

SIoux LOOKOUT

ECONOMIC DEVELOPMENT STRATEGIC PLAN

SIoux LOOKOUT ECONOMIC
DEVELOPMENT COMMISSION

Executive Summary

The Sioux Lookout Economic Development Commission (EDC) was created by Council in July 2007 as a Municipal Service Board under the *Municipal Act 2001, as amended*. A call for membership was advertised and the inaugural meeting of the EDC was held in September 2007. Five elected community members and two Municipal Councillors make up the eligible voters of the Commission. Additionally, Municipal staff resources are available to the Commission on a regular and as-needed basis. Additionally, the Mayor regularly attends all meetings as ex-officio.

The EDC hit the ground running with their newly created mandate and quickly realized that additional community members would be required to assist in achieving the visionary goals of Council. The EDC formed five sub-committees as follows:

- Economic Development Strategic Plan
- Enhancement
- Marketing & Promotions
- Train Station
- Urban Reserve

A call for membership on the sub-committees was held and in April 2008 the Economic Development Officer worked with the Chief Administrative Officer and the EDC to develop work plans outlining specific tasks for each of the five sub-committees of the Commission.

The Economic Development Strategic Plan sub-committee was tasked with creating a Strategic Plan to guide the Commission and make recommendations on short, medium, and long-term goals over a five year term. The sub-committee reviewed various strategic plans specific to Sioux Lookout dating back approximately 20 years and also reviewed strategic plans from neighbouring communities and across the province to gauge likes and dislikes in formatting, focus and content.

Interestingly, the 1991 Strategic Plan developed with Margaret Wanlin at Quetico Centre 20 years previous identified the following strengths and opportunities for Sioux Lookout:

<p style="text-align: center;">Sioux Lookout Economic Development Committee Hub of the North: Developing the Service and Information Centre of the Region A Community-Based Economic Development Plan Quetico Centre, 1991</p>	
<i>Tourism:</i>	<i>The successful tourist operators of the future are those who understand and adapt to the changing market forces. While traditional and fishing tourism may decline, there is tremendous potential for family-oriented and off-season tourism.</i>
<i>Integrated Resource Management and Utilization</i>	<i>Integrated Resource Management, when combined with public education and community involvement, can ensure mutually beneficial and sustainable use of the area's resources.</i>
<i>Commerce</i>	<i>In-shopping is the hope for the future of Sioux Lookout's retailing sector</i>
<i>Forest Products</i>	<i>Technological change will continue to impact on employment in the forest products industry</i>
<i>Transportation</i>	<i>Transportation businesses (rail and air) are significant area employers. Transportation itself is a critical component in terms of Sioux Lookout's long-term position as a hub serving Northern communities</i>
<i>Health and Social Services</i>	<i>Although the nature of social and medical services will change somewhat, they remain an important part of the Sioux Lookout economy</i>

Sioux Lookout Economic Development Committee, A Community-Based Economic Development Plan, Quetico Centre, November 1991, pp 29 – 34.

The 1991 Strategic Plan also identified opportunities for the private and public sector:

1991 Identified Opportunities for the Private and Public Sector	
Private	Public
<ul style="list-style-type: none"> Wholesale warehouse which would sell to small businesses operating in the Northern communities 	<ul style="list-style-type: none"> Court House
<ul style="list-style-type: none"> Building supplies 	<ul style="list-style-type: none"> Provincial Government office building
<ul style="list-style-type: none"> Sewer and water construction to serve the Northern communities 	<ul style="list-style-type: none"> Training Centre
<ul style="list-style-type: none"> Hotel with conference facilities catering to business travelers 	<ul style="list-style-type: none"> Separate Sioux Lookout Board of Education
<ul style="list-style-type: none"> Resort Hotel 	<ul style="list-style-type: none"> Hostel for visitors from Northern Communities for medical services, etc.
<ul style="list-style-type: none"> Office supply and business equipment (computer) store 	<ul style="list-style-type: none"> Dormitory or residential facility for students
<ul style="list-style-type: none"> Men's clothing 	
<ul style="list-style-type: none"> Kitchen equipment and supplies 	
<ul style="list-style-type: none"> Tourist-oriented gift shop 	
<ul style="list-style-type: none"> Do-it yourself car parts store 	
<ul style="list-style-type: none"> Bakery 	
<ul style="list-style-type: none"> Mechanical and electrical contracting 	
<ul style="list-style-type: none"> Photography supplies 	
<ul style="list-style-type: none"> Native arts and crafts 	
<p>A series of suggestions referred to improvements to existing business owners or to the community more generally:</p>	
<ul style="list-style-type: none"> Joint ventures between Native and non-Native people 	
<ul style="list-style-type: none"> Attitude changes on the part of the retailers and some tourist operators 	

Sioux Lookout Economic Development Committee, A Community-Based Economic Development Plan, Quetico Centre, November 1991, pp 35 – 36.

The 1991 document helped synthesize for the sub-committee that indeed, growth has occurred in Sioux Lookout over the past 20 years and many of the goals of the earlier Strategy had been achieved. However, many problems identified in 1991 still exist today.

The sub-committee then agreed to have the Economic Development Officer draft a working strategic plan document from which to add and amend details specific to Sioux Lookout.

Simultaneously, the Economic Development Commission and the five sub-committees were also identifying Sioux Lookout's strengths and opportunities, as well as creating a vision, values and mission for the Commission.

Additionally, the Marketing & Promotions sub-committee had been developing a communications strategy that has also had some overlap and influence on the final report of the Strategic Plan.

The Strategic Plan is premised on three critical activities, being:

Three Critical Activities of the Economic Development Strategy
<ul style="list-style-type: none">• Maintain, expand and nurture the flow of investors into the Municipality by means of a 'market ready' tourism and attraction strategy;
<ul style="list-style-type: none">• Maintain, expand and nurture the current flow of investment into the Municipality by means of a "First Nation" investment and attraction strategy; and
<ul style="list-style-type: none">• Organize the economic development function to maximize the economic impact of this influx of people and funds.

The Strategic Plan outlines a framework that is complimentary to today's current economy, being one of supporting and growing local business and entrepreneurs with a specific focus on the development of arts, culture and heritage as an attraction strategy for tourists to our community. Working with local education institutions to develop complementary programs in the areas of hospitality, culinary arts, eco and adventure tourism, environmental sciences, and applied health sciences will be integral to developing these skills locally. An additional benefit will be the provision of support and encouragement to our local youth to develop businesses and their careers within Sioux Lookout.

It has been proven by other small communities with limited economic development potential that by developing a creative economy, one that is

aggressively marketed to the region, provincially, nationally, and internationally, that the tourist industry will flourish creating opportunity in the retail, hospitality, recreation, and arts sectors. Local residents and new visitors to our community will become ambassadors, helping to spread the word about our unique, dynamic and diverse community, one that we are lucky to call home.

The Economic Development Strategic Plan ties into the Municipal Strategic Plan (2007 – 2011) in each of the identified Municipality's five objectives and goals:

1. **Cultural Harmony:** Sioux Lookout will be an inclusive community where everyone has equal opportunity to be represented and a diversity of cultures is celebrated;
2. **Community Development:** Promote balanced and beneficial economic and social development within the Municipality in a sustainable manner with concern for the environment;
3. **Customer Service Delivery:** To establish a customer service delivery culture that is our primary focus. This will also establish a continuous learning environment and strengths in our communications;
4. **Pride in our Municipal Environment:** We will be a community that takes pride in striving together to create an inviting, beautiful, clean and safe place in which to live, work and visit;
5. **Strengthening our Community Image:** We will strengthen our position as the "Hub of the North" by actively pursuing relationships with our neighbours; ensuring that our voices, actions, and presence will be widely recognized in a continually changing world.

The Economic Development Strategic Plan is a working document that will guide the EDC and provide Council with a method to achieving their identified goals and objectives. The Strategic Plan will require annual review to ensure the goals and objectives developed today, are in line with Council's existing and proposed goals and objectives into the future.

Florence Bailey,
Economic Development Officer

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Messages from the Mayor and Chair of the Economic Development Commission

Mayor Kathy Poling

Greetings from the Mayor's Chair!

It is a great honour to present the Economic Development Strategic Plan. This is a testament to the hours of work and dedication of the volunteers and staff who were extremely committed to its creation. It is a true reflection of our community and outlines a framework from which we, as a community, can move forward.

Sioux Lookout is in a unique situation in that while other municipalities in Northwestern Ontario are struggling to diversify and create new opportunities, we are in a positive growth mode. With over two hundred million dollars of new capital investment in our town we are fortunate in comparison to many of our neighbours who are struggling with the downturn of the resource sector. However, we are not without our challenges and they are great. Given the limited tax base it is difficult to finance the infrastructure projects and other related programs required to support this new growth. We cannot assume nor take for granted that we can ride the wave of past successes into tomorrow. Therefore, it is critical that we move forward in a strategic integrated fashion. This plan will allow us to accomplish that goal.

Like other Northwestern Ontario communities, Sioux Lookout has its roots in the traditional economies – resource and transportation. Historically, through a number of events, we have evolved to include a broad knowledge based economy in the health, education, tourism, government and services sectors. As the Hub of the North, Sioux Lookout has been and currently is positioned to explore opportunities with our northern neighbours, in particular First Nation communities. There are a significant number of emerging prospects that could benefit a large number of people both in Sioux Lookout and beyond. It will take partnership, vision and good planning.

To that end, Sioux Lookout Municipal Council is committed to the implementation of this strategic plan as presented by the Economic Development Commission. I would like to express my deepest gratitude to the ladies and gentlemen whose ideas, knowledge, dedication and leadership have resulted in a plan that will ultimately result in a more sustainable and prosperous community.

Best Regards
Kathy Poling

Chair of the Economic Development Commission, Brad Hyslop

For a community to be successful in today's world, the outlook has to be "**forward thinking**". In order to achieve this, a clear vision and a flexible plan of action is required. The following Economic Development Strategic Plan for the Municipality of Sioux Lookout outlines the current vision and road map to realize its goals.

Within the Strategic Plan, the main sectors that drive Sioux Lookout's economy are detailed. These sectors are linked in such a way that they are "interdependent" on each other. The strength or weakness of any one sector will impact the strength or weakness of another sector. Strategically, it is important to support and grow all of the sectors in order to ensure success of the whole, that being the entire Municipality.

The Economic Development Commission is charged with the task of ensuring that the economy and the community of the Municipality of Sioux Lookout remains successful into the future. Future for us is defined as "all points of time moving forward" (e.g. next month, next year, 5 years from now, 10 years from now, 20 years from now and longer).

Therefore, not only is the Commission actively marketing our community to grow all sectors, but we are looking for new and emerging opportunities in retail, trade, commerce, education, health care, research and technology. We plan on building a creative and sustainable economy for new tourism opportunities based on a strong and growing arts, culture and heritage sector. We are actively seeking to develop and strengthen partnerships in industry, retail and commerce as well as building on the success of our existing partnerships with First Nations.

We are also looking at the use of creative economic development tools (i.e. Urban Reserves, Municipal Cultural Planning, and the Integrated Community Sustainability Plan) to assist us in achieving our goals. The Commission has been busy laying the groundwork allowing various projects to move forward (i.e. Downtown Revitalization Project, Youth Centre, Cedar Bay, Hudson Crown Land Development, and the Urban Reserve initiative). Moving forward, we will continue to put the necessary pieces in place that will allow other projects to come to fruition. We will continue to utilize "**forward thinking**" to ensure that Sioux Lookout remains a strong and vibrant community well into the future.

Best Regards,

Brad Hyslop, Chair
Economic Development Commission

Introduction and Objectives

In 2008, funding approval was received from the Provincial Government for the construction of a new 60-bed health centre. In addition to the magnitude of this capital project are at least ten other capital projects, representing the most significant capital dollars spent on economic development in the community of this generation.

As a result of the identified capital projects, the Municipality of Sioux Lookout, from the outside, is the envy of many communities in the region. However, our community's growth is not without its challenges. Impacts on Municipal staffing levels are required to increase to keep up to the demand of building inspections, permit approvals, technical staff, funding applications, project monitoring, public works – roads, water and sewer have all significantly felt the effects of the heavy workload.

Municipal funding limits are currently stretched to meet the funding requirements for Municipal contributions to leverage government dollars in several of the projects.

Tax increases are being considered to offset capital investment dollars. The introduction of development charges has been studied to assist with offsetting tax increases as a form of keeping up to capital growth but the residents have indicated they are not ready for Council to proceed in that direction at this time as development charges are seen as a deterrent to economic growth in Northern Ontario. As a result of public input, Council has not approved the introduction of development charges as a means to subsidize the costs of growth and development.

As can be seen from the above information on the economic activity taking place in Sioux Lookout, which will continue over the next several years, and considering the identified need for infrastructure development to support this activity, huge demands are being placed on the Municipality, both financial and in the capacity of human resources. The Municipality is in a position where it must respond to the needs of the developers, desires of the rate payer, and requirements of the Province to not only plan and provide for the necessary infrastructure, but to also financially contribute to the costs as well as provide interim financing until such time the new revenue streams, which such development creates, becomes a reality.

It is anticipated that with the current Economic Development projects such as downtown revitalization and an active marketing strategy, new opportunities will be available in the tourism sector, including retail, adventure tourism and a

dramatic increase in the number of people visiting and investing in Sioux Lookout.

An Economic Development Commission (EDC) was created in September, 2007 to assist the Municipality with leading its growth in a strategic and well thought out process. The EDC was formed as a Municipal Service Board under the Municipal Act. The EDC has taken a very active and aggressive approach to catching up with the current development issues and identifying strategic sub-committees to further facilitate the prioritization of the community's economic growth.

One such sub-committee, Economic Development Strategic Planning, was tasked with reviewing previous economic strategies of the Municipality from the past 20 years and reviewing the current economic climate of Sioux Lookout in coordination with the Municipal Strategic Plan for 2007 to 2011.

From the beginning, it was clear that the Economic Development Strategic Plan needed to be both a coordinated and diverse vision, one that took into account the Municipality's current direction of growth but also to create a living document to ensure the Municipality's future prosperity. The Plan needed to build on the traditional strengths of the economy such as education, health, forestry and tourism, while charting a new course that is more in keeping with emerging demographic trends and the global economy. The plan needed to communicate the future direction of the Municipality in terms of its economic health and well being both today and into the future. It is believed by the EDC that this plan meets these requirements by setting the following goals:

Goals of the Economic Development Strategic Plan
To function as a "blueprint" for Municipal Council to convey to the public how the Municipality will both sustain and pursue opportunities for future growth and development that are consistent with the goals and objectives set out by Council;
To provide Municipal Council with a policy document for making strategic decisions on the allocation of limited financial and human resources;
To disseminate information on Municipal economic development programs and initiatives to the private sector in order to stimulate private sector investment, both in commercial and industrial environments;
To inform the Federal and Provincial governments of the economic development priorities of the Municipality of Sioux Lookout, and make recommendations to Council to advocate and lobby for change; and
To form the basis for discussion, an annual work plan of the Economic Development Commission that both meets the strategic direction for the Municipality and also provides direction for Council to set priorities over the next several years.

The Plan sets out to identify specific goals that represent benchmarks for a vital and healthy local economy. The strategic initiatives represent specific projects and programs designed to achieve these goals.

The Economic Development Plan also addresses the issues of governance and management. As community development is identified as one of the highest priorities in the Municipal Strategic Plan, the Economic Development Strategic Plan will provide direction to staff and Municipal Council as a guide for program delivery and support.

The plan provides a model for governance and management that is entrepreneurial in nature and designed to work with business and industry on their own terms. The model also takes advantage of potential economic development incentives that would otherwise be unavailable in a more traditional governance and management model.

Critically important in the ever evolving global economy is the need to identify emerging trends, market conditions, funding programs, development opportunities and public/private partnerships to achieve our end goals.

It should be noted that this plan represents a starting point in building a new vision and new economy for the Municipality of Sioux Lookout. It will need to be reviewed annually and modified as new opportunities appear or new challenges emerge. It should not be viewed as a manual for achieving success, but a series of markers to strategically maneuver our way into the future.

The Economic Development Strategic Plan has been developed as a result of many years of hard work on a wide range of planning studies, economic development projects and research initiatives. This report synthesizes all of the previous economic development work and is supplemented by an extensive public and stakeholder consultation process.

In developing a comprehensive planning document, the Economic Development Commission builds on the results of the following reports and studies:

Existing Municipal Studies	
Study	Year
Sioux Lookout Residential Lot Assessment Study	2002
Sioux Lookout Housing Needs Study	2005
Sioux Lookout Commercial and Institutional Land Use Expansion Study	2005
Shibogama First Nations Council, Enhancement Study	2002
Sioux Lookout Growth Management Study	2006
Business Retention and Expansion Survey	2006
Sioux Lookout Residential Subdivision Developments – Detailed Design	2006
Sioux Lookout Residential Subdivision Developments – Prince Street West and Cedar Bay	2006
Hudson SWOT Analysis	2007
Sioux Lookout Branding and Implementation Plan	2007
Sioux Lookout Airport, Industrial Commercial Park, Water and Sewer Servicing	2007
Sioux Lookout Strategic Plan	2007 – 2011
Downtown Revitalization Resident's Survey	2008

The 2007 – 2011 Municipal Strategic Plan takes advantage of the public consultation process that was a cornerstone of each of these initiatives. This approach ensures the opinions, comments and views of the community-at-large are embedded in this plan.

Further, on March 31st and April 2nd, 2006, the community was invited to attend a Community Economic Development Prosperity Planning workshop designed to discuss and debate the economic future of Sioux Lookout. The strengths, weaknesses, opportunities and threats to the community were recorded and prioritized. Over sixty (60) community members attended each of the community economic development planning sessions. The workshop results were incorporated into the formulation of the prime goals, and corresponding strategic initiatives, of the plan.

The Municipality of Sioux Lookout has achieved economic development success in the fields of health care, tourism, the social services sector, transportation sector and some varied industrial sectors. The Municipality wishes to implement an economic strategy that will build upon existing successes and expand the economic development base of the community. At the same time, the Economic Development Commission have identified that there is concern that the

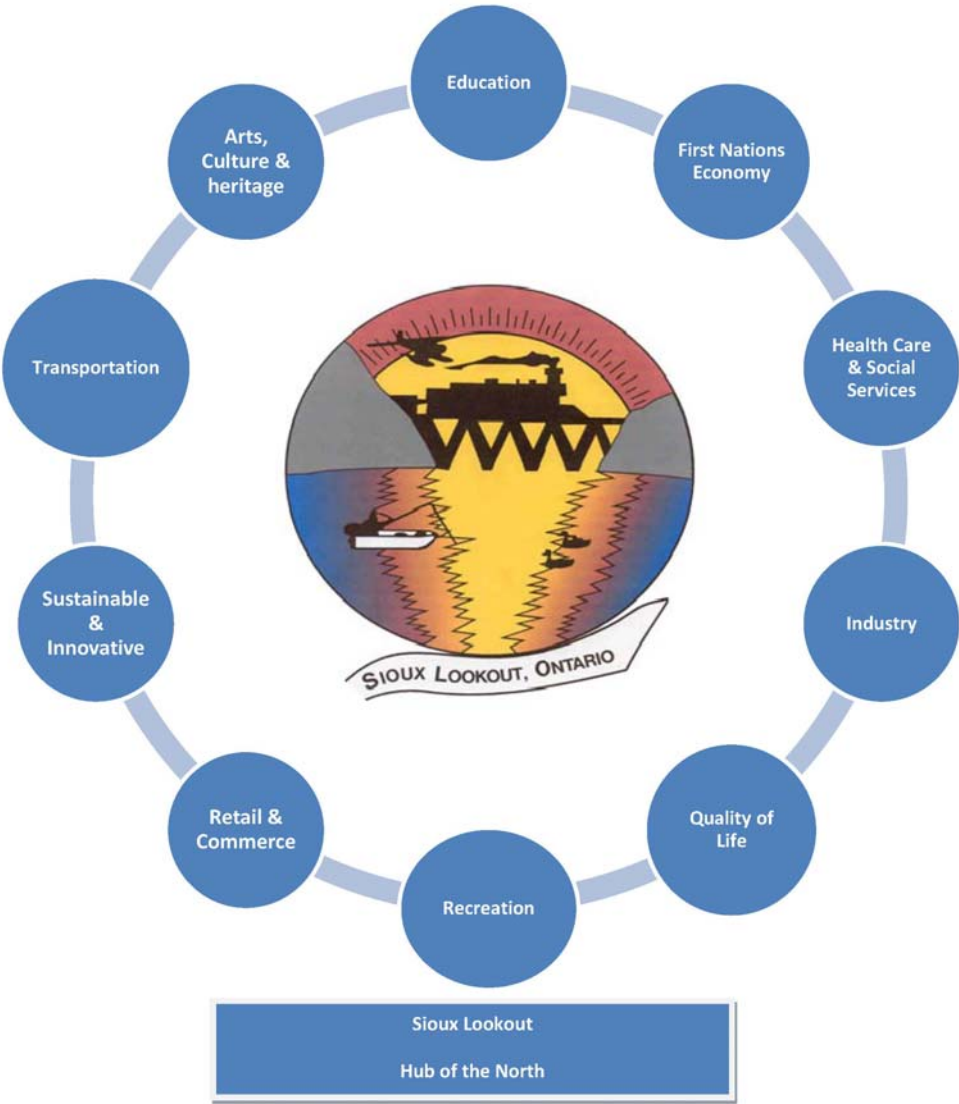
introduction of certain types of industries might not meld well with the current pleasant lifestyle.

The Commission has given great consideration to highlight the reasonably competitive jurisdictional economic factors in the Municipality and strongly believe the edge in investment attraction is based upon creating an attractive location in which to live. It is anticipated that this philosophy will be successful in attracting those industrial, commercial and institutional sectors in which the concept of lifestyle and quality of life has greater appeal.

As such, the following Vision, Mission and Values have been identified by the Economic Development Commission and sub-committees:

VISION	<i>A naturally diverse centre of opportunity and destination for all.</i>
MISSION	<i>To be the most desirable community in which to live by promoting our unique culture and natural environment through the innovative, sustainable growth of our diverse, dynamic economy.</i>
VALUES	<i>Supporting and promoting economic growth in the following ten areas:</i> <ul style="list-style-type: none"> • Culture, Arts & Heritage • Education • First Nation Governance and Economy • Health care and social services • Industry • Recreation • Retail and Commerce • Quality of Life • Sustainable & Innovative • Transportation

The ten economic pillars of Sioux Lookout are illustrated below with more detailed information on the following pages:



Arts, Culture and Heritage

The Municipality possesses a rich history and heritage, characterized by a substantial number of First Nation and non-First Nation artists and musicians. This sector can complement many of the other key economic sectors but requires nurturing and growth. The establishment of cultural industries has been identified as a key market area for tourism opportunities.

Opportunities exist to open a theatre arts program, arts school and further enhance and preserve the Municipality's current artifact collection and create new and innovative ways to view and promote the museum collection.

Sioux Lookout will host the 2010 Community Arts Ontario Conference, further highlighting and providing support to local and regional artists. An Arts, Culture & Heritage Ad Hoc Committee has been formed to oversee the conference planning and development with future plans to assist in the planning for Sioux Lookout's Centennial in 2012.

Education

Strong linkages in both the College and University streams bode well for Sioux Lookout. Programs specific to social services, health care and skilled trades and training are among the already established education opportunities available within the community.

Northern Nishnawbe Education Council operates a First Nation High School in Sioux Lookout as well as opportunities for distance education and internet high school.

The Sioux Lookout Meno Ya Win Health Centre is a partner in the education of medical health practitioners in Northern Ontario through the Northern Ontario School of Medicine.

Established outdoor education programs, such as LearnFit, are prime examples of sustainable development for existing infrastructure (i.e. Cedar Bay) that overlays new education and programming opportunities for our community.

Recent opportunities have presented a potential partnership between the Municipality of Sioux Lookout and the Keewatin-Patricia District School Board on two separate projects. One is a proposal to co-locate the new Hudson Public School within a proposed new multi-purpose community facility in Hudson. Hudson Public School has been studied several times by the school board for closure. With increased residential lot developments taking place in the small community, 25 km from Sioux Lookout, it is integral that a school be supported and maintained in Hudson.

The second project is the development of an outdoor sports complex near Sioux Mountain Public School. The complex will include two soccer fields, outdoor rink with change rooms and a community garden.

The Sioux Lookout Area Aboriginal Management Board (SLAAMB) is a federally funded education, employment and training facility with a mandate to provide service to on-reserve First Nations people. Recently, SLAAMB has opened a skilled trades centre in Sioux Lookout to provide training, education and increase apprenticeship opportunities for the area First Nations working in partnership with the 15 trades unions, Hydro One and Confederation College. Additionally, Service Canada has provided four FTE positions to open a full service office in Sioux Lookout with two staff located in the Far North.

Numerous opportunities exist to expand these fields of education and work toward encouraging research and development dollars to flow into the community.

First Nations Governance and Economy

It is recognized that the economy of Sioux Lookout is extremely diverse as a result of our close proximity to the area First Nations. Having strengths in health care, education, social services, transportation and culture are direct results of the partnerships created over the years with the Sioux Lookout area First Nations.

Of special note are the First Nation organizations that operate their administrative offices from Sioux Lookout, including First Nation Council offices and the federal government offices of the Department of Indian Affairs. These organizations create the largest group of public sector employers in the area and contribute exponentially to the economy of the region.

The main administrative offices of Tikinagan Child and Family Services, a non-profit, Native Child and Family Services organization provides service to 29 First Nations in the western portion of Nishnawbe-Aski Nation, operates from Sioux Lookout and employs approximately 350 FTE throughout the region.

Currently under investigation is the establishment of an Urban Reserve in Sioux Lookout. The Municipality, in partnership with the Sioux Lookout Area Chiefs is working towards the completion of a feasibility study to help define what an Urban Reserve would look like for Sioux Lookout. With Sioux Lookout's current demographic of First Nation residents, it is anticipated that by further establishing strong partnerships and relationships, the benefits to both the Municipality and area First Nations would assist in further developing the First Nations economy, job creation strategy, infrastructure growth and increased tax base that could push Sioux Lookout's economy well into the future.

Health Care and Social Services

The Municipality has already identified six opportunity areas:

- Construction of a new hospital in partnership with the Sioux Lookout Area Chief's. Already being referred to by the Ministry of Health as a "Centre of Excellence" the facility also has strong linkages to the Northern Ontario School of Medicine.
- Construction of a new hostel to accommodate First Nation patients from the Far North
- Identification of a Medical Health Park to be co-located on the hospital property
- Proposed expansion of the "Bill George" Extended Care facility
- Addictions and Rehabilitative Centre
- Medical equipment, such as mammography, CAT Scan, etc

With much success in the Health Sector, future expansions in the medical field into research, education and expanded services will demonstrate that the Municipality possesses a unique approach to health care conducive to the attraction of various types of health related businesses, educators and leaders in these fields.

Many First Nation and non-First Nation social service offices are located within Sioux Lookout that provide service to the region. The establishment of these head offices in Sioux Lookout should be nurtured and encouraged to grow to ensure the services remain available to those who require them as well as the jobs that are created as a result of their operations.

Industry

The Municipality supports the local forest industry and in spite of a decline in the current market for finished lumber products, McKenzie Forest Products, although currently idled, moves toward expansion plans and diversification of product. Buchanan Forest Products has been the largest employer in the area, but smaller businesses, for the most part, characterize the local industry.

Eco-tourism, adventure-tourism, cultural-tourism, archaeology tourism, and winter-tourism opportunities exist in Sioux Lookout and are currently an untapped resource that should be pursued to bring visitors to our community.

Mineral exploration is ongoing in and around Sioux Lookout. The Municipality is currently working with the provincial government during their consultations on the Mining Act to ensure any revisions to the Act are in the best interests of local stakeholders and residents of Sioux Lookout and area.

Quality of Life

The Municipality takes pride in the small town feel of Sioux Lookout. The relaxed pace, cultural diversity, professional career opportunities, extensive green space and close proximity to the wilderness all bode well for a healthy and productive life for all residents, singles, couples, families and retirees.

Opportunities exist to market and promote our Quality of Life to attract and retain people of all ages to our community, for a number of reasons.

Recent Crown Land release in Hudson, both lake-front and lake-view create significant opportunity to market these lands to the “Office- at-the-Lake” types. Businesses that use IT services to reach their customers can take advantage of the many identified benefits of Sioux Lookout while remaining “Professional by Nature”.

Recreation

Existing infrastructure is seen as a viable asset for further development including the Cedar Bay Complex, recreation centre, indoor and outdoor ice pads, trails, curling facility, golf club, baseball diamonds, bocce courts, beaches, water access, hunting and fishing.

Opportunities exist to further these identified pursuits and to include more youth activities and programming, such as a new youth centre, skateboard park, leisure activities, as well as to further all activities into the winter months to market ourselves as a “Town for all Seasons”.

Retail and Commerce

As a result of a strong service industry, opportunity currently exists to further enhance the retail and commerce sector to further anchor the downtown core which will benefit the entire retail sector, as well as creating new jobs.

The Municipality is currently investigating the identification of a Community Improvement Zone (CIZ) and a Business Improvement Area (BIA). Benefits to small business may be achieved by offering incentives, policies and planning tools to encourage new growth and development in Sioux Lookout.

Sustainability and Innovation

Sioux Lookout is connected to the outside world through a strong information technology (IT) network and broadband technology. K-Net offers tele-health technology in Sioux Lookout and remote First Nation communities to ensure the First Nations people have access to quality health care from across the region. The new hospital will offer e-health technology to access health records from across the province. The school boards take advantage of innovative technology to provide quality education to all students.

Opportunities exist to further expand job creation opportunities for youth in sustainable and innovative developments through the identification of present and future projects within the Municipality. Of particular interest to several organizations and many local residents is the development of social enterprise and increasing access to meaningful opportunities for youth, the homeless, unemployed and underemployed. As Sioux Lookout begins to develop its Integrated Community Sustainability Plan, the four pillars of sustainability; social and economic development, culture and the environment will allow opportunities to further diversify Sioux Lookout's economy.

The Municipality wishes to incorporate the use of green technology in its upcoming and future projects. One such project, Cedar Bay Redevelopment, has the potential to become an outdoor education centre that is innovative in nature promoting healthy living and alternate education.

The construction of the new Sioux Lookout Meno Ya Win Health Centre has the potential to become a Centre of Excellence for Health Care in the innovative and culturally appropriate delivery of First Nation health services. Additionally, a partnership with the Northern Ontario School of Medicine, research opportunities and a strong base and network of health care professionals speaks well for Sioux Lookout in terms of doctor recruitment and retention.

Lastly, a number of brownfield sites have been identified in the Municipality with the collective desire to rehabilitate these sites and develop new opportunities in the Municipality for green technology and environmental awareness, while creating and celebrating these historic signature sites.

Transportation

The integral and strategic modes of travel are identified as key strengths to Sioux Lookout's economy, which include rail, air, water, trails and road.

The CN Main Line runs through the Municipality creating a hub of transportation, jobs and passenger service across the country. Sioux Lookout is one of a few scheduled stops for VIA Rail passenger service six days per week.

Located 45 minutes from the TransCanada Highway 17 corridor, Sioux Lookout is access by road via Highway 72. Highways 642 and 516 are also important transportation routes for the flow of people, goods and services into the Far North including the Township of Pickle Lake, Savant Lake, Silver Dollar as well as semi-remote First Nation communities and remote First Nation communities that rely on the annual construction of a winter road network throughout the months of January to March. Additionally, Goldcorp – Musselwhite Mine can be accessed year-round via Highway 516.

The Sioux Lookout Airport is the second busiest airport in Northern Ontario with over 165,000 scheduled passengers per year. The airport is considered one of Sioux Lookout's largest economic engines and provides integral passenger

service to the remote First Nation communities north of Sioux Lookout. The extension of sewer and water servicing to the airport will commence in 2009, providing further opportunity to develop the commercial and industrial properties currently located on the airport site. Additionally, municipal land adjacent to the airport, on Bigwood Lake, will no doubt be an attractive development area for a number of proposed uses.

Sioux Lookout is fortunate to have a notably established trail system that provides access to multi-use trails for those interested in birding, hiking, biking, skiing, ATVs, and power toboggans.

Opportunities exist to further support all modes of transportation but specifically, the key development will be these routes to the north through the construction of winter roads and all-season roads to the remote First Nation communities north of Sioux Lookout.

Objectives of the Economic Development Strategic Plan
<ul style="list-style-type: none"> • To create realistic concepts to build Sioux Lookout's economy and test these through public consultation and brainstorming sessions.
<ul style="list-style-type: none"> • To achieve 'buy in' from the key decision makers in the Municipality.
<ul style="list-style-type: none"> • To create, in the short term, a list of sectors that the Municipality can target that may be attracted by the advantageous and competitive jurisdictional factors within the Municipality.
<ul style="list-style-type: none"> • To further support and grow the economic sectors that are currently seeing great success.
<ul style="list-style-type: none"> • To create a long-term viable strategic economic development plan that will permit the Municipality to best retain, expand and attract economic investment.
<ul style="list-style-type: none"> • To create a plan that is actionable from a pragmatic perspective and to identify those actions in a clear manner.
<ul style="list-style-type: none"> • To develop an economic development program that will maximize the strengths of the area and which will create momentum following upon the principle of 'success breeds success'.
<ul style="list-style-type: none"> • To include the introduction of innovative new technologies, where possible, as a thrust of the plan.
<ul style="list-style-type: none"> • To create a plan to bring local and regional stakeholders together with local resources.

Economic Development Strategic Plan

Overview

As identified by the Economic Development Commission and its sub-committees, the overall strategy for Sioux Lookout must maintain the beauty and people attraction characteristics of the area and use this to retain, expand and attract the right type of growth for the area, while never detracting from that beauty.

There is little question that there is already a high influx of people into the area, people who have access to funds to invest...government agencies, business investors, recent graduates in the health and education sectors looking for first time employment as well as professionals wanting to combine career and quality of life for their families. It can be concluded that First Nation-related services are the 'driver' of this flow of people, mostly from the surrounding First Nation communities north of Sioux Lookout. Additionally, tourism brings a high influx of people into the area for a specific purpose...creating opportunities for the diversification of their tourism experience into the arts and culture of our community will not only benefit the tourism experience but also the success of the retail business sector and the community as a whole. The objectives of an effective economic development strategy for Sioux Lookout should therefore be based upon three critical activities:

Three Critical Activities of the Economic Development Strategy

- **Maintain, expand and nurture the flow of investors into the Municipality by means of a 'market ready' tourism and attraction strategy;**
- **Maintain, expand and nurture the current flow of investment into the Municipality by means of a "First Nation" investment and attraction strategy; and**
- **Organize the economic development function to maximize the economic impact of this influx of people and funds.**



If well executed, this approach may be inherently self-sustaining. Traditional investment by companies in a jurisdiction occurs in such a manner that they ‘consume’ the local assets – raw materials, labour, etc. While the existence of major anchor firms attracts other similar and supporting firms, as well as labour from further afield, there is an inherent lack of sustainability unless a strong cluster develops and one that can survive the ravages of a changing economic climate.

If the local raw material is depleted or if labour costs rise too high, due to the local vibrancy of the economy, then there is a natural limiting factor at play that may cause an eventual failure in the local economy. Such cycles have been observed over the past decades with the rise and fall in market conditions of industries such as the forestry and mining sectors.

An Economic Development Strategy for Sioux Lookout

Rationale

Sioux Lookout has proven to be a very attractive place for tourists and professionals to both visit and to settle. The Municipality is unique in that it is the only community in Northwestern Ontario that has a proven population increase over the last seven years. This increase can be attributed to a convergence of factors:

- The geographic location of Sioux Lookout bodes well for strong relationships with the area First Nations and the location of many First Nation Council offices, First Nation-owned businesses, and First Nation focused health care, education and social services.
- A healthy complement of physicians and associated medical staff that transition into Sioux Lookout for their initial work experience after graduation, many of whom choose to make Sioux Lookout their permanent home.
- A high employment rate for all skill levels and an abundance of professional career opportunities for youth returning to the north following their formal education.

Market Readiness

Despite the recent economic success within the Municipality, Sioux Lookout has been somewhat of a passive player with regard to promoting itself as a tourism destination and must now take a more active role. We have had little experience with proactively marketing ourselves and now must implement a plan which will adopt a vision in terms of what we want to do, control the growth to the level we want and can afford, while at the same time promote continued growth.

Objectives to ensure the Market Readiness of Sioux Lookout

An overall plan to deal with economic development (current document)

A supporting organization within government and the administration, i.e. The Economic Development Commission

A tourism strategy to pull together and coordinate the diverse elements which make up tourism including resource based, experiential and eco-tourism

As part of the above or separate, a cultural, arts and heritage strategy for supporting and developing these sectors

A retail business retention and attraction strategy that will assist the downtown core

Land Use Planning

It is identified that land use planning will be key to the further development in the community, both in regard to residential development but primarily in commercial development.

In order to prepare for large commercial developments, it will be integral to the Municipality to outline areas for development that will not negatively impact current areas that are experiencing growth and development. For example, the Municipality is currently undertaking a Downtown Revitalization Project to increase pedestrian traffic in the downtown core, address safety concerns, increase retail opportunities, and improve the aesthetics of the downtown. If a large commercial retail development was to take place in the community, strategically, where would this development occur that would support and further promote the good work undertaken in the downtown core.

It is recommended that the Municipality work with CN and private land owners to purchase available property to gain access to large tracts of land that would be able to further market and promote retail development in the downtown core.

The proposed strategy contains within it the continuous 'refuelling' of the very factors that are being used to stimulate the economy. *That is, the existence of creative people in an attractive environment attracts yet more creative people with an ongoing compounding effect.* The key is to prevent the growth from spoiling the inherent attractiveness of the municipality and to avoid, at all costs, the undue exploitation of the success through the placement of excessive financial burdens on the community, such as unduly high taxation. Such exploitation will create a backlash, since not all existing or new residents will automatically bring wealth with them in the form of financial strength. Many new businesses, recent graduates, artists, writers, musicians and similar individuals add 'wealth' and 'attractiveness' to the community that cannot be measured directly in dollars and cents.

A Path to the Desired Future

Maintain the beauty and quality of life characteristics of the Municipality

- *use this to attract tourism opportunities, business growth and innovative and sustainable prosperity*
- *while never detracting from that original beauty*
- *to ensure the continued retention, expansion and attraction of tourism opportunities, business growth and innovative and sustainable prosperity*

To attract people to visit the Municipality, tourism is the key in encouraging potential new residents and investors to see the Municipality for the first time.

The quality of that experience must be conducive to developing a continued desire to come back. Despite the existing influx of people and potential investment, Sioux Lookout must assure that all elements of its tourism and attraction assets are effectively organized to continue to attract the middle class of the nearby cities. Each of these critical elements can, and should be, upgraded to assure the continued attractiveness of the area. This does not mean limiting the individual creativity of the independent operators; far from it, since such creativity is the foundation of the attractiveness to many similar 'Creative Class' people. However, it does mean establishing a common vision of what the Municipality will become and aligning all facets of the tourism industry toward achieving that common goal.

Development of a Common Focus for Tourism
Tourism must operate at its peak for the best possible experience
➤ that will bring them back again
➤ that will attract new residents
➤ who in turn will invest
➤ that will develop the desired industries
➤ that will create the jobs and prosperity

The many positive tourism assets of the Municipality, complete with cultural mapping, should be reviewed and recommendations made for consistency and improvements towards achieving that common focus.



As the above illustration demonstrates, the potential for Sioux Lookout's economic base has extensive opportunity to grow. The four pillars of Arts, Culture and Heritage; First Nations Economy; Retail & Commerce; and the Accommodations and Food side of Tourism are all considered "low hanging fruit" waiting to, literally, be consumed.

Arts, Culture and Heritage Economy

With numerous First Nation and non-First Nation artisans and artists, a seasonal museum and a growing artistic sector, Arts, Culture and Heritage already have an attractive portfolio of assets. Yet this sector is much in need of promotion for the sake of its own development and as part of the tourism sector. Local investors and individuals that profit from the presence of these assets have expressed a willingness to support the industry. A strategy should be developed to further these goals.

First Nations Economy

As noted in the Executive Summary, the residents of Sioux Lookout have long recognized the benefits to the community's strategic location as the "Hub of the North" and how closely tied our economic success is with the provision of service to the Far North communities.

Opportunities exist to partner with First Nation communities to participate in the cultural transformation of Sioux Lookout to become a tourist destination by increasing eco- and adventure-based tourism, expanding on opportunities for new retail, accommodation and food establishments, skill development, capacity-building, increasing economic independence and sustainability. Additionally, education and job creation opportunities will intensify the positive relationships already established with our Northern Neighbours. The ongoing investigation into the establishment of an Urban Reserve in Sioux Lookout may be the mechanism to create these new and desired partnerships.

Retail and Commerce Economy

As indicated in the Resident Survey, final report, September 2008, it is proposed that the establishment of high-end boutiques would be a reason unto themselves to spark a visit in our community. This approach is seen to not only attract businesses to Front Street, but to encourage the use of store facades to maintain the heritage and tradition of the area. The Downtown Revitalization Project is essential if there is to be a serious attempt to bolster the immediate image presented to tourists driving, flying or travelling by rail to our community.

The Municipality has been increasing its support to local business by establishing a free video-conference service to small business to access seminars, training and skills development through the Canada Ontario Business Service Centre.

Additionally, Municipal staff are working with businesses in the downtown core to take advantage of joint marketing and advertising campaigns with a focus on shopping locally. It is anticipated that this group of businesses will receive information on the establishment of a Business Improvement Area (BIA) to further benefit the downtown core.

Tourism Economy -- Accommodation & Food

This is one of the strongest assets of the local tourism industry, bolstered by several hotels and tourist resorts and outfitters. This sector should consider a quality control program that will assist proprietors to monitor restaurant standards and to upgrade facilities. While the Municipality enjoys an 80% plus occupancy rate in the peak season and improvements are being seen in the shoulder seasons, a Municipal-wide strategy needs to address the off season and ways to bolster business travel. Events such as the Pond Hockey Tournament and First Nations Hockey Tournaments have already succeeded in building tourism at least in February and March.

The EDC and the Municipality should look at lobbying Confederation College to facilitate local programs geared toward the hospitality sector such as Cooks Apprentice, Culinary Management, Hotel Management, Travel and Tourism – Eco and Adventure Tourism, Business Administration, Entrepreneurship, Recreation and Leisure Services, Business Marketing and Environmental Technician. Not only will students and mature adults be able to take advantage of local education, through the development of the tourism market, the Municipality will be able to ensure jobs for our Northern Youth upon graduation.

Recommended Activities to Increase Tourism Opportunities

Create a unified image of 'quality of place'

Broadcast this message often and consistently and consider the use of a logo as a unifying image

Finalize and approve a new logo for the Municipality and include this on all publications, letterhead and brochures

Develop a professional and interactive website to showcase our community

Promote the Municipality through the hosting of local conferences and participating in external events in crafts, tourism, history, culinary arts and architecture

Coordinate the activities of the tourism, arts, culture and heritage industries

Work closely with learning institutions in these areas such as Confederation College. For example, the promotion of culinary arts would greatly benefit the hospitality industry in Sioux Lookout

Advertise in major Canadian centres to market the lifestyle to the target audience of professional, higher income earners

Develop signage on Highway 17 describing the many attractions of Sioux Lookout in a tasteful manner, consistent in local branding

Encourage chefs and other artists to be trained locally and make Sioux Lookout their home

Establish partnerships with similar regions worldwide to take advantage of time shares, advertising campaigns and "sister-communities"

Work with provincial and regional counterparts to leverage the effort

With a strong tourism sector that is 'market ready', the economic development function should be mobilized to take advantage of the many opportunities that will present themselves.

Establishing a Common Vision:

A naturally diverse centre of opportunity and destination for all.

Although the Municipality can set into motion all of the elements of the 'people-attraction' strategy, before selecting the type of industry to be encouraged, it is essential to establish a common vision for the Community. By carefully selecting the type of industry investment that is 'encouraged' in resident-investors, the proposed strategy allows the Community to 'control' the nature of development but only if there is an agreed vision for what the Community wants to become. Typically, this is a socioeconomic trade-off; that is, the social impacts of development are weighed against the economic benefits of development. The nature, rates and areas of growth must be agreed upon. The development of a common vision must be managed as to process, but not constrained as to participation and content. It can be an involved process and result in an outcome that is indeterminate. It must be broad and inconclusive yet not be held hostage by the vocal few at the expense of the silent majority...*neighbourly compromise is required.*

The Municipality is in the planning and development stage of undertaking an Integrated Community Sustainability Plan in 2009. Integral to the development of the plan is to ensure the pillars of economic development, community development (social & cultural) and the environment are weighed equally in any new and proposed development so as not to be a burden on future generations.

Target Markets

The target market should include the middle and upper income levels of Ontario and elsewhere, including youth, adults, and seniors. In addition to working with those already visiting or living in the area, the strategy must continue to "maintain the flow" of potential investors and residents into the area. This can be done by a number of initiatives including:

- Lifestyle media promotions highlighting the quality of life experienced in Sioux Lookout.
- A coordinated tourism effort, which would focus on the assets of interest to the upper middle class including the arts, culture, heritage, trails and birding, etc.
- Developing leads from current and new residents and developing a series of social events to which these leads could be invited.
- Continue to develop the Ambassador program and invite them to take an active role in any such promotional meetings and events.

Which industries to encourage?

Ultimately, the community must decide the type of environment that it wishes to create and this can be expected to change over time as the community and population develop and change. As a starting point, the following types of industry appear to meet with general approval today, based upon conversations held with the Economic Development Commission and its sub-committees:

General Considerations:

- In general, the Municipality should be open to ideas and suggestions put forth by potential investors and potential new residents.
- An initial screen should keep the Municipal Official Plan in mind and any vision statement agreed to by Council and residents.
- Mayor, Council, Senior Management and the Economic Development Commission should be very specific about location and servicing issues.
- An overall balance should be struck in terms of the tax base and this should be considered in assessing new opportunities for the area.
- Innovative and knowledge based industries, which require technology to communicate, should be actively consulted to determine current and future needs in the region, and specifically Sioux Lookout.

More Specific Considerations:

Industries that meet one or more of the above criteria include the following:

- Virtual companies in almost any sector which can be done in the home
- Professionals such as lawyers, doctors, therapists, engineers, accountants
- Knowledge based industries identified as high growth by at least one major data source such as StatsCan or by a financial commentator such as the Royal Bank
- Information Technology and Software
- Life Sciences, Health Care and Biotechnology
- Media and Entertainment
- Motion picture and video production
- Computer Systems Design
- Environmental Consulting and Services
- Services for the Aged
- Private health advisory services and spas
- Research and Development in any number of scientific fields
- Value-Added wood products and manufacturing
- Alternative Energy Producers
- First Nation Enterprises, partnerships and developments that fit within the approved general considerations

For each opportunity it is essential to review the implications, both potentially positive and negative. These include:

- Potential job creation count over time
- The nature of jobs
- Tax yields
- Infrastructure pressures and requirements
- Collateral, non-tangible impacts

Infrastructure

It is recommended that Senior Management continue to identify existing and potential pressures on infrastructure such that appropriate planning can take place to remedy any shortfalls that the Municipality elects to address and that the EDC receive regular updates in the event this information relates to the work of the Commission. Complementing this is the need to ensure adequate staffing levels are maintained to handle development requests in an efficient manner and that developers are able to access information from the Development Services and Economic Development departments in a one-window approach.

Active and Alert Prospecting

Two fundamental requirements are key to economic development investment in any jurisdiction. First, there must be a desire on the part of the investor to invest and, second, the jurisdiction must be recognized as a viable contender for such an investment. Unless both are in place at the same time, success is not likely and the entire strategy must focus on maximizing the coincidence of both conditions. Making initial contact with a prospect is the first objective – ‘whether Sioux Lookout finds the prospect’ or ‘the prospect finds Sioux Lookout’. Simply put, the Municipality can implement an **Active Strategy** to find those with a desire to invest and it can also position itself ‘to be found’ by those with a desire to invest, using an **Alert Strategy**.

Alert Strategy: Sioux Lookout is in a unique situation in that much government investment is occurring simultaneously in the community. Over the past several years, the Municipality has been meeting with these agencies, determining the level and specificity of their interest and working with them to develop their ideas and interests.

For future investment opportunities, these interests will need to be screened against a predetermined list of investments that the Municipality finds to be desirable. This will constitute activity under the **Alert Strategy**.

Active Strategy: Is used to find those investors who have not yet ‘found’ the Municipality and the targets would be from the same list of desirable industries and middle to upper income professionals. The Economic Development Commission must execute an Active Strategy outside the Municipality that will encourage tourists (and investors) to continue to investigate the Municipality.

The promotion of the area in terms of tourism is the main element of this Active Strategy in that it attracts people to visit the Municipality; the key here is to turn these people into tourists first and then follow-up with them as potential newcomers and, ultimately, investors. A targeted approach may work well here if the right type of inducement is found to encourage them to make the first journey.

Immediate Next Steps

- Work proactively with Mayor/Council to develop a strong vision for the local community.
- Develop a proactive campaign for meeting with new residents in the area.
- Develop newcomer meetings for people to develop networks within the Municipality.
- Be prepared to present the Municipality's vision and to learn more about what are views and plans of potential investors.
- Play a "match making" role with the many different potential investors both within and outside the community.
- Develop a list of leads from these activities and have "soft sell" mail out to potential investors outside the Municipality.
- Work with tourism operators and the Chamber of Commerce to sponsor guest tours for new potential investors.
- Attend trade shows and market Sioux Lookout with packaged products.
- Annual review of the existing Economic Development Strategy to ensure work plans reflect the current priorities and long term visioning is in line with short and medium-term goals.

Develop Key Indicators and Measurement Tools

- Jobs created – jobs lost = net jobs
- New tax revenue – tax revenue lost (company closes) = net new tax
- New Assessment – Assessment Lost = Net New Assessment
- Number of new investments
- Number of new business expansions
- Number of visitors to the area
- Number of visitors to Tourism outlets
- Number of commercial retail upgrades
- Room Occupancy in the accommodations sector
- Day care enrolment and waiting lists at Municipal day cares and Aboriginal Head Start

Rules of Thumb for the Economic Development Strategic Plan

Recognize, gain consensus and accept that traditional economic development (direct industry attraction) is not likely to pay off

Place more emphasis on growing and cultivating from within. Supporting local business to grow and expand is the 'low-hanging fruit'

Instead, focus all efforts on the strengths that will attract tourists, the innovative entrepreneurial investors who are seeking 'quality of life' in 'quality of place'

The Economic Development Function and General Recommendations for the Economic Development Commission

The Economic Development Function

The Economic Development Commission should organize a structured process to realize best results:

- Continue to prepare an annual plan to provide a common focus and a communication tool for economic development.
- Develop a modest screening form for early decision making as to whether potential investment meets the 'qualifications' of the region.
- Develop an understanding of the financial implications of these desired investments including tax base revenue and infrastructure expenditures.
- Communicate on a regular basis with both Council and the appropriate sub-committees to keep them 'in the loop'.
- Develop a procedure for handling and negotiating investment opportunities and ideas.
- Identify an Economic Development "S.W.O.T. TEAM" or sub-committee that can be called upon from time to time to develop opportunities and to encourage the identification of new ideas.

The Economic Development Sub-Committees

The success of the Economic Development Commission can be attributed to the ability to call upon one or more individuals and groups as issues and needs arise when additional community perspective and support is needed. Usually, these are neither formal nor ongoing relationships of structures but are more of an "ad hoc" solution to increase public participation within identified projects. Ensuring diversity of membership in all sub-committees will be of critical importance. This revolving door to project-specific sub-committees allows for more diversity in membership, and for individuals with specific interests and expertise to be called upon for participation in the community's ongoing efforts in economic development.

Economic development projects are characterized by long payback periods and heavy workloads. All results must be carefully monitored, evaluated and changes made as appropriate. The Team can act as coaches and cheerleaders for the activities of the Economic Development Commission and this will be essential in order to provide encouragement and advice, especially in the early stages. The Team can also form the nucleus of the Ambassador contingent, recruiting more and more Ambassadors through informal networking in the area. Sioux Lookout is ideal for this since such effective networking is one of the bases for the attraction of newcomers. The Team can review progress and

assist in keeping the strategy refreshed. The best laid strategies are only as good as the assumptions upon which they are based; assumptions are rarely accurate in every respect and it is essential to gauge the effectiveness of all aspects of the efforts applied in order to make timely adjustments.

Ambassador Program

Personal efforts by 'Ambassadors' from Sioux Lookout can greatly assist in achieving the goals of economic development. Several different tactics can be employed:

- With a focus on 'quality of life', the Ambassador can extol the advantages of Sioux Lookout to all whom they may meet. Of course, targeting the 'right' type of investor is key and simple networking will help to focus efforts here.
- Ambassadors may also be recruited to identify and generate leads; an hour or two of volunteer prospecting every week can magnify the efforts of the EDC two or three times. The Ambassador can use their own network of colleagues and associates or can work from a prospecting list developed at the Economic Development Office.
- Ambassadors can also be very helpful when a prospect visits Sioux Lookout. Having the prospect meet with and discuss the Municipality is an excellent way to foster relationships. The prospect may also feel that they are getting more of the real story behind Sioux Lookout in such discussions and this will assist in developing credibility for the investment decision. Note that although there will be adequate documentation available to support investment inquiries at the right time, the essence of this strategy is the opposite of a 'hard sell'. Therefore, the more seemingly casual and informal the process, although carefully orchestrated to reveal all of the positive life-style attributes of the Municipality, the more effective it is likely to be.

'Tool-kit'

The Economic Development Commission must have a professional 'tool kit' available with a full complement of aids, including brochures, videos, web site, custom communication pieces, etc. These should primarily be focused on the people-attraction aspects but inserts to suit specific target industries should also be available when such a target is identified. As the Marketing Strategy is developed, it will be integral that all target markets are captured in the development of promotional items.

Maintaining strong links with local area economic development organizations

Networking in this manner simply extends the reach of Sioux Lookout. Collaboration on leads and opportunities as well as joint, cost-effective marketing opportunities are beneficial to all concerned.

General recommendations for the Economic Development Commission and Economic Development Officer

Retention and Expansion Activities

The retention/expansion strategy comes down simply to **choosing to do this**, rather than taking local businesses for granted.

“Successful business attraction is almost impossible unless existing businesses are content with the overall operating environment.” (Report prepared for Ministry of Economic Development and Trade on Investment Marketing Practices. 1995)”

When retention is threatened, this becomes the main priority of any jurisdiction. As such, it usually has the most resources attached to the effort and the impact can be significant. Retention is relatively easy to organize since the targets are few and are present locally. Further, considerable effort is focused on reducing local disadvantages by the very fact that the local industrial structure becomes more developed. The retention/expansion strategy offers the advantages of:

- Developing partners and references to work with the jurisdiction in attracting new investment. It is difficult to claim superiority over other locations when significant existing companies are leaving, no matter what the reason.
- Sets the stage for economic growth based upon the growth of individual firms. Programs directed toward local companies, especially when combined with business climate reforms, set the stage for more successful business attraction.
- Marketing what areas are available for development in Sioux Lookout. When a business is ready for an expansion, the Municipality must be ready to work with them on how this can be accomplished.

In the highly competitive market of Ontario, firms often make site selection assessments based upon market proximity and cost advantages; however, the existing local firm is often the best barometer of local competitive factors.

The fundamental difference between *retention/expansion* and *attraction* programs is that, in the former the economic development team is ‘lead’ by the existing firms whereas, when attracting new investment, the local EDC must seek the prospective investor. Everything carried out in retention/expansion **must** be in concert with the needs of these firms. The process is remarkably simple, although not easy:

- Understand the issues of the existing firms.
- Work with them where possible to address these issues.

- Under their guidance find opportunities for joint ventures, co-manufacturing, new supplies of raw material and new markets.

Some tough questions need to be asked of these firms by the EDC in order to identify the true advantages and disadvantages of the jurisdiction, such as:

- Why are you located in this jurisdiction?
- Was there an attractor or is it simply 'home'?
- Would you choose to locate here again?

These questions are essential to separate the 'inertia' of *being here already* from the factors that can generate momentum to *come* here.

Despite their effectiveness, retention and expansion programs are sometimes the least attractive to jurisdictions. They are usually less visible to the public eye because so much work is being done 'behind the scenes'. It is only natural that jurisdictions prefer to demonstrate to citizens that concrete actions are being taken to build the economy and cutting the ribbon at a new site provides that recognition better than the retention of what is already in place.

However, in the long run, programs built upon existing local firms strengthen credibility and goodwill with these firms, develop instant 'ambassadors' and demonstrate 'satisfied customers.' The latter is vital since no company will relocate simply due to a glossy brochure extolling the local virtues; they will consider relocating if those firms already located in the Municipality are prepared to give a good report card. The attraction of new investment evolves from well-structured efforts in investment retention and expansion.

Mitigating or removing barriers and other negative impacts is an activity generally welcomed by industry of any type and of any size; such activities are expected of the EDO by many firms and the EDC is seen as their advocate in local government affairs. The conflict arises when the jurisdiction, at any level, must act in what it believes to be the best interest of the community and when such actions are not always in the best interests of the local companies. This constant tradeoff, waged at all levels of government, emphasizes that the goals of the private sector and those of the public sector are not always aligned, especially in the short to mid-term.

At least, the EDC should consider the impact of pending changes in relation to their flock of companies, and discuss these with a representative sample, when some negative consequences are predicted. If the potential impacts are significant then a more rigorous analysis is called for with more consultations with the potentially affected firms. Feedback on these issues should be written up in a complete but concise manner, and the key players in the jurisdiction made aware of the concerns and the implications.

Such activities may not always result in mitigation but it *will* heighten the awareness within the governing jurisdiction, that there are impacts of some changes and that these are not always without consequence to the business community and, by extension, the local economy. The EDC has a prime role in being the collector and conduit of such information.

A number of regular activities can be undertaken with existing firms. These include:

- Establishing a contact schedule with all firms in the area. Ideally, a plan should be to visit all at least once or twice a year.
- The visits could be supplemented by group activities several times a year (such as a luncheon or a Business After 5 Program) to have local companies network and to discuss mutual problems and issues.
- The EDO should create a detailed database to store information on local firms. The purpose of this is to acquire and update as much information as possible about existing firms in order to be as aware as possible of the business health of the enterprise.

This information should be the source of regular, ***confidential*** briefings to Council and to the Economic Development Commission. Concerns and identification of problem areas should be carefully documented and potential solutions outlined to Council.

- Obtaining endorsements from local firms to be used as 'references' for firms seeking to locate to the area.
- Local firms may provide leads about other firms who may be in a relocation mode. The EDO can discreetly inquire as to whether the local firm knows other firms who could be interested.
- Activities that address barriers and other negative impacts, created by the local jurisdiction and/or senior levels of government.

Stimulating Growth in Small and Medium Size Companies

The EDC can take a pro-active approach by helping the small and medium-size company to find and enter new markets outside of the locale as well as possible joint ventures, in some form. On the surface this is a beneficial concept but it is not easy to implement. Whereas companies are generally prepared to assist in removing tangible costs and barriers, the prospect of entering new markets or creating close ties to a third party, brings with it the up-front costs, distractions from the core day-to-day business and the uncertainty of that investment of time and resources.

It is not for all companies and efforts by the EDC must be in concert not only with the clear aspirations of the business owner and/or management, but also with the *timing* of this effort. Other more pressing concerns will generally override tentative market explorations, unless the business is sufficiently large so as

to dedicate competent resources to the task. More often than not, in the small-to-medium size companies, these competent resources are restricted to the owner or close associates/family and much of their time is, necessarily, consumed with current activities.

Further, to be of real value, the EDO must have a reasonable knowledge of the particular industry as a whole and few local jurisdictions can afford an EDO largely dedicated to a single industry. This does not mean that progress cannot be made but the company must be willing to devote the time and effort to guide the EDO in whatever role is agreed upon. It is very difficult for the EDO to be effective with an unenthusiastic private sector partner in tow.

In terms of new export markets, additional tough questions must be asked: Which firms are 'export-ready'? Is there spare capacity to handle additional volumes of similar products? Are the existing unused facilities of value?

Joint ventures are mutual agreements between firms to share certain resources to increase growth at both firms. For example, a firm in the jurisdiction with a certain type of technology and surplus capacity could manufacture under license for a European or Asian firm that is currently exporting product into Canada or North America as a whole. Matching can be done by means of detailed profiles of particular jurisdictional firms that are then compared with known characteristics of other firms in the target group for a joint venture.

General Interactions with Companies

Most firms will want the EDO to be available when they need them and relatively inconspicuous when they do not. Where agreeable to the firm, establish a regular visit routine but also offer to do so by telephone on a regular basis. The effort can always be upgraded to a visit if opportunities and issues so demand.

E-Mail offers a convenient and non-intrusive mechanism by which to make contact. A simple one or two line e-mail to ask how things are going, and whether the company has a need to meet with the EDO, is easy to prepare and will not distract the recipient from their busy schedule. If there are items of interest these can be attached to the e-mail for reading at the leisure of the recipient. It is also polite to state that the EDO is simply staying in touch and that no reply is needed.

Above all, when there is a need, then be available and responsive to the demands.

Awareness of and Application to Government Assistance Programs

Making the smaller and medium size companies aware of assistance programs is a valuable service. If available, a link on the Economic Development web-site could re-direct the business to the appropriate government web-site link from which to obtain information and application forms. An even greater service can be rendered by the EDO interpreting the program and providing an assessment of the value to the company.

Understandably, from the public sector perspective, most programs are surrounded by a seemingly complex set of barriers and conditions, as well as caveats and exclusions, none of which will encourage usage by the private sector. The EDO can simplify this, based upon their own experience, to permit the business to decide whether it will be of value to apply.

Additionally, the EDC encourages local Council to lobby the provincial and federal governments to ensure that economic development projects and associated annualized funding is crucial to the continued viability of Northern Ontario communities.

Assistance in completing applications for government programs

Some applications require information to be filled in that, at first glance, may seem to be unnecessary or even intrusive. While the larger firms will find staff to complete most of this, the medium size and smaller enterprises will not have the same resources and often the owner will be the key person to do this. With a business to run and an uncertain return on the effort involved, that business owner may never complete the task. Nor are all business owners creative and articulate writers and when asked to describe their business and opportunities in depth, they may find this to be a daunting task that they do not enjoy.

The EDO can serve well by becoming proficient in completing these forms based upon information obtained from the business. The EDO should use a 'question and answer' technique to gain the required information and then present this back to the business owner for review and correction. This is also an excellent way to learn about that business and to build good relations. It does take considerable discipline, effort and time on the part of the EDO.

Where a local industry association is lacking, in an even more pro-active approach, the EDO can step into this role and provide the necessary focus and drive to achieve a successful application. The EDO can identify industry sub-sectors and groups of firms that might benefit from such assistance. Promoting the benefits of the program to such a group, recruiting participant firms and coordinating the application, can bring benefits to multiple companies in the area that might not have been eligible individually.

Maintaining a Database of Available Land and Buildings

Although the availability of a building at a low cost is not an overriding factor, it can make the difference in selecting between two jurisdictions that otherwise seemingly offer similar conditions. Marketing such buildings actively is not likely to result in a successful attraction, unless the target is already interested in the locale to some extent; at that time this card can be played for all that it is worth. The list maintained can be informal and serve as a reference document for the EDO and community when opportunities arise to play that card.

The Posture of Existing Firms, Testimonials and References

Existing firms in the region are the most important reference that the jurisdiction has available and it is vital to cultivate these references. Overall, the factors will vary from location to location and will depend heavily on the attitude of the particular plant manager or owner. Bear in mind that the existing firms in the region may or may not welcome the advent of new large-scale operations into the area. This is especially true for regions with a smaller population base. In large urban centres where there is, generally, a plentiful supply of labour, this may not be such an issue.

Understanding Corporate Investment

No matter how hard you try to bring the horse to the water, the horse still makes the decision whether to drink. No matter how many advantages you have or how compelling the case made, industry must be receptive before success will be achieved. Understanding corporate investment posture is vital on an ongoing basis.

Corporate investment posture is a measure of how companies in various industries invest to increase their business. There are many variables and these differ from one industry to the next. Based upon the experience, some of the more constant elements are discussed here. Note that exceptions to these generalities abound and for the specific industries targeted in the jurisdictions strategy, such generalities would become specific research to be carried out.

During Quiet Economic Times

While the firm is not actively seeking to invest in any jurisdiction (except, possibly, in its own), it might be persuaded to invest outside if approached with a compelling case. The quiescent posture must be met with a pro-active approach and the target sectors need to be carefully matched against local advantages or attractive, viable partner firms in order to generate strong interest.

Active Investment Posture

The firm is actively seeking to invest in some jurisdiction (other than investing in its own). The active posture must be met with a rapid and effective reaction that gains and maintains the initiative. The key is hearing about them in sufficient time to act, before falling too far behind the 'power curve'.

The driving factors for firms to invest outside of the home jurisdiction are usually a combination of one or more of the following factors:

- Growth has ceased or decreased significantly in the local market
- New market opportunity with a move towards a large population market
- Access to raw material
- Lower unit costs/more profitable operations versus exporting to that jurisdiction
- Increased market share on global basis. May create economies of scale at another facility
- Reduced transportation costs
- To expand or start up production facilities, or
- To take advantage of incentives offered by a jurisdiction.

Firms will go from one posture to the next depending upon the state of their industry and their own state of mind but some patterns do emerge:

Is the industry growing?

If the industry is growing then the companies will more likely have an active investment posture.

What is the Mode of Growth in the Industry?

Companies within the same industry often fall into the same patterns and modes of growth. This comes about through each observing the successes and failures of their competitors. Although these beliefs can be changed, a very compelling case must be made. Examples of growth mechanisms are:

- Acquisitions – an active posture
- Joint Ventures – an active posture
- Expansions – more quiescent
- Spin-offs – active or quiescent posture
- Green-fields – an active posture

However, the nature of the company (multinational, medium-size or small) will play a role in determining the common mode of growth.

Size and Nature of Business

Multinational firms (essentially, any large scale firms) respond best to:

- Cost advantages such as the long term supply of economical and readily available raw material.
- Significant conversion cost advantages such as low labour costs - only if labour content is high – and low utility costs – only if utility consumption is a major cost factor in their processes.
- Jurisdictional ('being there') costs – taxes and other government sensitive factors.
- Dense market proximity for presence or to reduce transportation cost of low value/weight ratio finished products.

Further, apart from 'long term fixture' incentives (the Canadian R&D tax credit, for example), government incentives are regarded with suspicion since they can, in general, be easily eliminated when the economy thrives. In contrast, government must be seen to be reducing jurisdictional deterrents, and the multinational may be enticed to buy local companies or, in rare cases, partner in a joint venture. Local firms must be very successful (or have demonstrable high potential) or be seen as the route to gain the local strengths and advantages.

For multinationals in an *active investment posture* it is vital to learn about their interests through some mechanism. Unless the jurisdiction is an obvious place for people to contact, only a proactive posture has any hope of being considered.

In contrast, during quiet economic times, multinationals' will not even enter into a conversation unless the demonstrable, firm-relevant jurisdictional advantages are significant and lasting.

Medium Size Business

Mature medium-small size firms often look to partner with a local company initially. Frequently these start with mutual cross selling of products and can move to mutual co-packing and full co-manufacturing. Some of these fledgling relationships result in joint ventures or the take-over of one firm by another. Frequently, if the new entrant buys the local firm for some specific broader advantage or technology, this can result in the departure of the local firm from the local area, resulting in a net loss, unless the market or other intrinsic factors are sufficiently strong to be an overwhelming attraction.

For medium size firms an *active investment posture* is often triggered by the desire to enter the market. Locations will be assessed from a market proximity and cost advantage perspective initially but, eventually, the existing local partner is the barometer of performance. It is essential to know the local industry and to have willing local companies ready to partner in some manner. A fast reaction capability is needed, with a list of local firms, profiles and their partnering

interest to match against the incoming interest. As with all 'active' opportunities, it is vital to learn about them quickly through some mechanism; unless the jurisdiction is an obvious place for people to contact, only a pro-active posture has any hope of being considered.

In quiet economic times, the existing local businesses are, once more, the barometers of performance in many cases. Again, it is essential to know the local industry and to have willing local companies ready to partner in some manner. A pro-active stance is possible, with a list of local firms, profiles and their partnering interest, to be ready to actively promote to likely target industry associations and companies outside of the local jurisdiction.

Small Business















These are not usually considered as investment targets mainly because of the size of these firms and the limited resources that they have to invest. Most small business arises in two similar ways -- from local people starting a family business and from a family moving to a jurisdiction because they like the area and then starting a business in the same manner as might a local inhabitant. If the opportunity does arise where a small company wishes to invest in a particular jurisdiction, the case is analogous to that of investments and start-ups of medium-small size firms.


















Where to from here?























This report has analyzed the strength and weaknesses of Sioux Lookout and concluded that it possesses unique characteristics which are positive attractors to visitors, potential residents and investors.

















Unfortunately, the report also identified several gaps in market readiness, such as Sioux Lookout's current passive approach to targeting new visitors and investors to the community. As identified, this approach needs to be addressed in the months and years to come if the Municipality is to take advantage of its potential. Most importantly, Sioux Lookout needs to commit to a long-term vision and to make a commitment to the type of economic development with which it is most comfortable. This report is a first step in this direction.


**ECONOMIC DEVELOPMENT STRATEGIC PLAN
General Recommendations**

Recommendation	Short-Term, 1 to 2 years	Medium-Term, 2 to 3 years	Long-Term, 3 to 5 years	Notes
Market Readiness				
a) Develop a Tourism Strategy				p. 25
b) Develop a Cultural, Arts & Heritage Strategy to support these sectors				p. 25
d) Develop a Retail Business Retention and Attraction Strategy that will assist the downtown core				p. 25
Land Use Planning				
a) Ensure the Economic Development Officer participates on the project team to update the Official Plan				p. 25
b) The EDC coordinate with Public Works and Development Services to obtain information related to existing and potential pressures on local infrastructure to provide appropriate planning and ensuring adequate capacity for development				p. 31
c) The EDC supports the Municipality to work with CN Rail to purchase existing property in the downtown core that is strategic and integral to further development				p. 25
d) The EDC supports the Municipality's strategic goal to maintain the beauty and quality of life characteristics of the Municipality while balancing the need for current and continued economic growth.				p. 22
Tourism				
a) Look at introducing a quality control measure for hospitality industry to monitor standards and upgrade facilities				p. 29

b) Lobby Confederation College to offer programs locally that enhance the efforts to increase opportunities in the hospitality and tourism sector				p. 29
c) Encourage chefs and other artists to be trained locally and make Sioux Lookout their home				p. 29
Retail & Commerce				
a) using information collected from the Resident Survey (Sept/09), for the Downtown Revitalization Project, actively market retail opportunities in Sioux Lookout that are not currently present				p. 28
b) continue to assist small business through workshops, seminars, Chamber of Commerce, establishment of a Business Improvement Area in the downtown core, etc.				p. 28
Develop a contact schedule to meet with local businesses to discuss issues, concerns and needs				p. 38
Industry				
Develop a contact schedule to meet with businesses in the industry sector to discuss current trends, opportunities, threats				p. 38
Work with local industry leaders and senior government officials to create local opportunities to bring in presentations and events related to the specific industrial sectors in the area				p. 38
Community Image				
a) Create a unified image of "Quality of Place"				p. 29
b) Finalize and approve a new logo for the Municipality and aggressively market it				p. 29

c) Develop a professional and interactive website to showcase our community				p. 29
d) Advertise in major cities to market the lifestyle to the target audience of tourists and “Office at the Lake-types”				p. 29
e) Develop signage on Hwy 17 in a tasteful manner, consistent in local branding				p. 29
f) Promote the Municipality through the hosting of local conferences and events				p. 29
g) Develop a “tool kit” with professional brochures, videos, product development and communication pieces marketing and promoting Sioux Lookout to be available at planned and informal events				p. 35
Community Institutions				
a) Work closely with learning institutions, health care and social services to understand local needs and future opportunities				p. 16
b) Establish partnerships with similar regions worldwide to take advantage of time shares, advertising and “sister-communities”				p. 29
Investment Strategy				
a) Develop a proactive campaign for meeting new residents in the area				p. 32
b) Develop an Ambassador program to promote Sioux Lookout to potential investors				p. 35
c) Play a “match-making” role with potential new investors both within and outside the community				p. 33
d) Develop a list of leads and “soft sell” the Municipality				p. 33

e) Develop a modest screening form for early decision making whether potential investment meets the “qualifications” of the area				p. 34
f) Develop a procedure for handling and negotiating applications and ideas				p. 34
Integrated Community Sustainability Plan (ICSP)				
In partnership with local stakeholders, develop an ICSP to ensure development is consistent with what the Community wants to become, cognizant of economic, community (social & cultural), and environmental priorities				p. 30
Networking				
Network with regional Economic Development Officers to promote the region and take advantage of shared advertising, training costs and event promotion				p. 28
Encourage local Council to actively lobby on behalf of the community and region to ensure the continuation of government funding specific to economic development opportunities				p. 31
First Nation Partnerships				
Continue working with the area First Nations and local First Nation Governance offices to mutually create economic opportunities that have lasting benefits for the residents of Sioux Lookout and First Nations people.				p. 28
Indicators and Evaluation Tools				
a) Ensure the annual review of the strategic plan				p. 33

b) Develop key indicators and measurement tools				p. 33
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Thank You!

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- Brad Hyslop, Chair
- Barb Hancock
- Erin Horvath
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Members of the 2009 Economic Development Commission:

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- Stewart Laird, Vice Chair
- Donna Giles, Member
- Christine Hoey, Member
- David Gordon, Councillor
- Ben Hancharuk, Councillor
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