



Indigenous and Northern Affairs Canada



Strategic Planning, Opportunity Identification and Major Projects Development

Alexis Multi-Tourism Park

Alexis Multi-Tourism Park

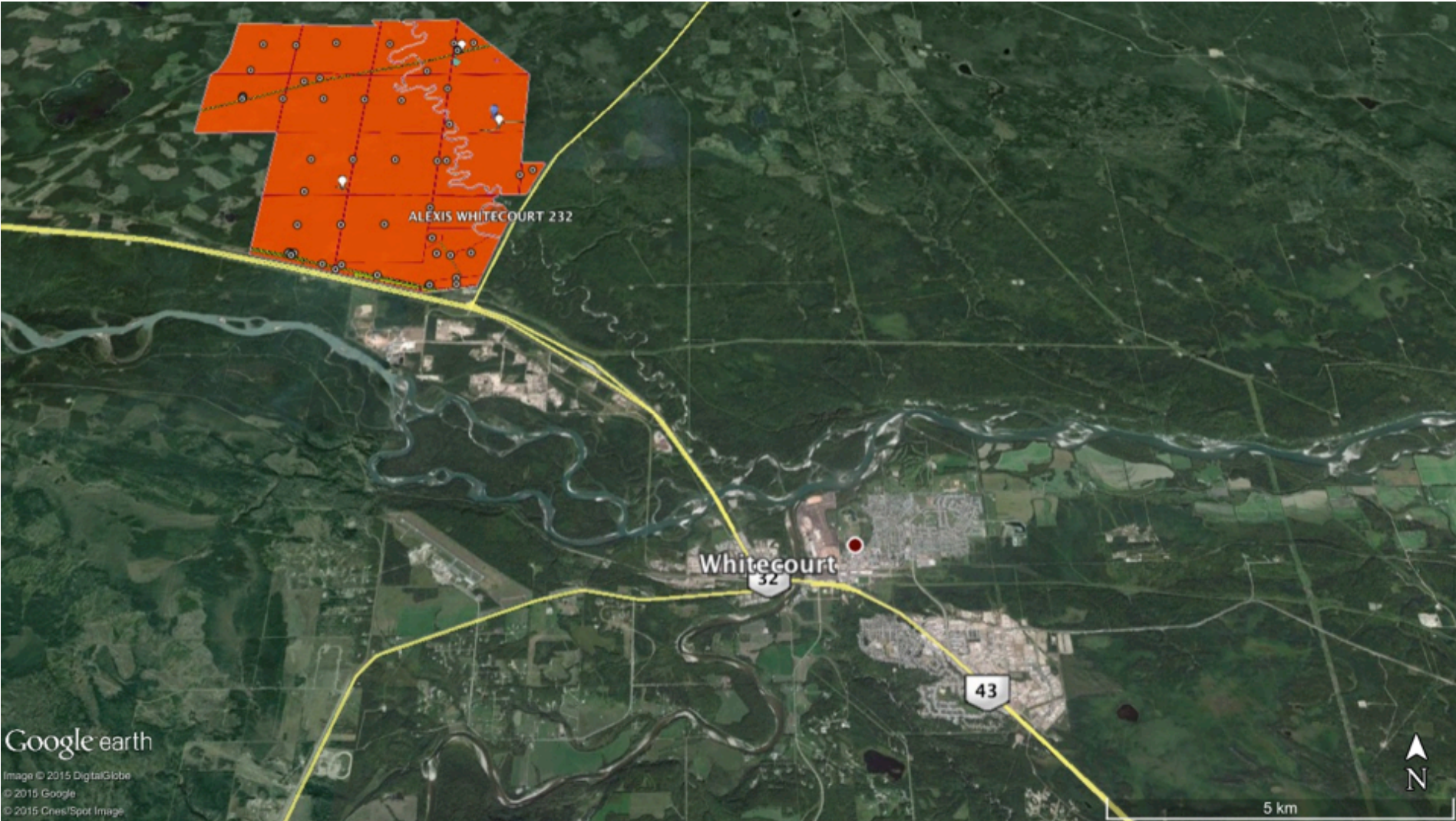
Alexis FN:

- The Alexis Nakota Sioux Nation (ANSN) has a total Indian Registered Population of 1,779 as of June 2012.
- The home reserve (Alexis 133) is located 70 km northwest of Edmonton. The community has year-round road access.
- Alexis Whitecourt Indian Reserve #232 was acquired by ANSN in 1994 by way of Treaty Land Entitlement (TLE). It is located 8 km northwest of Whitecourt, Alberta, which has industries in Forestry, Oil and Gas, Aggregate and Tourism.

• Economic Opportunity:

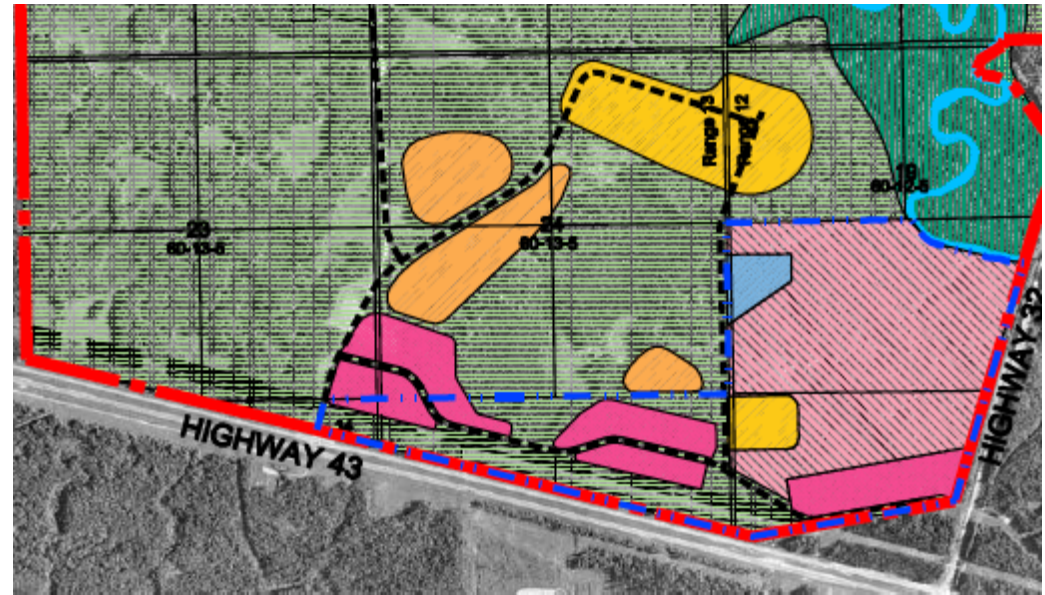
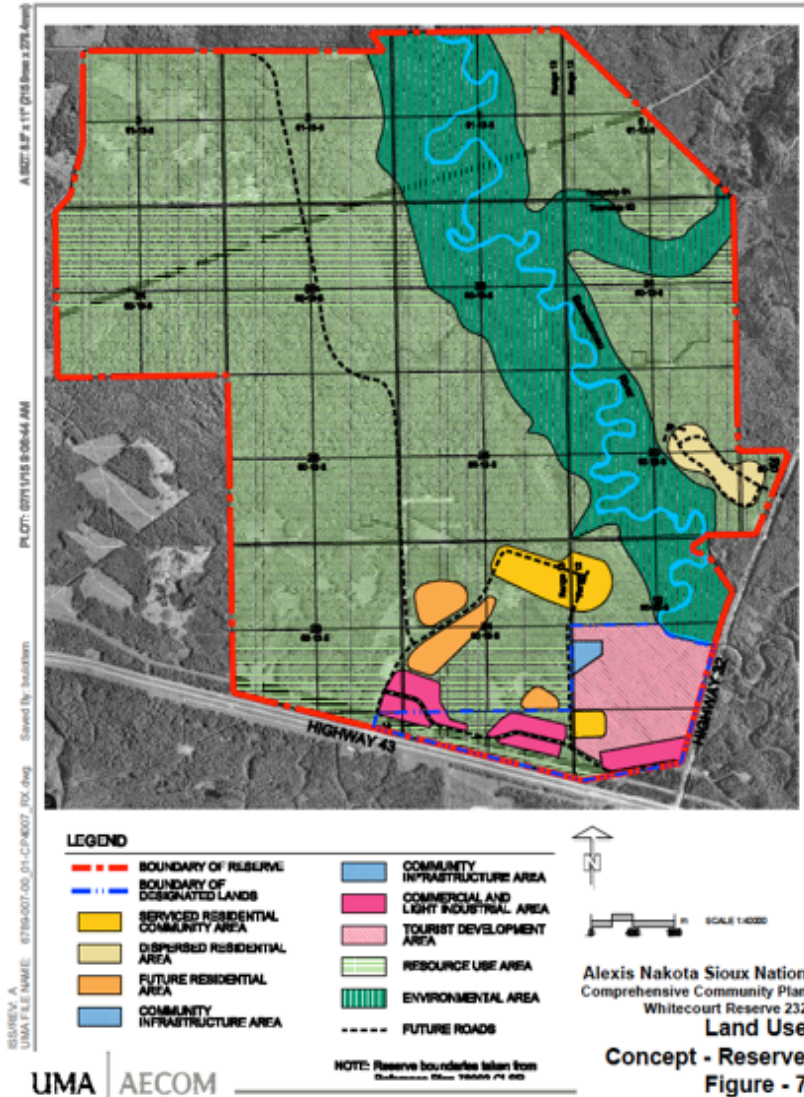
- The development of a Multi-Tourism Park on Alexis Nakota Sioux Reserve #232..
- The Nation was approved for a \$3 million dollar contribution towards total infrastructure development costs in June 2012.
- Eligible infrastructure costs included water, electrical, gas and roads infrastructure.
- Eligible soft costs included engineering and project management.

Alexis Multi-Tourism Park



Alexis Multi-Tourism Park: Strategic Planning

Reserve #232 Land Use - Plan



ANSN completed Designation of
501 acres in 2001

Alexis Multi-Tourism Park: Strategic Planning/ Opportunity Identification

Reserve #232

Comprehensive Community Plan



Alexis Multi-Tourism Park: Strategic Planning/ Opportunity Identification

ANSN undertook a Business Opportunity Identification & Assessment Study for its Designated Lands

- The study process was divided into two Phases:
 - **Phase I** – Qualitative Needs Assessment and Potential Opportunity Identification.
- Factors included in the analysis include:
 - Historical, current conditions and growth prospects. Population growth, construction activity, new and expanded businesses, commercial, retail, tourist/recreation and residential developments. Access and egress, distance to major arterial routes, proximity to existing and proposed surrounding uses including accommodations, industrial nodes.
 - Meetings with over 40 external individuals
 - Comparable First Nations and non-First Nations business developments/organizations
- Identified 13 opportunities for ANSN’s Designated Lands
 - Ranking based on:

Surrounding Community Support for Development: positive, neutral, negative	First Nations Support for Development: positive, neutral, negative	Minimal Environmental Impact: high, medium, low	Attractiveness to Investor/Lender & Perceived Need for Development	Infrastructure: power, water, sewage: positive, neutral, negative	Potential Employment for First Nations
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Alexis Multi-Tourism Park: Opportunity Identification

ANSN undertook a Business Opportunity Identification & Assessment Study for its Designated Lands

- The study process was divided into two Phases:
 - **Phase II** – Business Case Development
 - With community involvement, narrowed from 13 opportunities to 3 and developed a business case for each.
 - Metrics considered included:
 - Description of the Opportunity.
 - Regulatory status (land zoning/ownership) and issues if any.
 - Complementary business development opportunities.
 - Potential target markets.
 - High-level projected construction/start-up costs.
 - High-level proforma (income statement).
 - Agreed upon 1 of the 3 opportunities to pursue.
 - Tourism RV Park

Alexis Multi-Tourism Park: Opportunity Identification

ANSN undertook the Planning & Design Project – Alexis RV Park

- Proofing of Opportunity
 - Retained Planner and Engineers to:
 - Create concept and infrastructure plan for RV park / campground to accommodate the project description as identified within feasibility study
 - Level 4 budget based on concept and infrastructure plan
 - Geotechnical drilling rig and analysis of results
 - Survey of RV park and campground site
 - Assist with project description and environmental assessment submission to AANDC

Alexis Multi-Tourism Park: Opportunity Identification

ANSN undertook the
Planning & Design Project – Alexis RV Park



Alexis Multi-Tourism Park: CORP Major Project

Economic Opportunity: Shovel Ready Project – Now what?

Understand the CORP Major Project Process

- Definition of a CORP major project: Minimum INAC contribution is \$250,000
- Early involvement of all stake holders (leadership, consultants, funders, project lead etc.)
- Identify Eligible Activity under CORP guidelines (what will the CORP funding be used for)
 - Infrastructure
 - Capital
 - Soft Costs
- Know the stages of the CORP application
 - Step 1: Request for proposal (end of September; due December 1)
 - Step 2: Project Summary and quantitative economic benefits (mid January)
 - Step 3: Project Score (mid February)
 - Step 4: Final evaluation (mid March) and CORP approvals (Q1 April-June)
 - Step 5: Outstanding items (Sept 1) and cash flow release
 - Step 6: Reporting
- Deadlines

Alexis Multi-Tourism Park: CORP Major Project

Economic Opportunity:

Phase One:

- 120 Fully Serviced RV Stalls; 30 Un-serviced Campsites (INFRASTRUCTURE)
- Laundromat & Confectionary Facilities (CAPITAL)
- Cultural Tourism Guiding Outfit (CAPITAL)
- Sanitary-Dump (INFRASTRUCTURE)
- Conference space (CAPITAL)

• Phase Two (with in 5 years of operation):

- 50 Fully Serviced RV Stalls, 30 Un-serviced Campsites
- 25 Rental Cabins

• Long Term Development:

- 300 Fully Serviced RV Stalls
- 100 Un-serviced Campsites
- 50 Rental Cabins

Alexis Multi-Tourism Park: CORP Major Project

Alexis Multi-Tourism Park

Eligible Projects	Where to apply	Maximum Funding (\$)	Maximum Funding (%)	Examples (not limited to)
Economic Opportunities	CORP	\$3,000,000	80%	<ul style="list-style-type: none"> • Feasibility studies and business plans (not specific to a single business) • Economic Impact Assessments • Pre-negotiation planning; • Development and implementation of negotiation partnerships • Identification of opportunities • Development of promotional strategies (including community consensus) • Activities and products to promote First Nation participation in economy • Removal of economic barriers
Community Economic Infrastructure	CORP	\$3,000,000	66.67%	<ul style="list-style-type: none"> • Water supply and treatment systems • Sewer and waste collection or disposal systems • Electrical and energy systems • Fuel storage and distribution systems • Community roads and sidewalks • Curbs, culverts, ditches and signs • Ferry transportation, marinas, buses, boats and floats • Airstrips and wharves/docks
Equity Gap	> 250k, CORP < 250k, AFI	\$1,000,000	30% (acquisitions expansions) 40% (start-ups)	<ul style="list-style-type: none"> • Costs related to the establishment, acquisition or expansion of a community-owned business

Alexis Multi-Tourism Park: CORP Major Project

Multi-Tourism Park FICTIONAL FINANCIAL MODEL

COSTS	\$	FINANCING	\$
Eligible Costs:			
<u>Infrastructure Costs</u>			
Earthworks infrastructure	2,000,000	CORP Contribution	2,640,000
Underground infrastructure	1,500,000	for infrastructure (at 66%)	
Overhead power infrastructure	500,000	CORP Contribution	400,000
Total Infrastructure Costs	4,000,000	for soft costs (at 80%)	
<u>Soft Costs</u>			
Engineering & Designs	\$500,000	Applicant Contribution (min 10%)	450,000
		Debt Financing	1,010,000
Total Project Eligible Costs	4,500,000	Total Project Financing	4,500,000

Alexis Multi-Tourism Park: CORP Major Project

Project Score

➤ What is a good score?

➤ Important Variables Affecting Major Project Scores

Incremental Impact	Financial Model	Anchor Tenant	Market Competition	Energy Projects	Economic Benefits
<ul style="list-style-type: none">•Unemployment Rate•Community Well-being Index	<ul style="list-style-type: none">•FN Equity•Government Funding•Debt or Partner Equity	<ul style="list-style-type: none">•Infrastructure projects•LOI, MOU, FA	<ul style="list-style-type: none">•Capital Projects•Level of competition	<ul style="list-style-type: none">•Power Purchase Agreement•Contracts	<ul style="list-style-type: none">•Number of jobs and wages paid•Number of people trained.•Spin off businesses•Community Revenues•Value of new investment•Contracts to and Purchases from Community Businesses

Alexis Multi-Tourism Park: CORP Major Project

Economic Benefits (Quantified):

Aboriginal jobs (8 years):

- 25 full time jobs during construction (Yr 1)
- Full time jobs in park operations and services once park is completed

Spin Off Businesses (8 Years):

- Security Business contract, Water and vacuum truck contract, Cleaning contract, Maintenance contract.

Community Revenues (8 years):

- Seasonal daily campsite rentals, Monthly long term campsite rentals, Laundry mat, Gift shop and convenience store, Sanitary dump fees, Banquet room rentals.

Value of incremental community government revenue (8 years):

- Lease Revenues and Property Taxes to FN
- Increased revenues to Casino and Travel Plaza as result of development.

Cost Benefit Ratio = Total Quantitative Economic Benefits / INAC Contribution

Example: \$18,000,000 / \$3,000,000 = 6:1

Alexis Multi-Tourism Park: CORP Major Project

Challenges:

Time Frame

- Project must be completed by March 31 of year it receives funding.
- Example: Project approved in May 2016 must be completed by March 31, 2017
- INAC cash flow release
 - **Proof other sources of financing are confirmed (debt)**
 - **Insurance / Incorporation Documents**
 - **Executed head lease/ sub lease (projects on designated lands)**

Implementation:

- Land Tenure and Construction season

Reporting - Examples

- quantitative performance indicators
- Certificate(s) of completion showing the project is substantially completed
- Audited Financial – Separate schedule of revenue and expenditures for CORP funding

Alexis Multi-Tourism Park



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Thank You

