# Shared Investment for Shared Benefit (SISB) Task Force

**Agenda**

February 20, 2020, 1:00 p.m. – 4:00 p.m.
Italian Cultural Centre
14230 133 Ave NW, Edmonton, AB

<table>
<thead>
<tr>
<th>1. Opening</th>
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<tbody>
<tr>
<td><strong>1.1 Quorum</strong></td>
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<tr>
<td><em>Action: Confirmation</em></td>
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<tr>
<td><em>Lead: Chair Frank</em></td>
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<tr>
<td><strong>1.2 Call to Order</strong></td>
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<td><em>Action: Declaration</em></td>
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<td><em>Lead: Chair Frank</em></td>
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<tr>
<td><strong>1.3 Chair’s Opening Remarks</strong></td>
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<tr>
<td><em>Action: Information</em></td>
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<td><em>Lead: Chair Frank</em></td>
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<table>
<thead>
<tr>
<th>2. Approval of Agenda</th>
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<tbody>
<tr>
<td><em>Action: Approval</em></td>
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<td><em>Lead: Chair Frank</em></td>
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**Recommended Motion:** That the Shared Investment for Shared Benefit Task Force approve the February 20, 2020 meeting agenda.

<table>
<thead>
<tr>
<th>3. Approval of Minutes</th>
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<tbody>
<tr>
<td><em>Action: Approval</em></td>
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<tr>
<td><em>Lead: Chair Frank</em></td>
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</table>

**Recommended Motion:** That the Shared Investment for Shared Benefit Task Force approve the December 6, 2019 meeting minutes.
4. **Update of Project Progress to date**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte

5. **Refresh on SISB Models – Interjurisdictional Accord example**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte

6. **Research to date – early observations**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte

7. **Exercise – Discussing Long-term Opportunities vs. Solving Current Problems**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte

8. **Small Group Discussion – Strategic Questions**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte
   - Discussing what success looks like for SISB; measures of success
   - Regional competitiveness; leveraging SISB to improve competitiveness
   - Quick wins / transformational opportunities

9. **Next Steps / Questions**  
   Action: Information  
   Lead: Chair Frank / Dalibor Petrovic / Slavi Diamandiev, Deloitte

10. **Adjournment**  
    Action: Declaration  
    Lead: Chair Frank

11. **Next Meeting**  
    April 16, 2020, 1:00 – 4:00 pm  
    Location TBC
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>1:00 – 1:10</td>
<td>Opening&lt;br&gt;- Quorum&lt;br&gt;- Call to Order&lt;br&gt;- Chair’s Opening Remarks</td>
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<tr>
<td>1:10 – 1:15</td>
<td>Approval of Agenda</td>
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<tr>
<td>1:15 – 1:20</td>
<td>Approval of December 6 EMRB Task Force Minutes</td>
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<tr>
<td>1:20 – 1:40</td>
<td>Update of project progress to date</td>
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<td>1:40 – 2:10</td>
<td>Refresh on SISB Models – Inter-jurisdictional Accord example</td>
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<tr>
<td>2:10 – 2:30</td>
<td>Research to date – early observations</td>
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<td>2:40 – 3:10</td>
<td>Exercise – discussing long-term opportunities vs solving current problems</td>
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<td>3:10 – 3:50</td>
<td>Small groups discussion – strategic questions&lt;br&gt;- Discussing what success looks like for SISB; measures of success&lt;br&gt;- Thinking about future SISB outcomes&lt;br&gt;- Quick wins / transformational opportunities</td>
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<tr>
<td>3:50 – 3:55</td>
<td>Next Steps / Questions</td>
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<td>3:55 – 4:00</td>
<td>Next Meeting</td>
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<td>4:00</td>
<td>Adjournment</td>
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Approval of Agenda

**Recommended Motion:**
That the Shared Investment for Shared Benefit Task Force approve the *Agenda* of February 20, 2020.
Approval of Minutes

**Recommended Motion:**
That the Shared Investment for Shared Benefit Task Force approve the December 6, 2019 *meeting minutes*. 
Objectives of Today

1. Update Task Force members on SISB project progress
2. Refresh Task Force members on SISB concepts (using an example)
3. Discuss key strategic questions emerging from Working Group
4. Understand next steps for project and how Task Force Members’ input will be used
5. Others???
Update on Project Progress to Date
Progress Since Last Task Force meeting (Dec 6th)

**Working Group Formed**
- Each municipality represented

**Document Review and Survey**
- Stakeholder survey on investments
- Some strategic plans and list of current cost-sharing agreements received from Working Group members

**Environmental Scan underway**
- Review of SISB models in other jurisdictions
- 10 models reviewed to date

**Individual SISB Task Force member interviews**
- 30-minute meetings with each members (optional)
- 5 interviews conducted to date

**Conducted First Working Group Workshop**
- Level-setting on project plan, Working Group member expectations and SISB concepts
- Initial discussion on categories of investments and SISB model requirements

Dec 6 → Feb 20
EMRB SISB – Work Plan and Milestones

Overall project status is On Track. The initial project plan was revised following establishment of the Working Group in early January. Research and engagement activities are underway.

<table>
<thead>
<tr>
<th>Milestone/Deliverable</th>
<th>Target Week</th>
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<tbody>
<tr>
<td>A. Project Start</td>
<td>29-Oct-2019</td>
</tr>
<tr>
<td>B. Work Plan</td>
<td>1-Nov-2019</td>
</tr>
<tr>
<td>C. Document Review and Initial Internal Stakeholder Engagement Complete</td>
<td>3-Mar-2020</td>
</tr>
<tr>
<td>D. Environmental Scan Complete</td>
<td>31-Mar-2020</td>
</tr>
<tr>
<td>E. SISB Framework Report Complete</td>
<td>31-Jul-2020</td>
</tr>
<tr>
<td>F. SISB Investment Model Development Complete</td>
<td>31-Oct-2020</td>
</tr>
<tr>
<td>G. SISB Investment Model Testing Complete</td>
<td>15-Dec-2020</td>
</tr>
<tr>
<td>H. Final Model and Report</td>
<td>30-Apr-2021</td>
</tr>
</tbody>
</table>
Refresh on SISB Models – Inter-jurisdictional Accord Example
The model can accommodate a variety of stakeholders and contributions and is best suited for initiatives that generate direct revenues to be shared.

**Partner Contributions**

- The model allows for **contributions by external stakeholders**, including, private partners, Provincial government, federal government.
- External stakeholders will receive **benefits in proportion to their contribution** (i.e., the benefits are allocated directly to external stakeholders and are not channeled through the Accord pool).
- The model is **agnostic to funding sources** used by partners.

**Initiatives in Scope**

- The model can accommodate **different sizes and types of projects**.
- The model is designed to accommodate **initiatives that generate direct revenues to be shared between partners** (e.g., initiatives that require the sharing of both investments and benefits).
- A mixed sharing mechanism **based on partner ‘usage’** may be best suited to cost-sharing initiatives where applicable (e.g., using ridership for transit)*.
- The model can activate just the ‘investment-sharing’ function for initiatives that **share costs only**.

= Similar to model feature in Strategic Guidance document
Inter-jurisdictional Accord SISB Model - Description (2/2)

The model equitably shares investments, and the resulting benefits from the investment, through a mixed-sharing mechanism for large-scale projects.

**Investment-Sharing**

- Contributions towards the investment are **split equally among partners, up to a cost threshold**

- Beyond a cost threshold, contributions are split based on a formula recognizing differences among partners (metric will be determined in Phase 2).

- The model **can incorporate non-financial contributions** (converted to $ value), such as land, human and technical resources or the provision of key services.

- The model ensures that **no one partner can be a beneficiary and not a contributor**

**Benefit-Sharing**

- Model allocates **financial benefits that are quantifiable and dividable** (i.e. revenues)

- **Broader economic or social benefits are not directly included** in the model but can be considered as part of project selection framework

- Financial benefits are shared **proportionately to partner contributions**

- Model applies to sharing **incremental financial benefits**, from a **forward looking perspective** (not retroactive)

- Model incorporates a **revenue-pooling mechanism** to fund future initiatives

- Model incorporates a **host jurisdiction compensation mechanism** to recoup costs to the host of servicing the investment

- Model allows for the **payback (benefit) horizon to vary in duration**

= Similar to model feature in Strategic Guidance document
Research to date – early observations
EMRB Member Municipalities – a diverse group of communities

The 13 municipalities that comprise the Region have different perspectives, priorities and capacities, shaped by differences in size, demographics and economy.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Areas of Difference</th>
<th>Examples</th>
</tr>
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<tbody>
<tr>
<td>Geography</td>
<td>• Size, Location, Geographic features</td>
<td>11 km² (Beaumont) → 2,600 km² (Leduc County)</td>
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<tr>
<td></td>
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<td>Dense Urban Area (Edmonton) → Open Rural Area (Parkland Co)</td>
</tr>
<tr>
<td>Demographics</td>
<td>• Population, Density, Demographic characteristics</td>
<td>6,500 residents (Devon) → 932,500 residents (Edmonton)</td>
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<tr>
<td></td>
<td></td>
<td>5 ppl/km² (Leduc County) → 1,850 ppl/km² (Edmonton)</td>
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<tr>
<td></td>
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<td>$93,600/yr med. income (Edmonton) → $132,100/yr med. income (Strathcona Co)</td>
</tr>
<tr>
<td>Economy</td>
<td>• Industrial mix, Priority sectors, Economic assets</td>
<td>Example Sectors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Energy / Petrochemicals</td>
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<td>• Agriculture</td>
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<td>• Technology</td>
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<td></td>
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<td>• Manufacturing</td>
</tr>
<tr>
<td>Capacity / Maturity</td>
<td>• Maturity of economic strategy, Resources dedicated</td>
<td>Example Assets</td>
</tr>
<tr>
<td></td>
<td>to economic development, Fiscal capacity</td>
<td>• International Airport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Government of Alberta</td>
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<tr>
<td></td>
<td></td>
<td>• University of Alberta</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Devon Research Centre</td>
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<tr>
<td></td>
<td></td>
<td>• Nisku / Leduc Business Park</td>
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Many member municipalities have a dedicated economic development function.
EMRB Member Municipalities – Common themes

However, several common themes among some members have been identified:

**Common priority economic sectors:**
- Agriculture
- Energy (and related industries)
- Tourism

**Common core values:**
- Sustainability
- Innovation
- Community
- Affordability
- Accountability

**Common priority areas for investment:**
- Transportation
- Utilities
- Recreation
- Communication (esp. broadband)
- Waste Management / Recycling
Working Group Discussions – Opportunities / Challenges

Emerging themes on the opportunities and challenges with the SISB project

The biggest **opportunities** for a successful SISB project:

- The creation of **efficiencies** and solutions to complex issues
- The potential of **strategic investments** that benefit the Region and attract and enable economic development
- The enablement of **regional collaboration** and a ‘borderless’ planning model

The biggest **challenges** for a successful SISB project:

- Finding suitable investment opportunities across **13 diverse municipalities**
- Avoiding **duplication of efforts** with other established entities
- Balancing changing **political priorities**
- Defining and measuring ‘**regionally**’ **significant** benefits
- Determining **governance** of the model and associated processes
Working Group Discussions – Categories of Initiatives

Early thinking on what categories of initiatives that the SISB Framework and Model would focus on

A wide variety of initiatives were proposed for further consideration:

- Infrastructure (e.g. transportation infrastructure)
- Services (e.g. emergency services)
- Transit
- Commercial / Industrial Development
- Economic Development activities
- Ancillary Land Development

Several initiatives focused on long-term regional economic development, e.g.:

- Power/energy infrastructure
- Value-added agriculture
- Data centre

Others focused on addressing current pain points, e.g.:

- Water/sewer
- Recycling/waste facilities
- Expanded broadband internet service
Break (10 mins)
Key Questions for Discussion

1. Should the SISB initiative be focused on realizing long-term future opportunities (i.e. economic development) or be focused on solving problems that exist today (e.g. cost efficiencies)?

2. What would the Task Force determine as success for this project? (and how should that success be measured?)

3. It is now 2044 and SISB has been in place for over 20 years, how is the Region different, what are some of the outcomes?

4. Are there regionally significant initiatives that are quick wins?

5. What are the long-term, transformational opportunities?
Discussion: Long-Term Opportunities vs Solving Current Problems
Long-Term Opportunities vs Solving Current Problems

Group exercise

Equipment: ‘scale’, sharpies, post-its, ideas

Thinking about either end of the scale, please consider the following question:

Should the SISB initiative be focused on realizing long-term future opportunities (i.e. economic development) or be focused on solving problems that exist today (e.g. cost efficiencies)?

Place your post-it along the scale where you feel the most appropriate balance is between these areas of focus

Explain the rationale for your placement

Group discussion
Small Groups Discussion:
Strategic Questions
Strategic Questions
Small group exercise

Equipment: worksheets, ideas

Break into 3 groups; each with a facilitator (Sabrina, Dalibor, Slavi)

Discuss the following questions (10 mins each):

1. What would the Task Force determine as success for this project? (and how should that success be measured?)
2. It is now 2044 and SISB has been in place for over 20 years, how is the Region different, what are some of the outcomes?
3. Where are the quick wins / long-term transformational opportunities?

Group discussion
Next Steps
Next Steps

1. Working Group Workshop 2 (March)
   - Further discussion of Strategic Guidance document
   - Review of example SISB models / features
   - Detailed discussions and refinement of initiatives / benefits

2. Ongoing research on municipal strategic plans / SISBs in other geographies

3. Individual interviews with Task Force members

4. Next Task Force meeting – April 16 (1pm)

5. Others???
Next Meeting – April 16
Thank you!
Adjournment
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Shared Investment for Shared Benefit (SISB) Task Force

Friday, December 6, 2019
1:00 p.m. – 4:00 p.m.
La Cité Francophone, Hall Jean-Louis Dentinger
8627 Rue Marie-Anne Gaboury NW, Edmonton, AB

**Task Force Members:**
Rod Frank, *Strathcona County (Chair)*
Cathy Heron, *City of St. Albert (Vice Chair)*
John Stewart, *City of Beaumont*
Ray Ralph, *Town of Devon*
Don Iveson, *City of Edmonton*
Gale Katchur, *City of Fort Saskatchewan*
Bob Young, *City of Leduc*
Tanni Doblanko, *Leduc County*
Barry Turner, *Town of Morinville*
Rod Shaigec, *Parkland County*
Stuart Houston, *City of Spruce Grove*
William Choy, *Town of Stony Plain*
Alanna Hnatiw, *Sturgeon County*

**EMRB Staff:**
Karen Wichuk, CEO
Bryan Haggarty, *Director of Strategic Initiatives and Operations*
Alex Bonokoski, *Project Manager*
Taylor Varro, *Project Manager*
Dan Rose, *Senior Communications Advisor*
Carol Moreno, *Project Coordinator*

**Consultants:**
Slavi Diamandiev, *Deloitte*
Dalibor Petrovic, *Deloitte*
Sabrina Reschny, *Deloitte*
Karen Gilchrist, *Karen Gilchrist and Associates*

**Guests:**
Grant Bain, *Leduc County*
Teaka Broughm, *City of Beaumont*
John Dance, *City of Fort Saskatchewan*
Gibby Davis, *City of Edmonton*
Trevor Duley, *City of St. Albert*
Jordan Evans, *Leduc County*
Ian Gallagher, *City of Edmonton*
Tom Goulden, *Town of Stony Plain*
Sarah Hall, *Town of Morinville*
Michelle Hay, *City of Leduc*
Jennifer Lavallée, *Sturgeon County*
Larissa Lindmark, *Parkland County*
Nancy Lyzaniwski, *Strathcona County*
Ken MacKay, *City of St. Albert*
Avril McCalla, *City of Edmonton*
Brenda Otto, *Town of Stony Plain*
Jackie Porayko, *Strathcona County*
Kendra Raymond, *City of Beaumont*
Paul Ross, *City of Edmonton*
Kevin Scoble, *City of St. Albert*
Martin Stout, *City of Beaumont*
Laura Swain, *Parkland County*
Patrick D. Tighe, *Sturgeon County*
Matthew Wispinski, *City of Edmonton*
1. Opening

1.1 Quorum

Quorum achieved; 11 of 13 voting members present.

1.2 Call to Order

Chair Frank called the meeting to order at 1:00 p.m.

1.3 Chair’s Opening Remarks

Chair Frank welcomed members of the Task Force and regional stakeholders. Opening remarks included reviewing the purpose of the Strategic Guidance document, highlighting the value of the municipal realities presentations, and looking forward to a common understanding of potential SISB models.

Mayor Turner joined the meeting at 1:02 p.m.

2. Approval of Agenda

**Motion:** That the Shared Investment for Shared Benefit Task Force approve the December 6, 2019 meeting agenda.

**Moved by:** Mayor Ralph

**Accepted by:** Chair

**Decision:** Carried unanimously

3. Approval of Minutes

**Motion:** That the Shared Investment for Shared Benefit Task Force approve the October 4, 2019 meeting minutes.

**Moved by:** Mayor Heron

**Accepted by:** Chair

**Decision:** Carried unanimously

Mayor Young joined the meeting at 1:04 p.m.

4. SISB Project Description, Project Team, and Work Plan

Chair Frank provided brief introductions to Deloitte’s team of consulting advisors. Mr. Petrovic led the Task Force in an overview of the project team structure including the Task Force, Working Group, and EMRB Staff as well as Deloitte’s Core Team and Advisory Panel. He described the purpose of the SISB project and invited members of the Task Force to share their ideas on characteristics of success.
Responding to a question from the Task Force, Mr. Diamandiev communicated that while the model will focus on economic and financial benefits, it will allow room to consider social and community benefits, especially in selecting which projects to apply the model.

Mr. Diamandiev introduced the planned project phases as well as their tasks and deliverables. The framework will not dictate which projects should proceed with the Shared Investment for Shared Benefit arrangement but may inform the approach to selecting the most appropriate applications. He described an iterative process as the project team will test and refine the model to ensure the final product meets stakeholder expectations.

The proposed timeline was designed to allow for an estimated duration but is flexible enough to maintain momentum, should the pace be accelerated. Mr. Diamandiev emphasized the importance of working through iterations and allowing enough time to bring all the partners along. Task Force feedback will be incorporated into the updated Work Plan. Once the Working Group is formed, a workshop schedule will be circulated to align with each of the major milestones.

**Motion:** That the Shared Investment for Shared Benefit Task Force accept the SISB Work Plan as information.

**Moved by:** Mayor Doblanko

**Accepted by:** Chair

**Decision:** Carried unanimously

5. **Task Force Outcomes from October 4, 2019**

Mr. Diamandiev explained how discussion items from the previous Task Force meeting may fit into the SISB framework development.

6. **Stakeholder Engagement Approach and Expectations of Task Force and Working Group**

Ms. Reschny shared the initial list of potential external stakeholders and invited any suggestions from the Task Force. Comments included other chambers of commerce, utility companies or commissions engaging in sub-regional infrastructure management, Urban Development Institute, Edmonton Construction Association, Alberta Roadbuilders and Heavy Construction Association, Indigenous communities, non-EMRB municipalities, and post-secondary institutions.

An online survey will be conducted in January followed by one on one interviews with each of the Working Group members and identified external stakeholders. Ms. Reschny described the roles of the Task Force and Working Group in the engagement plan. The Task Force suggested Working Group members be incorporated at the Task Force table to provide advice and ensure appropriate communication.
Ms. Reschny shared a word cloud of the most common themes derived from previous SISB meetings and invited Task Force feedback. Comments included the duality of competitiveness as a whole region or between municipalities, possible harmonization of mill rates, the importance of sustainability, potential opportunities to introduce helpful legislation, and the ability to be nimble and reduce timelines towards improvement.

Break 2:30 p.m. to 2:42 p.m.

7. SISB Models – Key Concepts

Mr. Diamandiev led the Task Force in a review of Shared Investment for Shared Benefit models and key concepts. Investment inputs are not limited to financial contributions and the specific sources of funding are not identified or limited. He shared a depiction of four layers of benefits that can result from an SISB arrangement. The model can describe how direct revenues will be shared between partners but cannot direct the allocation of social and community benefits that may result. However, considerations for potential social and community benefits can inform the identification and prioritization of potential SISB projects.

Task Force members commented on the difference between cost-sharing and revenue-sharing arrangement, opportunities to pursue cost avoidance, linkages to Edmonton Global’s mandate, and potential for sub-regional arrangements.

Mr. Diamandiev provided an example of an SISB arrangement in Washington between the City and the County in the form of the Spokane West Plains Public Development Authority. He also provided a list of SISB model features related to the cost sharing mechanisms and to governance. The benefit sharing mechanism could be proportional to the sharing of costs.

8. Next Steps

CEO Wichuk introduced Ms. Gilchrist as the consultant providing communication support throughout the project, in addition to the Integrated Regional Transportation Master Plan (IRTMP). Each EMRB strategic initiative will have a communications bulletin that members can circulate to their Councils and key stakeholders to ensure common understanding and support the valuable work of the Task Force.

Mr. Petrovic listed the next steps to include finalizing Working Group members, sending a request for documents to Working Group members, distributing survey to Working Group members, and arranging interviews with Working Group members and potentially external stakeholders. Task Force members will also have the opportunity to be interviewed.

The Task Force requested that the presentation materials from this meeting be circulated and that future agenda packages include the slides in advance.
Next Meeting:
SISB Task Force
February 13, 2020, 1:00 p.m. – 4:00 p.m.
Chateau Louis, Grand Ballroom
11727 Kingsway NW, Edmonton, AB

9. Adjournment

Chair Frank declared the meeting adjourned at 3:28 p.m.

Task Force Chair, Rod Frank