

# The Trail District

## Scenario Workshop Report

Trail, British Columbia

March 13 & 14, 2003

The purpose of this report is to document the results of the scenario workshop held March 13 & 14, 2003 designed to explore the future of the Trail District. Approximately 20 participants from the Community representing business, political and community interests took part in the workshop.

The purpose of the workshop was to develop the conceptual building blocks for scenarios on the future of the Trail District. This report documents the results of the discussions at the workshop. The intent is to capture the results as they were recorded with minimal editing. It provides a record for those who participated in the workshop and the basis for further developing the scenarios. The report does not capture, however, the rich discussion that surrounded these notes.

The workshop involved a 7-step process:

- 1) Key Issues
- 2) Focal Question
- 3) Future Changes
- 4) Critical Uncertainties
- 5) Scenario Framework
- 6) Scenario Characteristics
- 7) Scenario Timelines and Logic

### 1. Key Issues

Prior to the workshop interviews were conducted to gain insight into the Community and to identify key issues that need to be addressed in the scenarios. These issues define the “scenario agenda”. A full report on the interviews was distributed at the workshop. A summary of the key issues is presented below:

**Governance** - five communities all with their own municipal governments – mayors, city councils and supporting administration. Does this fragmented structure represent a potential obstacle to both more effective planning and to ultimately enabling the Community to grow and prosper? Lack of trust and a tradition of independence have contributed to this ongoing fragmented system of governance for the Community as a whole. How can we build a level of trust and common purpose to enable the five communities to ‘risk’ coming together under one regional governing structure.

**TeckCominco** – Differing views from ‘the plant must be part of the Communities future’ to ‘we need to plan for a future without TeckCominco’. Many issues including:

- The facility needs to remain competitive if it is going to continue its Trail operation -
- Does the opening of a mine in Washington to feed the smelter ensure operation of the facility for some period of time – what happens after that?
- How long will Alaskan ore be available and can the company continue to be competitive bringing the ore from such long distances with multiple handlings?
- How much more downsizing will occur and how/when will the company replenish its aging workforce?
- Range of possible futures for the Trail facility – each with a different impact on the Community – a) ongoing operation, b) ‘mothballed’, c) downsized and d) permanent closure with land reclamation

**The Regional Hospital** – major employer with high paying jobs, attractive benefits, etc. What is the risk of losing its regional status with consolidation into Castlegar? Are there things the Community can do to maintain the regional status of the Trail facility?

**Infrastructure** - the Community is lacking certain infrastructure to attract industry/tourism but without the industrial tax base, lacks sufficient resources to develop the needed infrastructure. Is there a way to break out of this seemingly catch 22 situation? What is the role of the Provincial Government?

**Mindset and Attitudes** – there is a need for new thinking in the Community, more confidence with a ‘we can do’ attitude as opposed to looking for someone else (TeckCominco, Provincial Government, Health Authority, etc.) to do something. Need to encourage a greater entrepreneurial spirit with less of a dependence mindset. What has to happen for this mindset/attitude to change?

**Economic Diversification & Growth** - need to diversify away from the two main employers - TeckCominco and the Regional Hospital. Tourism – is it possible to make the Community a tourist destination such that tourism would provide a meaningful diversification of the local economy? How does Red Mountain fit into this picture? How much of an obstacle is the transportation infrastructure? Is it possible to overcome and change the image of the Community? What other forms of diversification could happen. – metals based businesses, recycling, retirement communities, etc. How can the community encourage new industry to locate in Trail?

**Community Decline** - there is a sense the Community is in a long slow downward spiral – declining and aging population, young people moving away, school closures, TeckCominco downsizing, declining property values, closing of retail shops etc. Is this trend inevitable? What can be done to break the spiral?

## 2. Focal Question

The scenario agenda provides context in defining the range of relevant issues that need to be addressed. More focus, however, is desirable. The next step was to define a focal question. The purpose of the focal question is to provide direction to the scenario exercise – a compass point for the discussion. Given that the ultimate objective is to effectively build the capacity to build a desirable future, the focal question for the scenarios was established as:

***‘How can we create the capacity to build a growing, prosperous and sustainable Community?’***

The scenarios need to specifically address this question.

## 3. Future Changes

***“What changes could occur over the next 10 -15 years that would have a significant impact on the Community?”***

Participants brainstormed ideas on future changes impacting the Community which were recorded on post-it notes, grouped into clusters and assigned names reflecting an underlying theme. The results are presented below. These themes may be interpreted as the key factors and forces that will shape the future of the Trail District. The forces driving change are summarized in Figure 1.

### **Infrastructure**

Diverse mix of private /public education	Regional hospital stays& grows or leaves
New N/S border infrastructure	Pressure on education costs – fewer schools
Upgrading regional airport	Off loading infrastructure costs to municipalities
Transportation infrastructure deteriorates	New young families = upgrading of facilities

**TeckCominco**

Expands investment	Ongoing downsizing
Leverages power opportunities	
Closure of smelter	
Changes to re-focus on value added	

**Provincial Pressures**

Region attracts professionals e.g. doctors	More privatization – more opportunity
Devolution of authority - up to global institutions and down to neighbourhoods/municipalities	Privatization -> lower wages
Expectations on local gov't. to take responsibility for welfare	Privatization of B.C. Hydro
Arbitrary provincial decisions e.g. cardiac unit to Kelowna	Deregulation of power
Expiration of Columbia River Treaty	High power prices

**Global forces**

Increased competitiveness as 3 <sup>rd</sup> world labour costs rise	Increased globalization
Enhanced profile for immigrants	Global standards for labour safety, etc.
Pressure from competition – ‘race to the bottom’	Rising social dependency
Legalization of marijuana – negative impact	

**Demographics**

More professional immigrants	Attract new young employees & spouses
Population stability means more of a transient population	Lifestyle attracts professionals
Retention of retirees	Ethnic diversity
Aging community needs in 15 years - facilities	Social welfare migrants
Difference in demographics across 5 communities	

**Governance**

Rebrand the Kootenays	Opportunity for greater efficiency and cooperation
New political will	Efficiency focus by Gov't.

Rationalize community infrastructure	Unite as one region
Regional tri-city option	Multi level regional with appropriate level of administration
Greater community cooperation e.g. social services	

### **Innovation, Mindset and Adaptation**

Adaptive and innovative to change	Increased education levels
Leadership and mindset	Growth in SME's in knowledge businesses
Will to take action will lead to action	Growth as environmental leader to 3 <sup>rd</sup> world
Hiring new young employees	More entrepreneurs
Get through the 'eye of anxiety'	Growth in service clubs and volunteerism
Show case for forestry environment mgt., water/sewage etc.	'Pogwash concept'
Harness knowledge, creativity for Centre of Innovation	

### **Economic Diversification – trades and training**

Recognize value of education	Expansion of Selkirk College with new focus
SKNMC – South Kootenay New Media Centre = role model	Expanded trades training in B.C. linked to TC
Focused training programs to create jobs	Leverage trade experience in trade centre

### **Economic diversification – new businesses**

Growth in broadband technology	Greater economic diversification
E Commerce impact impacts retail locally	More cottage businesses
Development of river hydro-power	

### **Economic Diversification - Tourism**

Columbia river tourism – eco- tourism	Red Mountain investment fails – boom bust cycles
Red mountain development with community inclusiveness	Tourist infrastructure events – events /activities eco in nature
Red mountain expands with new wealthy owners	

Figure 1



## 4. Critical Uncertainties

Each of the clusters or themes identified represents an important dimension of change in describing the future. Some of these dimensions describe forces whose outcomes are predictable while others are highly uncertain. Factors / forces that are *both* important and uncertain are defined as critical uncertainties. It is these critical uncertainties that are vital in developing the scenario framework because they are factors that lead to divergence, i.e., distinctly different futures. Eight broad themes were established: (in no particular priority)

1. Global uncertainties
2. Provincial pressures
3. Governance
4. Demographics
5. Diversification
  - a. tourism
  - b. trades and training
  - c. new businesses
6. TeckCominco
7. Infrastructure
8. Innovation, Adaptation and Mindset

The factors and forces were considered with respect to importance and uncertainty; the group went through a voting process (summarized below) with two themes emerging as critical uncertainties; the smelting operation of TeckCominco and Innovation and Adaptability

<b>Forces(clusters)</b>	<b>Importance – ‘votes’</b>	<b>Uncertainty – ‘votes’</b>
Global Uncertainties	1	2
Provincial Pressures	2	2
Governance	5	3
Demographics	2	2
Diversification	6	3
TeckCominco	11	14
Infrastructure	2	1
Innovation, Adaptation and Mindset	9	11

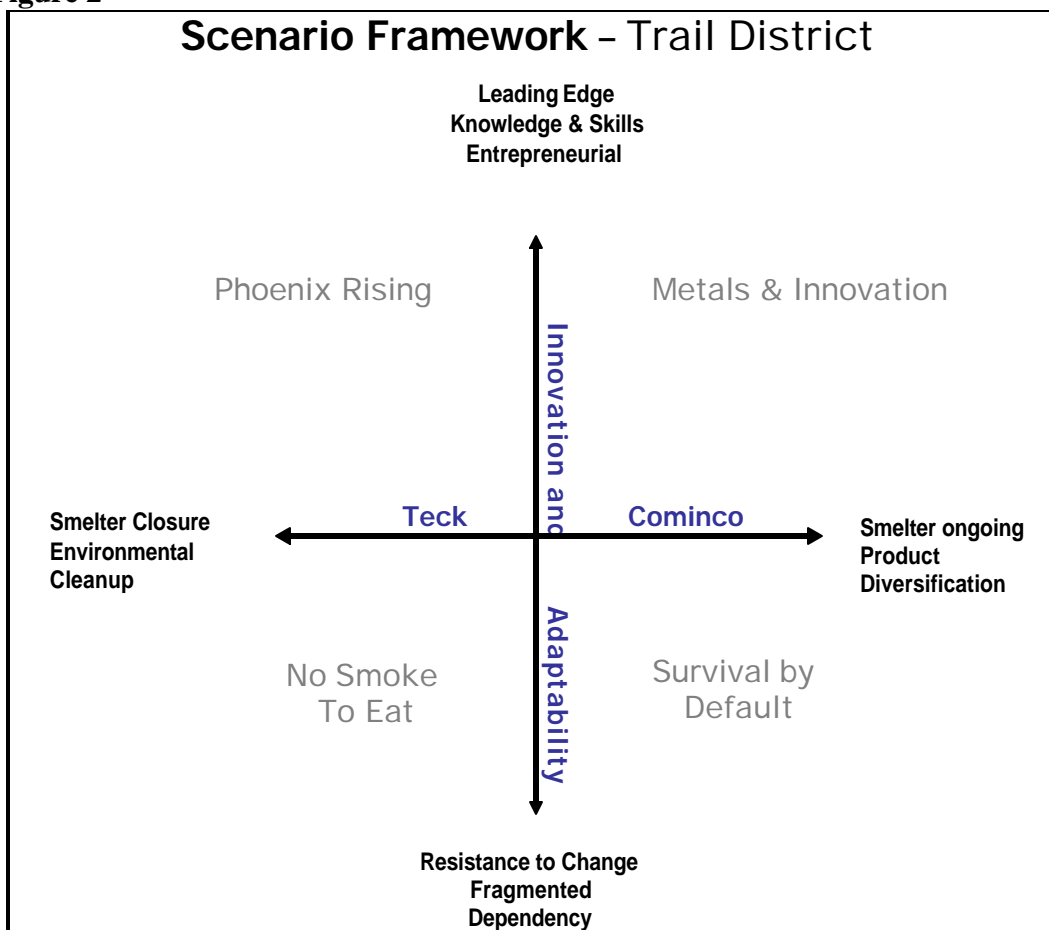
The **TeckCominco smelting operation** focused on the range of possible outcomes for the Trail smelter. A complete shut down of the smelter with the ensuing environmental clean up and land reclamation to the ongoing operation of the facility was seen as the range of possibility.

**Innovation and Adaptability** focused on the capacity of the Community to embrace innovation and adapt to forces of change impacting the Trail District. Could the Community leverage its experience and expertise in broadening its local economy? Could the Community become a centre for training and education focusing on the trades, technology and the field of sport?

## 5. Scenario Framework

These key uncertainties may be represented as continuums or dimensions forming orthogonal axes as shown in Figure 2. The key uncertainties provide a logical framework for developing distinctly different scenarios. Each quadrant represents a unique combination of outcomes of the two critical uncertainties.

Figure 2



## 6. Scenario Characteristics

The participants broke into two small working groups to develop the characteristics of the scenarios – to begin describing the look and feel of the Community within each of the scenarios at the end of the 10-15 year time frame

A quick brainstorm of ideas produced a partial list of participants or ‘players’ to be considered when thinking about the scenario characteristics:

1. TeckCominco
2. Health Authority
3. Schools
4. Provincial/Federal Governments
5. Municipal governments
6. Local entrepreneurs
7. Volunteer sector
8. Retirees
9. Disadvantaged peoples
10. Unions
11. Non profit sector
12. Suppliers
13. Established businesses

## Metals and Innovation

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### *Summary Characteristics*

- Globalization
  - Commodity prices strong
  - Energy prices low
  - Labour – strong viable union; retraining
- TeckCominco diversification
- Demographics
  - Slowly increasing population
  - More youthful
  - More diverse - immigration
- Service – new delivery paradigms – PPP's well financed
- Governance – slow increase in formal working agreements / cooperation
- Strong identity and community pride
- Economic diversity – more diversified metals industry; tourism; multi-media; value added work
- Federal & Provincial – more support, e.g. PPP's; deregulation
- Infrastructure

- Improved tax base – improved services
- US / Mexico to Alaska North-South Highway
- Airport - 20027

### ***Detailed Characteristics***

- TeckCominco
  - Strong commodity prices
  - Energy prices low
  - \$ exchange rate low (weak \$C)
  - Innovation and adaptation – Mgmt & unions cooperation
  - Diversification and diversity of products – diversity of facilities; specialized products on site; specialized manufacturing
  - Larger, well educated work force
  - Younger workforce – renewal
  - Skill transfer
  - R&D investment
  - Resolve environmental liabilities
  - Viable unionized workforce
- Diversification
  - Tourism – including wilderness tourism; experiential
  - Trades training centre – attracts high skill people
  - New business – wood products; metallurgical; hydro electricity; high tech; new media; light manufacturing; recycling; gas turbine electricity
  - Care facilities and home care
  - Recreation – attracts lifestyle – brings in small business
  - Tourism – experiential – new facilities, e.g., along river
  - Bandwidth investment
- Provincial / Federal
  - Democratic government
  - Province facilitates innovation
  - Decentralization
  - BC Hydro pays property taxes / royalties
  - R&D for minerals
  - Support for high speed bandwidth
  - Government policy supports innovation
- Governance
  - Strong community pride and identity
  - Creative cooperation around regional services / standards
  - How gain continuity of cooperation – create binding cooperative frameworks
  - Overcome tax divisions – share benefits and costs
  - Rising tax base
  - Common policies, e.g., development guidelines
  - Prosperity removes infrastructure pressures

- Infrastructure
  - Stable funding for infrastructure (TeckCominco provides base)
  - Population increasing – older and younger
  - “Urban Centre” => attracts people; sees self as single region
  - N-S corridor – “4 lanes from Trans-Canada highway to Spokane”
  - Upgraded airport at Castlegar
  - Social networking – “holistic approach” – e.g. medicine; other social organizations
  - Strong vibrant regional hospital – Public Private Partnerships (PPP's) – e.g. long term care
- Demographics
  - Influx of young people and children
  - Retention of retirees
  - Mix affects services / retail
  - Housing needs
  - Increase in population
  - More diverse ethnically
  - In-migration & immigration – skill crisis; urban in-migrants bring skills & education
  - Retraining – “old” & “young”
  - Increased need for retraining & education

### **Scenario Storyline**

- 1) Election of Liberal Government and change that resulted started the South Kootenays on the road to innovation
- 2) TeckCominco work force declined to 800 in 2005 and then stabilized – providing stable economic base – allowed new attitudes to take root.
- 3) By 2015 employment at TeckCominco had risen and plateaued at 1500 people and for South Kootenay the population rose slightly to 25,000
- 4) Demographics – slowly increasing in number and slowly decreasing in average age – replacement of aging work force through retraining and immigration has slowly changed the demographics and attitudes of South Kootenay
- 5) Services – with new energy, new paradigms and a stable tax base the community has invested in health and education that have allowed seniors to remain in the area and attracted and more importantly kept people in the area, who were originally attracted by the lifestyle.
- 6) Governance – While the various municipalities never amalgamated the use of formal operating agreements has increased with time and many services are now shared.
- 7) Economic diversity – TeckCominco has spun off a number of in-house and external metals and environmental remediation businesses. The community worked well with Castlegar and Nelson in creating a new media (high tech) centre in the South Kootenays and the tourism industry has exploded with a multitude of activities, building on skiing industry, wilderness and the Columbia River. Other

- sectors seeing growth include value added wood, hydro electric and health / senior care and trades or apprenticeship training
- 8) Federal and Provincial – Support for public-private partnerships becomes more real and South Kootenay MLA moved quickly to find new ways of providing social health and education services. R&D for minerals. Support for high speed bandwidth.
  - 9) Infrastructure – slowly improving tax base has allowed South Kootenay to support and upgrade services. Transportation issue was partially alleviated when the US decided to build a 4-lane highway through to Waneta as part of their Mexico to Alaska agreement. Feds / Prov fell in line. Castlegar airport issue stayed until 2008 when new technology allowed anytime / any conditions landing

### Scenario Events

2003 - 2007	2008 - 2012	2013 – 2018
<ul style="list-style-type: none"> <li>▪ Metal prices rise dramatically</li> <li>▪ TC to drop to 1000 by Xmas 2004</li> <li>▪ TC hires 700 workers</li> <li>▪ Successful contract negotiated in 2005</li> <li>▪ Corporate investment in community – recreation, social assist.</li> <li>▪ Community networking / volunteer / social services</li> <li>▪ Health services – partnerships in service</li> <li>▪ Heartland House opens to support people of limited income to attend regional hospital</li> <li>▪ South Kootenay – new name for region – new attitude for community</li> <li>▪ Shared services – policing, snow clearing, administration</li> <li>▪ Tri-cities partnership</li> <li>▪ South Kootenay 5-year master plan approved by 5 municipalities</li> <li>▪ Provincial Government funds new skills training centre for S. Kootenay</li> </ul>	<ul style="list-style-type: none"> <li>▪ New metal products in demand</li> <li>▪ Zinc declared precious metal</li> <li>▪ Zinc dust found to be effective cure for mosquito control</li> <li>▪ Municipal planning committee announced</li> <li>▪ TeckCominco announces training partnership with BCIT</li> <li>▪ TeckCominco announces new by-products business centre (thallium and arsenic reaction creates new energy source ... mother lode of old arsenic stockpiles promises future wealth ... stock to \$50</li> <li>▪ Trail Regional hospital first to install video surgery facility, building on the video specialist consultation &amp; diagnosis capability installed in 2005</li> <li>▪ Province announces call centre in Trail</li> <li>▪ Centre for imagination,</li> </ul>	<ul style="list-style-type: none"> <li>▪ New products for fine metals developed</li> <li>▪ Cominco buys Korea zinc just to shut it down</li> <li>▪ TeckCominco R&amp;D pays off</li> <li>▪ Selkirk College expands Trail campus</li> <li>▪ School enrolment increases by 10% from 2002 levels</li> <li>▪ New bridge over Columbia at Waneta</li> <li>▪ Mexico – Alaska 2 lane highway completed in 2015</li> <li>▪ Kooks Tavern recognized as historical site</li> <li>▪ South Kootenay announces 1 millionth visitor</li> </ul>

<ul style="list-style-type: none"> <li>▪ Selkirk College distance education expands</li> <li>▪ Red Mountain announces partnership with Whitewater &amp; Regional Ski Sector operators</li> <li>▪ Fed / Prov – new initiatives for rural Canada</li> <li>▪ Local software company to double production</li> <li>▪ 3<sup>rd</sup> movie being made in the area this year</li> <li>▪ Food lines are shrinking</li> <li>▪ TeckCominco profits highest in 10 years</li> </ul>	<p>exploration, innovation and creativity established in Trail District</p> <ul style="list-style-type: none"> <li>▪ Trail District Municipality hosts innovation &amp; creativity conference</li> <li>▪ Kayak Manufacturer to open plant at Waneta – local resident starts branch plant</li> <li>▪ Skateboard park opens for local youth</li> <li>▪ South Kootenay Smokeaters win title</li> </ul>	
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## Survival by Default

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### Summary Characteristics

- TeckCominco has maintained profitability
- There exists a ‘company town’ culture’ – a sense of complacency
- Status quo of local governance
- Gap opens wider between ‘high value workers’ and the socially disadvantaged
- Population and infrastructure – flat to downward trending
- Low level of economic diversification
- Red Mountain – range of possible outcomes from failure to minimal change to slow growth

### Detailed Characteristics

TeckCominco a good quality corporate citizen	Entitlement mentality mindset
Global tensions lead to stronger metal prices	Social stress from polarization of Community – haves and have nots
TeckCominco has survived the trough	
A smaller more stable TeckCominco	Company town culture
Commodity focus – need to competitive	Feeling of ‘not in control’
TeckCominco finds a way to stay competitive	Sense of complacency
More diversified product mix from TC keeps it competitive	Population – stable to ongoing gradual decline
Higher TC workforce turnover	Polarized population – ee’s of TC, Health Authority and the socially disadvantaged
Linkage of power sales to smelter requirements	No change to local governance
	Schools and enrollment stable
Higher skilled and educated TC workforce	Low level of diversification
More dependent suppliers	Red Mountain – slow /minimal development
More local outsourcing	
Provincial policies increasingly irrelevant	Infrastructure – holding or some decay

### Timeline and Logic

2003-2008	2008-2013	2103-2018
2 more business close	Trail population continues to decline	Community has become a boring unattractive place to live
Population declines by another 3%	TC employment continues to decline	'poor quality of living'
\$ CDN weakens(strengthens?) to an all time low	Companies unable to attract qualified people	Further population declines with vacant houses representing an 'eyesore'
Anemic business environment leads to further business closures	Further decline in community reputation and further decay	Red Mountain closes- Black Jack acquires grooming equipment
Housing starts at an all time low	TC decreases \$ support for hospital	TC invests \$200 million to relive smelter
Union confrontations	Municipal tax crunch – TC alone cannot sustain local tax base	Population stabilizes at 10-15000 – with a few happy but many unhappy residents
'Have' vs. 'have nots' tensions	Welfare costs climb	Strip Malls typify B.C. interior urban development – Kelowna, Cranbrook and Trail compete for title of 'strip mall capital'
TeckCominco in the black – 5 <sup>th</sup> year	Trail real estate values decline by 30 % while Rossland increases by 10%	
Price of zinc rises to \$.50 -> union strikes for higher wages - 'it is our turn'	New product development on global basis increases demand for zinc and lead	
300 retirements at TC and Co. announces 100 new hires to replace them	Red Mountain season pass sales decline	
Low voter turnout – amalgamation motion defeated	Rossland down to one school	
Warfield builds its own recycling centre		

## No Smoke to Eat

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### **Summary Characteristics**

- Events triggering TeckCominco crisis
  - Labour unrest
  - Legislation
  - Exchange rate
  - Power costs
  - Zinc commodity prices
- Time frame
  - Year 3 = Crisis at TC
  - Year 3 – 6 = numerous responses by TC – pressure on Unions; short term closures; layoffs; requests for support from municipality, province and feds; efforts to sell operations, etc.
  - Year 6 = Closure of TC – efforts to become viable fail
  - Years 3 – 10+ = Slow decline of region; political social impacts much longer time line
- Crisis Responses by Municipalities
  - Short term panic
  - Increased fragmentation
  - Denial / anger
  - Look to Province and Feds for support / bailouts
- Dynamics – layoffs (younger workers) – house prices decline – mortgage defaults – bank closures – shops closing – people leaving – professionals (e.g. doctors) leaving – tax base erosion – civil unrest & frustration – retirees “trapped”/ unable to sell and move
- Counter point – opportunities for retirees in low cost housing and facilities; Rossland and Fruitvale may do OK.

### **Detailed Characteristics**

- Triggers leading to TC crisis
  - Labour unrest
  - US \$
  - Zinc concentrate cost / price of zinc metal – Global D/S balance
  - Cost of environmental controls / clean up
  - TC corporate position
- Crisis responses by TC
  - Sell to 3<sup>rd</sup> party
  - Extract concessions from union
  - Seek support from municipality, province and feds
  - “Temporary closures” waiting for markets to improve

- Short term closures to sell power
- Use residue to reduce costs
- End result = smelter not profitable and forced to close
- Obligations for remediation and clean up extend some time
- Focus on power business
- Governance
  - Short term = panic => increased conflict and fragmentation between communities
  - Denial and anger
  - Look to Province and Feds for support
  - “everything is going wrong” and “we can’t do anything about it”
  - Civil unrest and frustration
- Social – Political Dynamics
  - Layoffs – younger first
  - People leaving
  - Housing values fall
  - Mortgage defaults
  - Banks closing
  - Defeatism
  - Shops closing
  - Professionals leaving, e.g. doctors
  - Loss of hospital
  - Tax base erosion = deficits = municipal facilities closing – tax defaults
  - School closures
  - Infrastructure underutilized and ultimately collapses
- Opportunities (the decline doesn’t go on forever)
  - Opportunities for retirees = low cost living
  - Challenge = health services
  - Many seniors feel trapped – unable to sell or get value for homes = can’t move
- Ultimate conclusion could be “Tumbler Ridge”

### **Scenario Events**

<b>2003 - 2007</b>	<b>2008 - 2012</b>	<b>2013 – 2018</b>
<ul style="list-style-type: none"> <li>▪ Price of zinc stays below \$40 per lb</li> <li>▪ Power rates triple</li> <li>▪ TeckCominco declares Trail operations too costly to deliver ore to</li> <li>▪ TeckCominco announces long term closure plans – will be phased over 10 years with cleanup and demolition</li> </ul>	<ul style="list-style-type: none"> <li>▪ Province says market forces must prevail</li> <li>▪ Local MLA unable to gain provincial support</li> <li>▪ Province to force amalgamation on region to cut costs</li> <li>▪ Houses for sale in Trail area “dirt cheap”</li> <li>▪ “Wanna buy my house?”</li> </ul>	<ul style="list-style-type: none"> <li>▪ Population drops to lowest level since 1860</li> <li>▪ New emergence of “financial co-op” to help South Kootenay restart growth</li> <li>▪ Trail sold to Nelson for \$1.00</li> </ul>

<ul style="list-style-type: none"> <li>▪ Union upset</li> <li>▪ Consumer spending decreases as result of TC announcement</li> <li>▪ Kootenay savings CU head office moves to Vancouver</li> <li>▪ Closure/Loss of regional status for hospital</li> <li>▪ Medical services relocated to Castlegar</li> <li>▪ Property sales hit all time low</li> <li>▪ City of Trail declares massive cuts to services</li> <li>▪ Mayor resigns – 2 councilors die from heart failure = panic</li> <li>▪ Employment Canada expands local office</li> <li>▪ Social services in crisis</li> <li>▪ Domestic violence on rise</li> <li>▪ Housing prices decline 32% in S. Kootenay area</li> <li>▪ Rossland secondary closure announced</li> <li>▪ Welfare roll climbs to max number seen in region – services can't cope</li> <li>▪ Local citizens collect signatures to petition government to stop TeckCominco closure</li> <li>▪ Liberals elected for 2<sup>nd</sup> term</li> <li>▪ Crime on the rise ... our young people are starving”</li> <li>▪ Police report 23% increase in break-ins</li> <li>▪ Regional Hospital moves to Nelson</li> </ul>	<ul style="list-style-type: none"> <li>▪ Kootenay Savings CU only remaining financial institution remaining to serve S. Kootenay</li> <li>▪ Wal-Mart lays off staff – store to close Friday</li> <li>▪ McDonald's closes down</li> <li>▪ Software manufacturing firm announces move to Cranbrook</li> <li>▪ Unemployment rate hits 50% in S. Kootenay</li> <li>▪ Drug abuse on the rise</li> <li>▪ Cominco puts reclamation on hold</li> <li>▪ City of Trail bankrupt</li> <li>▪ Province funds major tourism study of S. Kootenay area</li> <li>▪ Government announces energy dividend to Columbia-Kootenay communities – “too little too late” say Mayor</li> </ul>	
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## Phoenix Rising

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### Summary Characteristics

- TeckCominco has closed
- Governance – five communities have amalgamated under one regional structure
- The Community has leveraged existing knowledge and skill base
- Many new and diversified businesses start-up with successes and failures
- Public/Private/Partnerships (P3's) increasingly are used to fund and initiate new projects
- Expanded/upgraded infrastructure: North-South connections, internet/broadband capacity and Grand Forks airport

### Detailed Characteristics

Smelter closes	Regional governance – amalgamation of 5 communities
Shared vision	Tech skills attract new forms of industry e.g. call/tech. centres
New forms of recreation – eco tourism	Specialized manufacturing
Teaching centres – trades, Selkirk, Arts	Resource sharing – ee's, facilities and knowledge
Mobile and vibrant population	Sports academy
Disappearance of smoke stacks and smoke	Privatization of health care and education leading to PPP arrangements
Community values and culture coming forward	PPP's for local amenities e.g. arenas etc
In-migration of young people	Many new jobs are not unionized
In-migration of social assistance folks	A plural economy – range of job types
Stronger \$C	Importance of N/S corridor
Border infrastructure upgrades	Expansion of internet capacity
N.A. security links PNW closer to Community	Red Mountain-innovative culture, tourist destination, 4 seasons, convention capacity
PPP for Grand Forks airport	Respect for community traditions is maintained but with a greater willingness to work together
Capacity building – knowledge transfer – of education and experience	Innovation momentum – how to sustain?
Capital from non traditional financial institutions - more venture capital	Provincial federal support?

### Timeline and Logic

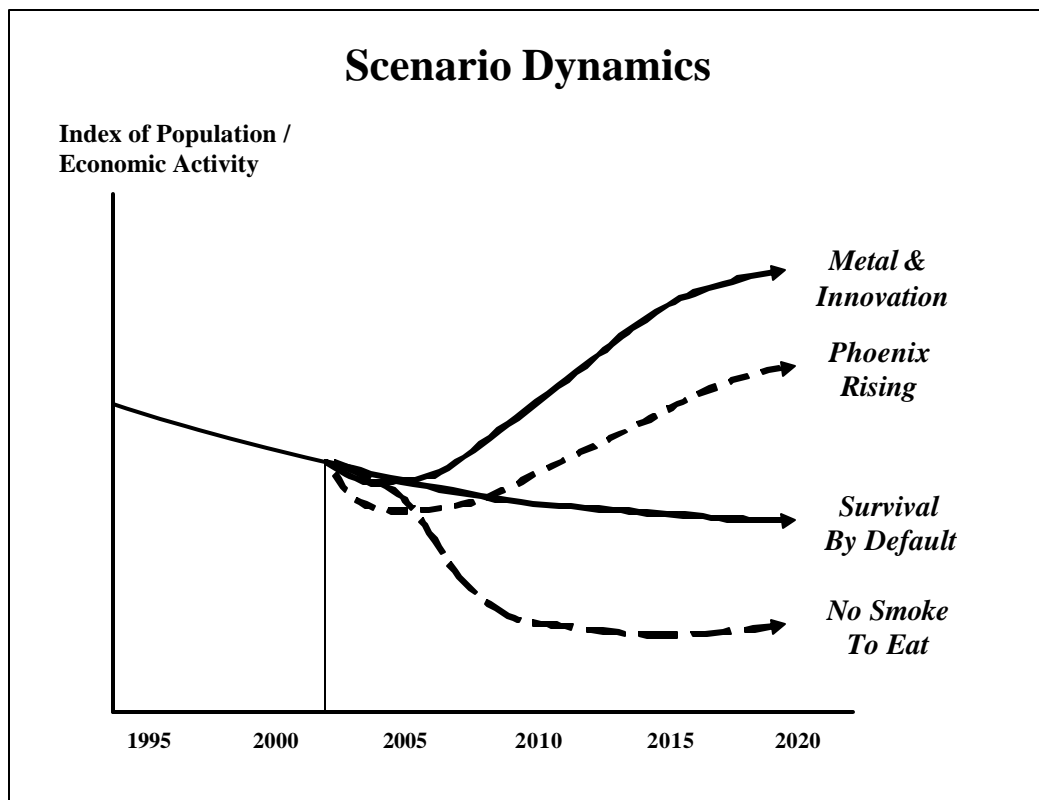
2003-2008	2008-2013	2013-2018
Price of zinc drops to \$.30		New businesses formed and many are successful
Smelter closes – closure phased over 5 years	800 layoffs	Environmental clean-up of TC begins
TC announces layoffs of 1000 in conjunction with closure		Local college expands to full university status
Facility will run to clean up stockpiles (500 people retained)	TC lays off last people in 2008	Demographics – younger population trend
A few specialty products still produced	Businesses close – layoffs and school closures	New tech centre opens in Trail
Innovative mentoring centre opens	Local MLA has ear of cabinet	Grand Forks airport expands
'one' community initiative	Local wellness industry up 50% in 2013	Regional hospital expands
Busy Moving and storage companies typify sentiment	Workfare program unveiled	
Regional mayor is elected	New owners of Red Mountain commit to new lifts, year round operation	Red Mountain a 4 season resort
Tax default triggers crisis in municipal elections	Rossland golf course expands to 18 holes to accommodate former TC employees	
BCIT and Sait create joint tech centre	Ex TC expertise aggregated/organized to generate new businesses	Centres of excellence develop based on track record
Local artists create co-op and street presence	New technology company opens – 200 hired	
Atco partners with local firm to begin furniture production	Trades and technology centre opens	Microsoft sets up R&D facility
Red Mountain into receivership	Forest products industry becomes the leading generator of wealth	PPP's
Red Mountain purchased by local group – or by community owned enterprise	Average age of population decreases for the first time from 57 to 45	In-migration of retirees
Broadband infrastructure installed	Zinc smelter re-generated based on new technology - \$100 million investment	Single municipality
Independent schools start		

Cook Ave post secondary education opens with 60 students		Rationalization of services
Private sports academy opens		New ventures with special support start up
'town hall' meetings at Miners Hall		
Social counselors overloaded		
Increase in social assistance grants needed		
S. Kootenay District municipality formed		
More schools close, mortgage defaults and population declines		
Kootenay entrepreneurs recognized		

## Community Scenarios – a Visual Path

Figure 3 is a representation of the scenario dynamics – the path and end state for some measure of prosperity/vitality for the Community. The Trail District could look vastly different in 10 – 15 years across the range of possible futures captured by the four scenarios.

Figure 3



## Insights and Observations

The group took a few minutes near the end of the workshop to share individual insights and observations developed over the course of the workshop:

- Reinforced enormous challenge that we face
- Future depends on creativity of current leaders
- Need to engage & energize community
- Need plan / vehicle / process to implement changes
- Process rather than an event will bring people forward

- Process of scenarios brings clarity of identity
- Success of process needs leadership & implementation
- Confirmed range of outcomes
- Need to be proactive – much to be gained
- Future of TeckCominco more uncertain than I thought
- Clarified range of possibilities
- Sense of urgency – need framework for implementation
- This is critical now!
- Confirmed dependency on TeckCominco
- Time is right
- Present path will lead to devastation for people / community
- Don't get trapped in process
- More hopeful
- Call to Action
- Four scenarios give hope, e.g., Phoenix Rising
- Governance issue entrenched
- Choices – huge opportunity to connect energetic youth – take down barriers
- Smelter closing real possibility
- May take crisis to focus attention
- Challenge to get leaders together and going in same direction
- Create sense of crisis before the crisis
- What is needed to get going on innovation axis?
- Governance came up again as issue – that has to be addressed
- Surprised at innovation, adaptation, mindset as key dimension
- Infinite number of issues / drivers of change – hopeful able to focus on real strategic opportunities