agri-tourism have been demonstrated in a number of countries around the world. The United Kingdom, Australia and New Zealand, Switzerland, France, the Netherlands, the United States (Tennessee, Washington State, Western Oregon, Pennsylvania, Vermont) are countries where significant agri-tourism activity is occurring. In Europe, agri-tourism is often done out of economic necessity and is largely supported by government programs; similar large scale programs do not exist in the United States and Canada, however. The COEDC's Agriculture to Agri-Tourism program is the first of its kind executed by a regional government in BC.

8. TRANSFERABILITY

How is this program/project transferable to other local governments?

Local governments can benefit from the Agriculture to Agri-Tourism Program Implementation Kit created by the COEDC to implement agri-tourism initiative in their communities. The COEDC has created and replicated a structured framework beginning with the identification and selection of participants and guiding

participants through a 4 month process culminating in the completion of a viable business plans.

The COEDC's Agriculture to Agri-Tourism Toolkit includes a custom Agri-Tourism Business Planning Guide, speaker series format, meeting and site visit plans, business plan coaching and mentorship program. The Implementation Kit and Toolkit is readily shared with municipal, provincial and federal agencies and other community groups looking to develop agri-tourism programs. The COEDC has received applications from farm operators outside of the Central Okanagan, including Salmon Arm, Chilliwack and Vancouver, who could benefit from similar programs in their communities.

9. KNOWLEDGE SHARING

What helpful advice would you share with other communities looking to embark on a similar project?

It is important to engage with farm operators and other stakeholders in the community to build relationships and identify gaps prior to embarking on an agri-tourism program. The COEDC met with over 70 farm operators as well as stakeholder groups like Tourism Kelowna, Thompson Okanagan Tourism Association, Ministry of Agriculture, private tour operators, and local business support organizations in the research and planning phase of the pilot program. This research combined with extensive community and stakeholder engagement gave the COEDC a comprehensive and consultative understanding of the barriers facing farm operators and demands of the tourism industry, allowing the Commission to develop a practical, result-oriented program that fits the needs of the industry and promotes agri-tourism as an economic pillar of the community.

Properly vetting and qualifying program participants for commitment and capacity are important factors in the success of the program. Applicants submitted concept proposals which were vetted prior to acceptance to the program. Successful applicants were required to sign a contract committing to up to 10 hours per week to attend programs, conduct market research activities, write their business plans and meet 1:1 with COEDC experts.

An additional recommendation is to conduct significant analysis and research of follow up resources required. The human and financial capital required to provide support after the completion of the program is often underestimated.

10. TELL US MORE

Please share any other information you think may support your submission.

Resources created to support the COEDC's Agriculture to Agri-Tourism project include:

- Agri-Tourism Business Planning Guide
- Agriculture Economic Profile
- Resources for Farm Operators in the Central Okanagan
- Agriculture to Agri-Tourism Video
- Agriculture to Agri-Tourism Program Toolkit
- From Agriculture to Agri-Tourism Report, 2012
- Orchard & Vine Profile Series Spring/Summer 2016