

Klondike Development Organization

Strategic Plan 2011-2015

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KDO VISION AND MISSION

VISION

A resilient Klondike where highly engaged citizens, networks and organizations collaborate to build a sustainable economy

MISSION

KDO focuses multi-stakeholder collaboration on diversifying and strengthening the local economic base through:

- Pro-active strategies and services aimed at retaining and growing a healthy business base
- Increasing access to equity investment capital
- Strengthening economic and social sectors critical to the future of the Klondike
- Addressing strategic gaps in services

Population Growth Goal

THE ECONOMIC PIVOT POINT

Priority Labour Force and Demographic Barrier

Current population is **INADEQUATE** for economic expansion

The resilience of the Klondike is defined in terms of an optimal population level that would support a wider range of local goods and services and take Dawson to the 'next level'.

The goal is to grow the Klondike population through community revitalization by focusing on strategies that will have the maximum impact on population growth, particularly the young.

THE ORGANIZATION WISHES TO

- 1) Develop and support opportunities for private and public enterprise that will increase year-round population to a stable level that can sustain and grow a thriving regional economy.
- 2) Increase reasons to live in Dawson, including incomes.
- 3) Undertake initiatives to attract year round residents
- 4) Invest in local entrepreneurs by providing risk capital
- 5) Offset remoteness from centralized economic development programs and resources
- 6) Provide support to those interested in investing in our community.
- 7) Create an economic environment that is desirable for local people to start or expand businesses

KDO STRATEGIC PLAN

THE SEVEN STRATEGIES

- Enterprise Retention and Development
- Research
- Key Sector Development
 - Housing
- Investment Capital Pool
 - Community Economic Development Investment Funds
- Partnership Forum
- Community Marketing
- Social Enterprise

ENTERPRISE RETENTION & DEVELOPMENT

FACILITATION, FACILITATION, FACILITATION.....

EXISTING NORTH YUKON BUSINESS ADVISOR PROGRAM

- Advisory and counseling services

TO BE ENHANCED BY:

One-stop-shop entry point for entrepreneurs and investors seeking regional information and assistance with enterprise development and investment planning.

- Consistent local delivery
- The KDO community assistance and mentoring network
- Site selection services
- Business succession services
- Information database (website only) including but limited to:
 - Local business inventory including activity
 - Land and property availability
 - Taxes and service costs
 - Licensing and permits
 - Research papers and statistics

ENTERPRISE DEVELOPMENT & RETENTION

A local service that coordinates community based business networks and provides direct service and technical assistance that can support the retention, expansion and creation of strategic businesses and services.

RETENTION

- Retain and develop businesses and services essential to the long term viability of the Klondike

EXPANSION

- Support enterprise expansion related to those parts of the regional economy where growth potential exists and where overall resilience can be strengthened.

CREATION

- Pro-actively support entrepreneurial development and their efforts to start up new businesses and social enterprises that create new wealth and services and enhance the quality of life in the Klondike.

RESEARCH

Local research capacity acts as the foundation of the organization, expanding the community economic knowledge base, developing and assessing measurable indicators and providing a solid base for informed strategic planning and decision-making.

Klondike Economic Statistics Reports

Community Economic Knowledge Base

- Business Survey
- Household Survey

Measurable Indicators and Annual Strategic Reviews

RESEARCH

Klondike Economic Statistics Reports

Monthly and annual reports with history & chart analyses for baselines & trends

- Population (Total & age, sex, relationship status, family character)
- Population mobility
- Public school enrolment
- Educational attainment
- Employment
- Labour force (Total and by occupation and industry)
- Private dwellings (Total and by type, age, rent/owned)
- Income
- RRSP contributions
- Community Spatial Price Index and Whitehorse CPI
- Cost of living price index differential, based on isolated post allowance
- Residential and motor fuel prices
- Construction activity (building permits)
- Real estate activity and prices
- Rentals (Median rent and vacancy rate info for buildings with >4 units)
- Number of businesses reporting to Yukon Business Survey

RESEARCH

Community Economic Knowledge Base

Facilitate priority studies as required by the community including:

- Business Survey
- Household Survey
- Community Needs and Opportunities Identification

RESEARCH

Measurable Indicators and Annual Strategic Reviews

COMMUNITY LEVEL:

- Year-round population increase
 - Previous 3500 target is only 'Community Value' aggressively rejected by the RED Part 3 report
 - Recommend plausible target of 1997 high of 2132 (+12%) for year-round population in 5 year range
 - Transform summer population into year-round residency
- Employment rate and hours worked increase
- Average personal income increase
- Business licenses and Yukon Business Survey reports increase

CORPORATE LEVEL:

- Successful venture projects: Total 6, two per year, expansions or start ups
- Direct employment impact: Total 20-24 year-round equivalent jobs
- KIC capital raising & investment: Total \$675,000 by end year 4.
- KDO budget sustainability: 20%, 19%, 16%, 28% in yr 1-4 internal revenues, 100% in yr 7
- Clients serviced: 'x' new residents and 'y' new enterprises

KEY SECTOR DEVELOPMENT

Research, planning and support of strategies that organize and convene key sector stakeholders in linkages aimed at strengthening economic and social sectors and infrastructure key to the long-term stability and resilience of the Klondike.

PRIORITIZE LIMITING HOUSING SECTOR

INVESTMENT CAPITAL POOL

(SEPARATE AND DISTINCT CORPORATION)

Design and create, in collaboration with the Yukon government, a tax credit for local investors to create a pool of equity capital for investment in local enterprises relevant to the KDO mission

Nova Scotia CEDIF model

INVESTMENT CAPITAL POOL

COMMUNITY ECONOMIC DEVELOPMENT INVESTMENT FUNDS

EQUITY INVESTMENTS AND PROJECT FINANCE

- Based on long-established & successful Nova Scotia program (since 1999)
- Eligible for RRSP deduction min. 22% and Provincial credit of 35%:

IF APPROPRIATE REGULATORY ADJUSTMENTS IMPLEMENTED

- Total tax break of at least 57% (more for high-earners)
- Public offerings of stock to community members
- Governed by Board elected by stock holders to select investments
- Invest solely in qualifying local enterprises

INVESTMENT CAPITAL POOL

CEDIF CASE STUDY

New Dawn Holdings Ltd and New Dawn Enterprises Ltd

- New Dawn Holdings CEDIF raises approx. \$600,000 per year (min. \$1000)
- New Dawn Holdings lends funds to New Dawn Enterprises at 6% interest
- New Dawn Enterprises invests funds in its social enterprise companies including:
 - Housing
 - Commercial Real Estate
 - Senior Care
 - Health Care Services
 - Renewable Energy
 - Training
- New Dawn Holdings pays 4.3% dividend to investors

PARTNERSHIP FORUM

Develop partnerships to facilitate the collaboration required for agencies to engage and work effectively together

- Meet quarterly and as required to further discussion of matters of mutual interest between stakeholders
- Stay informed as to mandates and programs of local players
- Build effective working relationships with local players such as the municipality, Tr'ondëk Hwëch'in
- Develop coordinated advocacy positions for the necessary infrastructure, policies and legislation required to allow the Klondike Development Organization to achieve its vision

COMMUNITY MARKETING

The marketing and promotion of the Klondike quality of life to attract new residents who will contribute to building a thriving and adaptable northern community

- No specific elements of a strategy at this time.
- Priority to other strategies in this framework (yr 1-2)
- Unless the housing challenge is addressed there is no basis for successfully attracting and retaining new residents.

SOCIAL ENTERPRISE

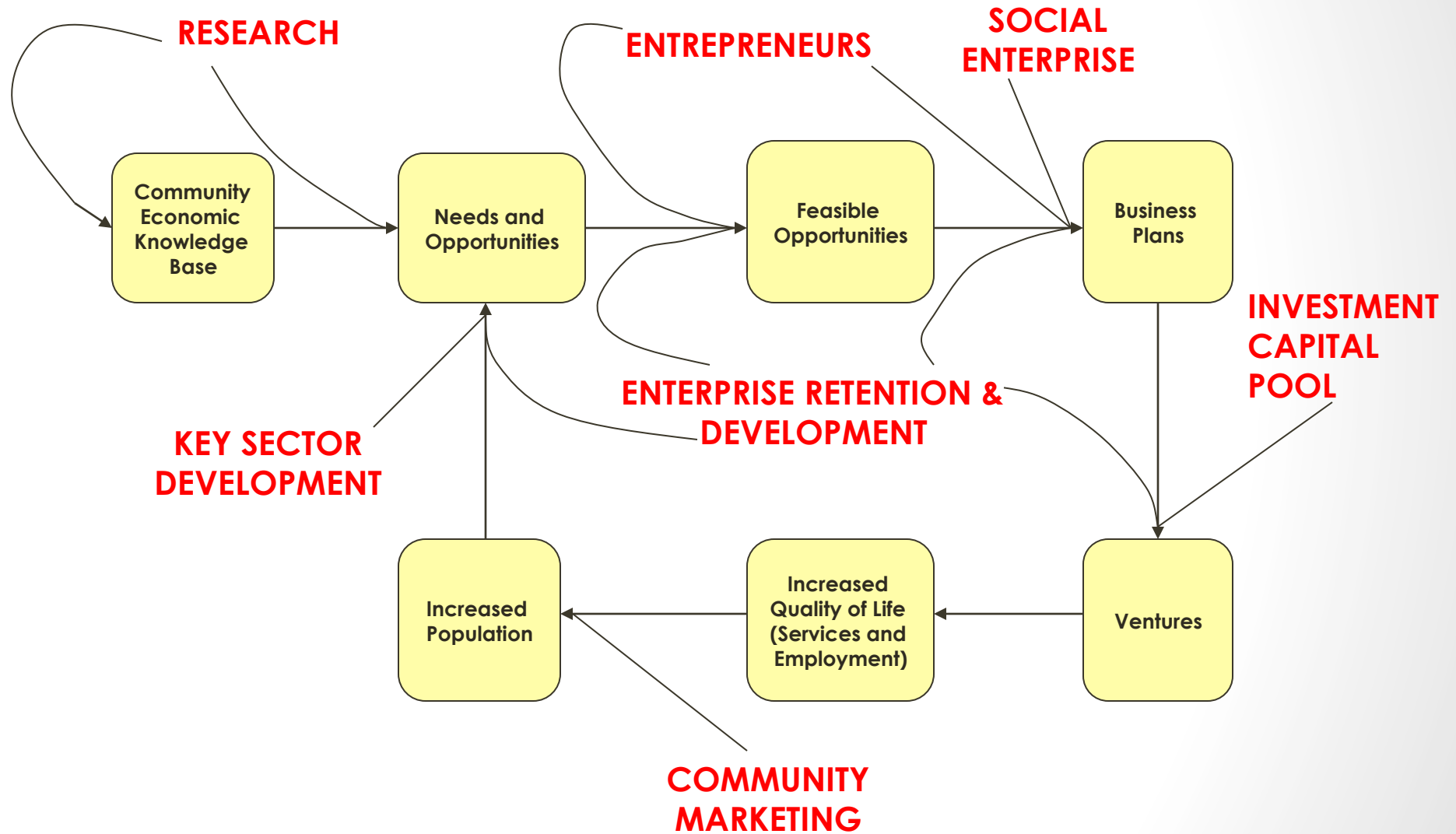
Establishment of enterprises owned at least in part by KDO that use entrepreneurial methods to meet identified community needs and accomplish strategic objectives such as improving the year-round quality of life and population base and providing profits for re-investment in the core mission.

SOCIAL ENTERPRISE

Services residents believe are needed to improve the year-round quality of life and grow the population base:

- Affordable local renewable energy
- Bus service - on a regular basis in the summer and rolled back in the winter
- Rental vehicles
- Dentist
- Scheduled health services, like physiotherapy
- Improved internet bandwidth and cellular coverage
- Year-round laundromat
- Accounting firm (there are bookkeepers)
- General practitioner lawyer
- Insurance/real estate agents
- Capacity to buy more locally grown food year round
- Community greenhouses and cold storage facility
- Bakery
- Fur dealers (retail outlet - selling the tanned hides directly to the tourists)

KDO SERVICE CYCLE



	INVESTMENT CAPITAL POOL	RESEARCH			ENTERPRISE RETENTION AND DEVELOPMENT	KEY SECTOR DEVELOPMENT	PARTNERSHIP FORUM	COMMUNITY MARKETING			SOCIAL ENTERPRISE				
		Klondike Economic Statistics Reports	Community Economic Knowledge Base	Annual Strategic Review				Resident Attraction and Retention	Community Promotional Materials	KDO Communications Strategy	Venture Selection and Development				
				Measurable Indicators							Strategic Planning	Community Needs and Opportunities Identification	Scoping Studies	Feasibility Studies	Business Plans
Feb-11			Systematic business survey			Housing sector market research	Facilitate forum			Communications strategy development					
Mar-11			Systematic household survey			Design housing strategy	Facilitate forum			Implement strategy					
Apr-11	Feasibility Study	Report development			Develop information databases Site availability inventory Local business inventory Licenses, permits, taxes & services, costs of business Develop new services to enhance existing programs Community assistance and mentoring network										
May-11															
Jun-11									Facilitate forum						
Jul-11			LAUNCH KLONDIKE ECONOMIC STATISTICS REPORTS												
Aug-11			Review and maintain reports												
Sep-11									Facilitate forum						
Oct-11			Business Plan												
Nov-11															
Dec-11										Facilitate forum					
Jan-12															
Mar-12								Annual strategic review		Facilitate forum					
Apr-12			Entrepreneur and investor awareness					LAUNCH FACILITATION PROGRAM Deliver program Community assistance and mentoring network	Market research and planning		Strategy development				
May-12	Facilitate forum														
Jun-12															
Jul-12	Facilitate forum														
Aug-12															
Sep-12	Design strategy														
Oct-12	Facilitate forum														
Nov-12															
Dec-12	Facilitate forum														
Jan-13	LAUNCH KIC & PUBLIC OFFERING NO.1														
Feb-13															
Mar-13	Close offering														
Apr-13															
May-13	Call for proposals Assess proposals	Systematic business survey				Market research and planning		Strategy development							
Jun-13							Facilitate forum								
Jul-13							Approve proposals								
Aug-13							Negotiate and complete investments								
Sep-13							Systematic household survey								
Oct-13							Design strategy								
Nov-13							Facilitate forum								
Dec-13															
Jan-14							Public offering No.2								
Feb-14															
Mar-14							Close offering								
Apr-14															
May-14	Call for proposals Assess proposals					Market research and planning		Implement strategy		Develop promotional website					
Jun-14							Facilitate forum								
Jul-14							Approve proposals								
Aug-14							Negotiate and complete investments								
Sep-14							Facilitate forum								
Oct-14							Design strategy								
Nov-14							Facilitate forum								
Dec-14															
Jan-15							Public offering No.3								
Feb-15															
Mar-15							Close offering								