

**Frances Armstrong and Doris Brocke**  
**Kiwanis Enterprise Centre (KEC)**  
**June 26, 2003**

The Kiwanis Enterprise Centre has played a very active role in “incubating” various agriculture producer organizations. The principal focus that Doris and Frances wanted to highlight is the Branding the Peace since it is a strategic initiative that is aimed at stimulating various forms of economic development

### Funding

The business plan requires approximately \$850 K, the NP Economic Development commission has committed \$25 K; other agencies have been solicited for support include SP Economic Development, PRRD but to date no resources have been provided; PREDA (Peace River Economic Development Association) have been very supportive of the initiative with financial and in-kind contributions.

### Organizational Cooperation

It is essential that BP members and various stakeholders work together to make it succeed; the Business plan is being brought to the membership, and a resolution sought for its support; so far there has been strong support expressed from Alta (e.g. PREDA), and some PRRD Councillors; the initiative needs leadership, and the members need to have ownership; it can be promoted at various venues and functions to gain increased recognition

### Background Work

The KEC has done most of the groundwork, including vision, organizational planning completed by Nov. 2002; and since then, the work plan (implementation funding) and business plan (ways to implement, improve, expand, understand, share, and promote BP) is in the final stages, to be completed (i.e. by Aug. 2003). The short term objectives are to pursue funding in the range of \$250 K for Year One, for developing human resources capacity including (1) Brand Manager (\$65,000), (2) Marketing Specialist (\$27,500), and Design/Promotion tasks.

An alliance between SPEC/NPEC is needed to promote the initiative, and inter-provincial linkages between Alberta and B.C. Peace region government, agencies. Proposals are going out to a range of funding agencies and programs (including federal, provincial, and private sources).

Research has been done to look at other Branding initiatives, including a case study in Sonoma, Wa, and Vancouver Island (Island Fresh). Part of the work involves adopting standards (e.g. for environmental stewardship) which will be facilitated through initiatives like Environmental Farm Plans as they evolve, includes issues like water protection policy, riparian zones (lakeshore guidelines) to determine landowner compliance. To do this monitoring, agency resource help will be needed e.g. supplying maps (rural areas, and municipalities), statistical data, watershed delineation. It will be important to keep focus on geographic areas (census regions, economic entities, transportation)

They have learned from work with people in Grande Prairie that industry needs assurances about land-use zoning to develop further businesses, as there is an underlying assumption of land availability for commercial, agricultural uses, Crown pasture, etc.

In Dawson Creek, there has been an active effort to develop Land Use Zoning, including recreational, green space, commercial (agri-tourism, agri-business) to support marketing of Peace Country foods and processing. At present, the food processing infrastructure is just developing with some examples of light industry zoning in Grande Prairie. Through the Innovation Network, and PREDA, there is increasing investment in these area.

### Potential Agri-Business Markets

In the BC. Peace, there is potential for new sectors including:

- oat processing
- honey producers
- granola bars
- beer production
- flour
- water products
- potatoes
- demonstration gardens (i.e. like Butchart Gardens)
- berry orchards
- wild-crafting
- garlic
- medicinals

The Peace Value Added Food Association worked on getting a community kitchen established but discovered significant financial and regulatory hurdles so the initiative has gone no further. There is no Peace Region “venture” pool capital which makes it difficult for new businesses to get started, and people have to rely on Banks, Community Futures.

**Barry Willis, Advisor**  
**Peace River Agriculture Development Fund (PRAD)**  
**Sept. 2, 2003**

Barry Willis has been an Advisor for PRAD since 1996) which is administered through the BC Grain Industry Development Council – an organization focused on seeds & grain in northern BC; PRAD currently funds research & development projects on an 80/20 basis; in Mar. 2002 the Federal government committed \$1.2 M; the provincial government commits another \$1.2 million on a 50/50 basis.

Over the years, PRAD has supported research and development in the following cross-commodity areas: variety trials (oilseed, grain/forage), producer training, expertise for seminars, medicinals, organic growing, video sheep sale, honey, eggs, specialty livestock (bison), hogs, Branding the Peace; it also funds operation of the PRAD consultative committee, and has supported community/sectoral groups, plus educational/promotional activities.

Barry was asked to share his thoughts on development of the agriculture industry in the region. By way of background, he indicated that the nature of farm operations and size is a driving consideration in planning for the Peace Region. He estimates that 5% of farms > 1500 ac.; 25% are 1000-1500 ac.; 30% are 500-1000 ac.; and 40% are <500 ac. (including hobby farms).

The following points cover a range of topics relevant to various sectors, and the development of rural communities

There are several factors which are relevant to research and development of the agriculture sector:

1. Commodity prices/financial/external pressure and international pressure; GMO foods (Genetically Modified Organisms), American tariffs, low prices, BSE (Bovine Spongiform Encephalopathy or 'Mad Cow' Disease; and also the General Agreement on Tariffs & Trade
2. Market development: distance from major centers and cost of transport is a critical issue affecting existing (and emerging) agricultural operations; e.g. shipping of inputs to cattle industry, and shipping of final product cost to markets (takes 1 day from the Peace region to southern Alta processors, feedlots); elevators in Rycroft have had impact and BC Rail sale to CN and reopening of DC rail line to Hythe has significant implications in reinforcing use of Dawson Creek elevators (critical for local economy/service).
3. Dependency on off-farm equipment given; e.g. spec. livestock and cattle
4. Financial support for diversification opportunities e.g. through PRAD include: buffalo, organic flour, small fruit, feasibility of a community kitchen in partnership with NL college (though challenges of latter is \$ ½ million capital, and regulatory standards to meet).

### Emerging Agricultural sectors

There is potential for more agricultural processing industry in various community locations, and including home-based production; supported by annual Food Expo, Agri-Core, Internet/WEB-based sales through high-speed access (now being used increasingly by agri-business for marketing).

- Small fruit (including berries, raspberries, saskatoons are now being marketed as value-added products like jams, fruit bars, etc.) – has potential in north-east (B.C.) as been shown in the Alberta Peace region; “functional foods or nutraceuticals” have also been identified as having potential in this market (juices, bars, etc.)
- New trials in specialty food market include: soybeans, berries, malt barley, beef industry, canola; organic products (vegetables, meats); alfalfa pelleting, exotic livestock
- Factors affecting development of these niche products are:
  - need for more research/public awareness,
  - support from domestic retail/fast food industry
  - cost of entry to agr. industry entry (prohibitive unless operations inherited)
  - minimum size for agricultural production (includes rural residential acreages < 4.5 ac may be appropriate for some including greenhouse, organic foods, agri-tourism, berries (chokecherries);

### Land-use zoning

Need to expand home-based business activities definition; subdividing for small agriculture operations; depends on quality of land > 40 acres; the Peace region is an amenity area attracting retirement population who desire country/rural lifestyle and might be interested in hobby farming (need to examine if this a trend); it is important to consider what agricultural uses are appropriate for each land-size (e.g. intensive livestock vs., organic berry production).

Must also protect agricultural land for large operations (e.g. canola fields around urban centres) and recognize differences in land prices for a ¼ section in the Peace vs. ¼ section in the Okanagan (i.e. \$100,000 for 20 ac. near Vernon); considering the regional growth expansion potential of FSJ vs. development infilling in the city boundaries will determine what pressures & potential conflict might be faced by adjacent agricultural land owners.

### Environmental Farm Planning

This is being driven by increasing public scrutiny on water and soil impacts, as well as the Kyoto Protocol targets (2012); impacts from some operations (e.g. manure-loading from cattle/livestock; fertilizer/pesticide runoff) but residential development also contributes; there is a need for greater awareness of agriculture operations to increase appreciation of the industry in the region (just as oil & gas industry is highly valued)

### Compatibility of Agriculture and Oil & Gas Operations

Heavy industry, especially oil & gas has been generally compatible with agriculture over the years, but now there is a shift to more intensive agricultural operations in recent decades; surface land disturbance is not usually a hindrance but the effects of flaring are causing concern regarding impacts to people and livestock; there is a need for greater monitoring of H<sub>2</sub>S; not only the immediate impacts of flared gas to the landowner, but to adjacent farm

properties as well; emergency preparedness for H<sub>2</sub>S must also be improved, using a community approach to identify farm interests in the development plan, increased input into decision-making, greater sensitivity/awareness of agriculture industry, and appreciation for local rural development objectives.

Generally, there is a need for more regional thinking – not just focused on particular area/centers needs and interests; there is a difference since agriculture industry decisions are made here, and oil & gas industry decisions made out of the region (e.g. Calgary, or Houston)

General strengths favouring agricultural diversification:

- Venture capital adequate to enable new investments;
- PRRD very supportive considering urban vs. rural balance that his needed;
- skill/knowledge-base is strong – there are more youth going to Agr. Colleges who will be inheriting farms (but many drawn into higher income jobs in oil & gas industry);
- youth entrepreneurship is promoted with producers, Kiwanis Enterprise Centre, Aboriginal Business Centre

**Patsy Nagel, Reporter**  
**Northern Horizon Newspaper**  
**Sept. 30, 2003**

**Focus: Rural Community Development**

Loss or decline of Peace Region rural communities

Increasingly over the years, there seems to be a trend of decline in rural communities due to such factors as:

- amalgamation of service facilities (e.g. telephone, gas, road maintenance service)
- school closure (Kelly Lake, Toms Lake?, Rolla?)
- loss of rural post-office
- inability to support rural community halls (e.g. \$200-300 for rental in Rolla)
- increasing foreign ownership, absentee landlords who rent their land, houses and let the property deteriorate – only interested in haying & cropping revenues not community well-being
- -rural subdivisions are expanding but people who move there (from urban areas) often don't participate; they want the rural lifestyle but not the social interaction;
- -declining control on the Agr. Land Reserve which is there to ensure farmland protection, but fear that government is moving away from strict controls and permitting more off-farm uses due to bias of southern mainland ALC members;
- Rural organizations are also losing their autonomy; now put under the Society's Act where they have to report to the superintendent of Societies whereas before they were managed and protected under legislation of the Farmers & Women's Institute Act; there is a growing resistance of members to this legal structure which requires much more formality, and threatens the time needed to continue working on traditional rural issues like literacy/education, health care, technology transfer.
- there is a growing bias towards external corporate control of rural areas including privatization of rail which could result in closure of BC Rail lines; Hydro transmission privatization may end up increase power rates.

Communication

- there is lack of community with rural communities by provincial government agencies;
- The Women's Institutes not being consulted as much e.g. by City of Dawson Ck. planners
- public education programs like Agriculture in the Classroom are not being offered as much in the urban areas to raise awareness of the industry.

Right to Farm Legislation

- proposed new Landowners Advocate is being set up under the OGC; would be preferred if this position was under the Ombudsman's Office or Ministry of Agriculture; there definitely needs to be direct voice in the Peace region on agriculture matters; concern that government does not support agriculture as the current voice is not strong enough; need people to stand up for 'rural farm rights'; must keep rural issue heard – some fear that criticizing government may result in litigation against infractions for certain operations.

### Producer Advisory Support/Technology Transfer

With the Agri. Office being moved from Dawson Ck. to Ft.St.John, there is a loss of service due to additional time required to commute; now there may be a move to bring that Ministry service to Dawson Ck., but service is required in both locations;

There is a growing use of the Internet by producers, mostly in the education area through on-line training; and as other electronic/digital technologies develop, more efficiency in production may result as farms are increasing in size e.g. use of satellite technology for monitoring fertilizer use, weed control etc.

### Land Amalgamation

There seems to be a growing trend towards agricultural land concentration through corporate acquisitions; now seeing more salaried, corporate managers; there is increased access to government programs by larger producers e.g. crop insurance like NISA, and the new CAISP programs; and BSE compensation programs; not directed as much to the small producer.

### Rural Economic Diversification

There is potential to diversify the rural economy; need to do such activities as:

- agricultural processing (meat);
- vegetable production in the Peace River valley (which is currently being stymied by control of Class 1 Peace Valley lands by BC Hydro, and these lands need to be sold back to farmers to encourage expansion of this sector)
- vegetable & fruit processing (freezing, freeze drying, canning of fruits, apples)
- forage seed production industry
- honey production
- specialty meats (e.g. bison sausage)

Commodity prices (grain, meat) dictate a lot of how well producers will do in the long-term; those who are well established (low debts, well financed) can survive but younger producers will have a much more difficult time e.g. the COOP program will help with lower interest loans to purchase feeder cattle, and with lower down payment; but will be seriously impacted by BSE market crisis as they won't be able to afford payments.; need pressure to keep borders open through the NAFTA

### Problem wildlife

The issue is that problem wildlife can't be hunted; high fences are costly and loss of feed like alfalfa is costly; should have more controlled hunts to bring down population

### Heritage Protection

- Kilkerran Community Hall was built in 1930 and has historical value; also Groundbirch Hall
- need support like they have in Alberta for farming/rural programs that support maintenance of these heritage buildings.

### Physical Hazards

- there are growing concerns about H<sub>2</sub>S flaring as it poses a serious risk to human and animal health;
- selenium removal from soil due to extraction from Taylor industry emissions has been well documented, and as result producers must add this mineral to their livestock diets;
- need to have more studies on health effects on rural residents with expanding oil & gas development in rural areas; this concern is also supported by environmental groups in the area.
- Hydro lines are also considered a hazard to pasture animals under as there is an effect on reproduction systems

### Water Stewardship

- want to promote program of water testing (Women's Institute) through a federal program for small communities and rural landowners;
- Northern Health Authority lacks attention for rural landowners

### Gun Control

- concern over time and expense of rural gun registration; rural landowners being forced to sell off firearms to avoid penalties and criminal offence.

### Environmental Farm Planning

- being led by large producers;
- producers may be lulled into false impression that government is helping to manage environmental problems, when in fact, they may be exerting too much control on small producers; as producers are being preoccupied with EFP's, their attention may be diverted away from more pressing issues.

### Ranchland Conversion

There is a growing movement towards conversion of ranchlands to Park status (wildlife won't graze on long grasses); need to ensure protection of community pastures; grazing leases may be an issue over First Nations land claims.

### Spraying/Herbicides

Need to have more education on application of herbicides to avoid over use, poor timing during runoff events; may be beneficial to move towards use of biocides, promote more organic forms of production; cutbacks on weed control programs need to be reinstated as weed proliferation can be very costly to producers through loss of production.

**Arlen Brekkaas**  
**BC Northern Real Estate Board Director**  
**June 26, 2003**

Arlen Brekkaas serves as Director on the Northern Real Estate Board, and has worked in the real estate industry for many years. This Board has been working on the issue of agricultural land restrictions with the Agricultural Land Commission, and doing government liaison on a case by case basis. Mr. Brekkaas welcomed the opportunity to discuss real-estate industry issues, and felt more communication between the Northern Real Estate Board and Regional District is needed. Continuing input and involvement in rural planning process should be maintained. The following are his comments on issues, trends and supports needed to meet demand for various forms of real-estate.

#### Agricultural Land Reserve

There are restrictions that impede development of rural properties e.g. amount of farmable land; in area around FSJ, there is a shortage of commercial and residential land, and significant demand exists for 2-5 acre (shops) within a 10-15 mile radius; rural residential properties (4.5 acre parcel) are in demand for rearing horses; they need adequate sewage system.

#### Rural Residential Demand

Satellite settlements are in demand: for ¼ sections people will pay in range of \$50 K since there is a increased drive; within 15 min. of FSJ, ¼ sections increased in value to \$100 K e.g., Rose Prairie; around FSJ, the demand for ¼ sections has driven up prices which impacts on farmers; most people who are buying these properties are very tolerant of oil & gas activity, particularly given the revenue potential (e.g. well road lease \$2,000-\$3,000/year); during hunting season see a lot of interest in northern real estate from people visiting the area, but does not translate into a real demand;

People purchasing these rural properties are concerned about water access (e.g.: livestock watering, some concern about impacts on aquifers from seismic activity); generally, there is a good record of water info; people willing to haul water, or access to community wells; some concern about fire protection and insurance costs; these raise some difficulties for financing, and the PRRD could help by providing some education with financial sector about rural services; people moving into rural areas also complain about sewage treatments (e.g. lagoons) due to smells; there is also a challenge with development costs e.g. trucking costs are high for gravel hauling and premiums have to be paid due to demand within oil patch (\$65/\$75/hr in Alberta Peace region can go up to \$140/hr around FSJ); availability of certain types of equipment like track-hoes are also often in short supply.

### Farm Land Demand

Rural area ranchers demand \$1,000-1,500 per acre with access to Crown pasture; buyers from Alberta who have been facing drought, and high cost of feed; also demand from foreigners (e.g. Germany) was greater due to better exchange; 2-3 land traders have tied up a lot of land with options during the 70's – 80's (e.g. large lots ¾ sections)

### Subdivision within the ALR

There is a need to undertake mapping of marginal agricultural land to see what additional potential there is for subdivision (e.g. steep sloping, view lots (only permitted 40 acres, 5-10 acres, services demand); the ALC has made 2-3 visits, include detailed onsite visits to consider subdivision applications.

Population growth is obviously the driving force for real-estate demand and is a function of economic development; alot of FSJ's population has been transient but this may change as FSJ attracts a more skilled and professional workforce, and develops more amenities and services (e.g. College/UNBC programs); big issue affecting local economy is the amount of consumer expenditures (leakages) to Grande Prairie which has more square footage and capital investment of any other centre in the Peace region; it is also the fastest growing community west of Winnipeg due largely to the selection of products and lower pricing (often 2/3 that of B.C. products)

### Industrial Land Demand

Challenge to deal with location of industrial lands within regional district or within city boundaries; e.g. consider Slocan's proposed new OSB Mill as a typical interface issue in terms of tax revenue (2 – 4 quarters amalgamated to include in city limits since services available: water, sewer, access to airport, rail and power; other areas like Mile 73 were resisted by Regional District due to effluent, air emissions (particulates 10% from beehive burner)

There is significant pent-up demand for various types of land (residential, industrial, commercial); some buyers have spent 1 ½ years searching for properties along Alaska Hwy. (Mile 70-80) with (\$100,000/ac market value); subdivision on highway frontage (\$60,000/ac.); at present, they could sell thirty 5 -10 ac lots ) within a year to dispose of; this would cause price of ¼ sections to drop and make it more affordable to farm ½ hr. out of town.

**Lloyd Smith, President**  
**Northern Lights Real Estate Board**  
**July 14, 2003**

Lloyd Smith is a real-estate agent, and has been working for the NL Real Estate Board. He offers the following comments and insights on the real-estate market in the south Peace region;

### Agricultural Land Reserve

Decisions about the ALR need to be more locally controlled; decisions that are made for the south are not necessary appropriate for the north given differences in the population base. Other specific concerns:

- A lot of the ALR is marginal arable land and there is a need for more site-specific assessments;
- Around city of Dawson Ck., there is ability to remove lands from ALR only within its boundary;
- Rural residential land in Bear Mtn./Briar Ridge has a lot of vacant lots available, and not preferred due to slope, and poor roads (estimated market value only \$10-\$15K); in this area, demand is for minimum 4.5 ac. lots; can't develop a new subdivision;
- There is a good supply of commercial land generally and is not impacted by ALR;
- Areas north, west and south of Dawson Ck. are all areas of interest by prospective buyers to purchase and subdivide (3 dozen calls in the last year alone)

Other real-estate and property development issues:

- Natural gas needs to be extended below Fellers Heights
- At One Island/Swan Lake, there is demand for recreation properties (west side)
- Lands situated along Crown land interface (South of D.Ck.) has problems for road access to purchaser since marginal agriculture lands are adjacent to rural residential properties; cannot get roads built; this area is outside of community pasture, but has agricultural/grazing lease available on adjacent Crown; given that the tax base is higher rate, there is demand to build on bare land
- there is demand for ¼ section bare land around the D.Ck area for building purposes, and hobby farms
- in the agricultural zone, there is demand for land from farmers with 20 mi. radius of Dawson Ck; 10 to 15 quarter sections/yr. could be sold;
- also demand for recreational quarters for ATV, and hunting
- around Puggins Rd (\$150 - \$200 K has been paid for a ¼ section with a house); its true value is probably closer to \$50 K
- in Chetwynd area, the Tembec pulp mill causes some problem for adjacent landowners due to smells; as a result there is not high demand for rural residential land in that area
- Moberly Lake lots (both north and south) continue to be in demand by people from both FSJ and Dawson Creek); however on south side of Lake there are several leased lots, where government moratorium exists; this land needs to be made saleable;

- Pine River has potential for development of amenity, recreational property (e.g. 5-10 acre lots for river boaters), people from Vancouver have expressed interest in land around Stewart Lake, Puggins Mtn; Muskeg Leg.
- there could eventually be a circle route from Puggins Rd to Thunder Mtn, Stoney Lake and Boundary Rd.
- there is development potential if paved access created to Kinuseo Falls through tourism development; can expand visitor draw through development of attractions, campgrounds, facilities and infrastructure
- city ability to take out ALR within its boundary

**Wim Kok, Instructor**  
**Northern Lights College**  
**Aug. 29, 2003**

**Focus: Education**

Wim Kok has been an instructor in the Geography department at Northern Lights College for several years. He offers insights on trends in education, and areas of training/skill development that support rural communities

#### Rural Training Needs Assessment

There is Technical Review performed on annual basis through a Planning Committee, that also consults with resource agencies to determine training and education needs. There are several programs that are directly relevant to rural communities. These include:

- Land & Resource Management
- Environmental Management
- Forestry Resource Technology
- Teachers/Education Training (AHCOTE)
- Early Childhood Education
- Generalist programs
- University Degree (e.g. Transfer programs)
- Trades programs (e.g. Carpentry, Mechanics)

Training needs assessment is done by NLC; there are meetings with trade groups, and other industry sectors on a regular basis.

#### Regional Economic Planning

There is significant dichotomy between rural and urban economy, and is an issue affecting training and education programs; there is a need to increase awareness of economic development and decrease barriers (FSJ, Dawson Creek); also need to increase understanding and relationship between urban and rural production, and the interdependency.

Social and economic impact assessments for new developments will determine the potential value of proposed projects ... and eventual training/education needs (e.g. FSJ Slovan Plant had very distorted numbers that were not accurate, PRRD should have people trained to look at this important; need to be able to consider statistical base being used (Stats Can vs. BC Stats, different methodologies, actual census. Decline in coal mine will produce effects and needs to assessed by PRRD.

Regional environmental issues and regulatory changes will also drive the type of education/training programs, including industrial waste management, water management, O/G flaring (air quality), right-of-way effects by oil and gas industry.

### Rural Land-Use/Community Planning

Zoning and subdivision issues e.g. ALR that affect land development are an important factor in shaping rural economies; while freedom to use lands is a fundamental issue and people are often averse to regulation, they recognize potential of development impacts; rural economy is too based on heavy resource extraction, and need to consider others forms of resource processing; must consider demographics (e.g. growing youth population; is it aging same throughout area – this will determine nature of rural community development, training needs.

### Supports to Students

There are certain obstacles that make it difficult for all students, and particularly rural area students including childcare, accommodation, and transportation. Many are required to take full to part time employment (2-3 jobs) in order to meet their needs for pursuing advanced education; we need to look at other types of support in addition to loans.

### Education Technology

Distance education is an important form of delivery through Internet access; WEB CT (access to curriculum lectures and playback); e.g. Early Childhood Education was delivered by instructors from outside delivery area through teleconferencing, accommodates economy of scale if there is shortage (small pools of students studying in a virtual classroom); new community infrastructure is not required to support distance education as teleconferencing facilities and mobile training for rural education is in place; courses include:

- business management, marketing and financial development:
- oil & gas technology, land management e.g. rig training
- rural business development entrepreneurs,
- forestry technology
- value-added agricultural (supported by Branding the Peace marketing strategy;
- early childhood education

Many programs do not lend themselves to distance education e.g. Environmental Mgt. or Forest Resource Technology e.g. lab work/analysis, field engineering/surveying); instructors brought in from outside;

### First Nations Post-Secondary Training

First Nations relationships are ongoing, and there is good institutional support; have seen an increase in participation in education (AHCOTE), and forestry/resource management programs

### Practicums

Coop programs are an important form of training for students as they gain practical application of their knowledge and skills e.g. O/G industry (1<sup>st</sup>/2<sup>nd</sup>); Land and Resource management (summer placements)

### Emerging Training/Education Needs

New courses that have potential, but will be subject to actual demand, and ability to sustain support include:

- preservation of artifacts
- tourism – cultural/eco-tourism (but this industry may be overrated as some student research on Tumbler Ridge showed; it does not produce the kind of multipliers that resource industry does)