ImagineKelowna

Imagine Kelowna Council Workshop:
Scenarios & forces shaping the future

March 13, 2017

Overview – Scenarios & forces shaping the future

On February 17,2017, the Imagine Kelowna team held a Scenario Exploration Workshop. The workshop aimed to strengthen the City's Draft Community Strategic Vision through the exploration of four futuristic "what if" scenarios tailored for Kelowna – stories of our community 20 years out, challenged by global trends and forces of mega-change.

To assess Kelowna's future readiness and help set the stage for a visioning process that is based not on forecasting or linear projections of past trends, but rather on a range of possibilities for the future. To help us arrive at our scenarios, we referenced the research and resources of the Alliance for Innovation (AFI) – including the AFI's Four Forces of Change model. To help identify and prioritize the trends impacting communities in the next twenty plus years, AFI used the Four Forces model developed by futurist Cecily Sommers. These four forces are agents of mega-change; if any of the four forces are undergoing drastic change or disruption in communities, it will likely mark a significant shift in how citizens act, engage, and respond to each other, and to government. In priority order, the four forces of changes are: resources, technology, demographics and governance.

Participants in the workshop considered whether Kelowna would be ready to face the forces of mega-change and what measures would be required to build Kelowna's "future-readiness." The futuristic scenarios were designed to empower creative foresight to imagine the challenging circumstances possible for future generations. Participants were assigned one of the four scenarios and explored what that scenario could mean for Kelowna. What would need to happen in order for Kelowna to be ready for the future? What changes would be needed? Discussion generated directions and priorities to prepare Kelowna for "future readiness."

ImagineKelowna

SCENARIO 1: RESOURCES

"The most important force. Resources include food, water, air, habitat and other material nature offers. Especially important are the resources that enable energy production."

Trends highlighted in this scenario:

Climate Change:
> "Climate change affects our oceans, fresh water, arable land and food sources, and animals. Not only are climate-change events like rainstorms, hurricanes and tornadoes growing more intense, the cost of their damages is increasing over time."

Water Shortage and Access
> "The steady march of climate change is forging ahead and is having a huge impact on water availability. Droughts like we've seen will become more common in the future, and likely even more severe, especially later in the century."

The "NORC" Shift
> "The "NORC", or Northern Rim countries, lay north of the 45th parallel and will be beneficiaries of climate change. The NORC regions will experience longer growing seasons and produce more food. And they will also have less ice, which will enable easier shipping routes and access to fuel and nonfuel resources.8 They may also be the recipients of massive immigration from other, hotter and drier parts of the world."

Thanks to its inland location north of the 45th parallel, Kelowna is faring better than many centres in the face of direct impacts from climate change. The longer growing season and increased food production that were predicted twenty years ago for Northern Rim countries (NORC) have, on the whole, materialized, despite periods of temperature variability.

The community is not, however, without its climate challenges. Higher fruit production and viniculture, combined with the introduction of new types of crops, are putting serious pressure on the region's precious water resources — resources already under stress from high summer temperatures and high levels of evaporation. Competition for water remains acute among all water user groups, as does the level of tension.

> *"Over the next twenty years, climate change will be the most important resource issue facing local governments."*
>
> *Alliance for Innovation*
> "The Next Big Things"

The worrying trend in forest fires continues, as well, fueled by the dry, hot summers, and by development in interface areas that has increased over the past decade as a result of migration to the region from places, including the Coast, that have had difficulty adapting to climate change. The fires impact the region's air quality and tourism sector; they also make the landscape more susceptible to flash floods caused by sporadic rainstorms that flow unimpeded over bare hillsides.

SCENARIO 2: TECHNOLOGY

"Technology includes the tools and knowledge we use to extract and transform resources into new products and capacities that make our lives more comfortable and convenient, or to develop capabilities beyond our physical bodies that allow us to go places and discover new realities."

Trends highlighted in this scenario:

Unmanning:
> "We have entered the age of robots, artificial intelligence ("AI") and "smart cities"."

Open Innovation
> "Open innovation is about embracing and realizing the benefits of harnessing inventiveness from outside of traditional corporate and governmental walls."

Nomadic Workforce
> "As the global talent pool becomes more educated and jobs become more digital, some communities and countries are aggressively positioning themselves to attract this highly skilled, nomadic workforce."

Structural Unemployment
> "Due in part to the global talent pool and the deep investments made worldwide to automate our factory floors and our lives we could be facing a 20-year period of structural unemployment."

Kelowna based companies have fully embraced a broad range of technologies in search of getting the job done, increasing production speed, flexibility and scalability. Advanced technologies, artificial intelligence, automation of routine tasks and the introduction of driverless cars have replaced entire jobs in transport, retail and professional sectors and have physically altered our city spaces in fundamental ways. Vast areas of urban land previously occupied by parking await reinvention for a whole new spectrum of social functions. Business models structured around a permanent workforce and fixed physical office space are increasingly replaced by new models that rely on the self-employed, crowdsourcing[1] and open innovation[2] research.

Organizations and companies that demand globally sought after cognitive and specialized skills (including health care and computer system design) have firmly entrenched themselves in Kelowna, seeking to capitalize on the region's beauty and lifestyle options as a competitive edge in attracting a highly-skilled and nomadic workforce. Despite strong economics in these specialized sectors, Kelowna's underemployment rate continues to grow. Educated workers occupy jobs that are cognitively less demanding and those without post-secondary education are largely squeezed out of the workforce.

"We have entered an age of robots, artificial intelligence, and "smart cities." These technologies make our lives easier. They also eliminate the need for human workers.

Alliance for Innovation
"The Next Big Things"

[1]**Crowdsourcing** is a specific sourcing model in which individuals or organizations use contributions from internet users to obtain needed services or ideas. Crowdsourcing is distinguished from outsourcing in that the work can come from an undefined public (instead of being commissioned from a specific, named group) and in that crowdsourcing includes a mix of bottom-up and top-down processes. (Wikipedia)

[2] **Open innovation** - The central idea behind open innovation is that, in a world of widely distributed knowledge, companies cannot afford to rely entirely on their own research, but should instead buy or license processes or inventions (i.e. patents) from other companies. In addition, internal inventions not being used in a firm's business should be taken outside the company (e.g. through licensing, joint ventures or spin-offs).(Wikipedia)

ImagineKelowna

SCENARIO 3: DEMOGRAPHICS

"Demographics is the "who" behind society's changes. People are producers. We produce through our physical and intellectual labor, so "who" is producing matters, e.g. does your community have enough working people to support your very young and very old; do you have the right ratio of women to men; is there enough social cohesion among groups to ensure the good of the community?"

Trends highlighted in this scenario:

Mass Migration:
> "Whether due to conflict, climate change, natural disasters, or the desire to earn more, migration will continue to create dynamic population shifts for many communities."

Growth in Urbanization
> "Rapid urbanization is at a crossroads; it will either result in greater economic prosperity or greater unrest."

Rural vs. Urban
> "As more people move to cities, a rural versus urban split may widen."

Boomer Bulge
> "Many countries are facing a "Baby Boomer bulge," when the share of citizens over age 65 begins to increase."

The traditional slow "drip drip" of demographic change in Kelowna has undergone a drastic and significant shift through rapid urbanization, densification and demographic transformation. Neighbourhoods throughout Kelowna have become more ethnically diverse than ever and include significantly higher proportions of residents born outside Canada. Some neighbourhoods have become notable centres supporting specific ethnic groups.

A whole new group of young singles has also moved to Kelowna's downtown and to local urban centres around Kelowna's expanding post-secondary educational institutions. Although retirees are increasingly seeking more affordable housing options outside Kelowna's boundaries, the city's reputation as an attractive retirement community remains strong and the population continues to age.

Demographic change in Kelowna is at a crossroads; the community has seen greater economic prosperity through migration but is showing signs of generational conflicts, rural vs. urban disconnects and entrenched perspectives. Leaders are calling for a strong community effort to recognize and celebrate the richness of the evolving community and changing demographics while others are resisting diversity and pressing decisions-makers to reject change.

> *"Mass migration can have a destabilizing force on both the community that's losing citizens and the one gaining citizens. Handled well, in-migration can also strengthen and revitalize communities. A community's approach is critical."*
>
> *Alliance for Innovation*
> "The Next Big Things"

Imagine Kelowna

SCENARIO 4: GOVERNANCE

"Distribution and management of society's assets—resources, technology and people—are administered through the *rule of law* and *the rule of markets. Of all the forces, governance is the most reactive, i.e. changes in resources, technology and people often run ahead of government's capability to deal with them."*

Trends highlighted in this scenario:

Trust in Government:
> "Trust in governments across all levels is at an all-time low."

Citizen Engagement
> "Over the next twenty years, next-generation citizens will become the majority of our citizens. They don't "show up" to place-based events in traditional ways. Citizen engagement—how it's planned, executed, incorporated and measured—will be key."

City-to-City Collaboration
> "In the absence of leadership at the federal or provincial levels, local governments are taking matters into their own hands."

Fiscal Uncertainty
> "As nations transfer more responsibilities to local governments, we have the challenge of "too little money chasing too many needs.""

Infrastructure Overhaul
> "McKinsey estimates that it will cost $57 trillion to build and maintain all the infrastructure needed worldwide through 2030. That is more than the total value of all of today's infrastructure. What's more, the price tags for new roads or bridges that are often pitched by legislators to the public include only the cost to build it, not the costs to maintain it. Ongoing Operations and Management (or "O&M") budgets can cost 50 to 67% of the original cost to build."

Corporate and Special Interest Influence
> "Are communities ready to handle more corporate contributions in a way that maintains the public trust?"

Ongoing growth and development are fueling the demand for City infrastructure — infrastructure that is already under stress and in need of renewal. Growth and development are also putting pressure on healthcare and social service providers in the community. Homelessness, already at record levels, continues to grow as the most vulnerable citizens fall out of the system, ignored by senior governments that have "left the field" to pursue new priorities. Local government remains the most trusted of all levels to solve complex problems that impact the community's quality of life and economic prosperity. The City's ability to "do more", however, is seriously limited, especially in areas of service that have been down-loaded — directly or indirectly — by other levels of government.

> *"...as our challenges get more complex, we need more nuanced responses, beyond the traditional boundaries of local government."*
>
> *Robert J. O'Neill, Jr., ICMA*
> *"The Next Big Things"*

The persistent constraints in its levels of resources and authority have compelled the City to re-define its role in service provision. Now, more than ever in its history, the City relies on other agencies — public, private and non-profit — to partner in the development of infrastructure and the delivery of services. Considerable effort has been made, as well, to engage the public in decision-making. "Shared responsibility" is a key feature of the local governance system in Kelowna today — a system in which citizens participate in a wide range of decisions, and have direct say over some.

*Global forces and trends definitions were pulled from AFI's "The Next Big Thing" report.