

Building a Creative Rural Economy

Greg Baeker

You start your day following the Arts Trail, an artist-organized marketing program connecting the studios of painters and sculptors, potters, blacksmiths, glassblowers, and jewellery makers, stained and fused glass artists, a photographer who still prints by hand, plus 14 multi-artist galleries. The trail leads you through a gentle rolling rural landscape, passing century old farms and the second largest building stock of Georgian architecture in North America, after Virginia.

You shift gears to the Taste Trail, an award winning program connecting 25 restaurants, wineries, and boutique hotels. You have lunch at one of Canada's top 10 award-winning restaurants. You stop at roadside stands for fresh produce, and visit an organic cheese producer and a 107-year-old-cheese company. You walk on the largest freshwater dunes system in the world. In the evening, you enjoy what is touted as one of the best "pure" jazz festivals in the county.

You've just visited a thriving creative rural economy in Ontario's Prince Edward County.

A Creative Rural Economy?

Small towns and rural areas in Canada face enormous economic challenges. Traditional dependencies on agriculture and a relatively small number of industries leave rural areas vulnerable, especially in the context of an overall declining industrial base. Many encounter real questions of viability in the face of a reduced tax base and reduced capacity to pay for basic services and infrastructure.

Most discussion related to creativity and culture as new economic drivers (brought to prominence by people like Rich-

ard Florida – and written about so clearly in this issue by Gord Hume) has focused on larger urban centres. Yet, these ideas have powerful potential in smaller towns and rural areas. Municipalities large and small are turning to municipal cultural planning as a tool for building local economies through creativity, culture, and quality of place. This article examines the experience of one rural area that provides insights and inspiration for other rural municipalities.

Prince Edward County

Prince Edward County – affectionately known locally as “The County” – is a rural municipality of 25,000 located south of Belleville, approximately midway between Toronto and Montreal. A 250,000 acre isthmus that juts 40 kilometres south into Lake Ontario, the county boasts some 800 kilometres of shoreline. It is thus in the middle of “The Mega Region,” defined by Richard Florida as the economy in the Windsor to Quebec City corridor, including the economies of southern Lake Ontario/Upper New York State. The Mega Region's economy is approximately \$530 billion – roughly 50 percent of Canada's total gross domestic product. A basic premise of the creative rural economy being built in Prince Edward County is the potential to tap a portion of that economy.

The county has a rich history. It was settled 200 years ago by United Empire Loyalists fleeing the United States during the American Revolution. The county has experienced four waves of economic prosperity. Each time it has shown the entrepreneurial capacity to reinvent its economy. The first wave, from 1860 to 1890 was coined Barley Days. “Bay Barley” was some of the best brewing industry barley in North America. The crop was shipped to upper New York State and the U.S. brewing industry. Profits left a legacy of rich brick building stock and extraordinary period architecture. American tariffs introduced in 1890 ended the Barley Days overnight.

The second wave was driven by dairy, with the county boasting 27 cheese factories, specializing in classic Ca-



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nadian cheddars sold to the Canadian and British markets. The third wave occurred when Prince Edward County was known as “The Garden of Canada,” and had a canning industry that at its peak near the end of the Second World War had more than 40 canning factories supplying 43 percent of all the canned tomatoes in the nation. The industry’s last factory closed in the mid 1980s.

Birth of a Creative Rural Economy

The fourth wave is the current creative rural economy. Its origins date back to the late 1970s and early 1980s, but did not hit its economic stride until the turn of the 21st century. Not unlike New York’s SoHo or Toronto’s Queens Street West, new bohemians and artists discovered Prince Edward County as a low-cost refuge from which to ply their arts and trades. Like SoHo and Queen Street West, artist clustering began and added to the appeal of the place. Others began to discover the area, and a kind of “rural gentrification” began. These new “immigrants” brought with them economic ties to Toronto and the larger Mega Region.

Today, with its proximity to markets, the baby boom wealth explosion, urban out-migration to exurban regions, and Prince Edward County’s affordability and quality of place, the creative economy is flourishing. A major catalyst has been the birth of the wine industry, bolstered by the growing culinary tourism scene, supported by the rich agricultural resources, all framed by classic towns, hamlets, and villages. It is an economy supported by old and new culture.

Evolving Economic Strategies

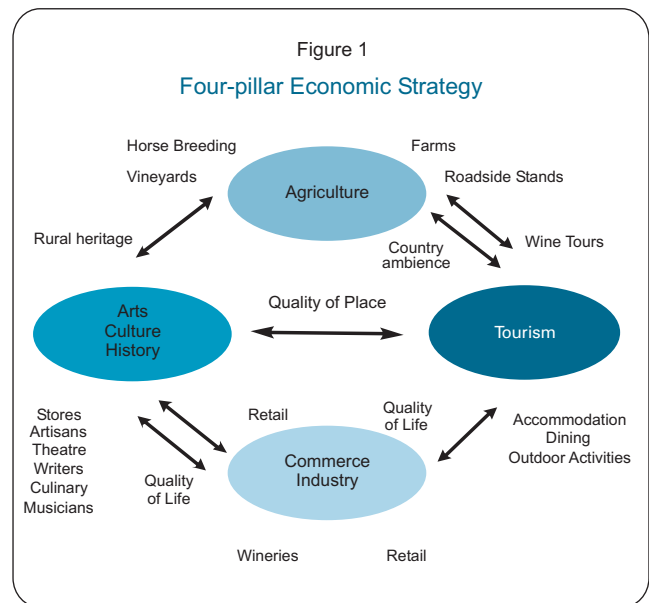
The economic development department of the municipality was instrumental in identifying the potential of the creative rural economy, and aggressively promoting and attracting investment.

A series of plans and strategies were instrumental to success. An economic development strategy undertaken in 2004 came to a sobering conclusion. The county had *zero* competitive advantages in attracting business and industry in a traditional economic development paradigm.

However, the strategy concluded that the county could succeed using a different economic development model, one built on *quality of place*. While it was not understood or spoken about as such at that time, Prince Edward County had many attributes that fit emerging creative economy theories arising at the time. The consultants proposed an economic strategy with quality of place at its core, and built on four pillars, as shown in Figure 1.

A Cultural Plan for Prince Edward County

In 2005, the county undertook a municipal cultural planning process resulting in *Leveraging Growth and Managing Change: A Cultural Strategic Plan for Prince Edward*



County. The plan was awarded best strategic economic plan from the Economic Development Council of Ontario in 2006. Municipal cultural planning is a place-based approach to local and regional cultural development that has been gaining attention in Canada over several years.

A defining feature of municipal cultural planning is cultural mapping. The Prince Edward County plan focused on two interrelated forms of cultural mapping.

- ▶ *Resource mapping* – identifying and documenting physical (or tangible) cultural resources. Almost 350 were identified across categories of cultural resources (illustrated in Figure 2).
- ▶ *Identity mapping* – exploring and recording “intangible cultural resources” – the unique stories, traditions, values, perceptions of place, and quality of life that define a community’s unique identity and sense of place.

A core recommendation in the plan was the formation of a cultural roundtable as a strategic leadership group to implement the strategy. Members include: council and municipal staff; non-profit arts and heritage groups, including libraries; cultural businesses of all kinds; the local business community; and representatives from provincial ministries (culture, tourism, agriculture and rural affairs) as ex-officio members.

The roundtable decided early on it did not wish to establish a formal non-profit organization, but would operate more informally as a partnership mechanism. The municipality does provide it with some basic administrative support and in-kind contributions, such as meeting space. The group meets monthly with a rotating chair. Four times a year, it travels to different parts of the county to engage local residents and businesses, and invite them to join the network.

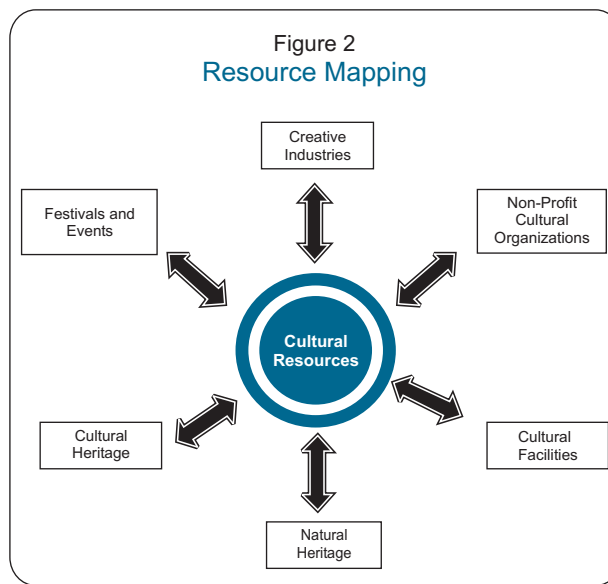
A related recommendation in the cultural plan was that the roundtable organize an annual community-wide “cul-

tural rally” to celebrate successes over past year, identify strategic issues and opportunities for the next, and generally to celebrate county culture. The first rally in March 2007, attracted more than 200 county residents.

Economic Results

The creative rural economy in Prince Edward County has produced impressive results:

- ▶ \$45 million in wine industry investment (over seven years);
- ▶ 12 new wineries – 750 acres of grapes (from zero eight years ago);
- ▶ \$18 million per annum in wine sales (from zero eight years ago);
- ▶ \$50-\$85 million in projected wine sales five to seven years out – potentially doubling the agricultural GDP;
- ▶ building permits up 300 percent over seven years;
- ▶ \$150 million in incremental investment;
- ▶ a booming construction industry;
- ▶ tourism visits from 1999 to 2004 up 74 percent (225,000 to 500,000);
- ▶ a 168 percent increase in tourism spending; from \$25 million spent per annum in 1999, to \$65 million in 2004: expected to reach \$100 million by 2009;
- ▶ property assessment up \$750 million;
- ▶ \$20-30 million investment in downtown revitalization in Picton (population 3,000) over the last few years with major condominium, commercial, and retail developments, a new boutique hotel with culinary and Jazz Bar, new housing, waterfront development;
- ▶ a declining population (1996 – 2001 census) to a two percent rise (2001 – 2006); and
- ▶ currently over a half billion dollars in qualified investment leads.



Investment Attraction

The county’s economic development department is in the process of launching an investment attraction campaign specifically targeted towards attracting creative class entrepreneurs and investors to the community. The initiative is using Web 2.0, digital and social media tools to reach its target globally <www.buildanewlife.ca>. A database will be used to attract marketing effectiveness and the lifetime value of investors, including: where leads come from; the number of leads required; converting leads to investors;

investors; the total amount of investment; number of employees; increased tax base; growth of investment over time; etc.

The county is now positioning its business-to-business marketing efforts by branding itself as *Canada’s First Creative Rural Economy* supported by the tag line *People, Enterprise, Creativity*.

A strong research relationship has been built with the Geography Department at Queen’s University in nearby Kingston, Ontario. It has also attracted the interest and engagement of the Martin Prosperity Institute at the University of Toronto headed by Richard Florida.

Creative Rural Economy Tools and Resources

Prince Edward County is interested in building on its own experience and working with other rural communities in Canada to build collective capacity to support creative rural economic development. We need a platform for sharing knowledge and experience. We need stronger statistical and analytical tools for assessing progress. We need research support. We need to join a growing global conversation about the creative rural economy, and its potential for economic renewal and community building. MW

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