

For-Profit Economic Development Corporations

A Case Study

Presentation to PNEDC
July 15 – 19, 2006

What's It All About



Roles Commonly Associated With Economic Development Marketing Agencies

- Marketing, Marketing, Marketing
- Client follow up and aftercare
- Care and feeding of politicians
- Presentations, event organizing and attendance
- Ensuring that operations are funded

Models (Engines)

- Provincial/State Agencies
- Municipal Departments
- Chambers of Commerce
- Not-For-Profit Corporations
- Agencies of Utilities/Railroads
- For Profit Corporations



Initiatives Prince George

Who Are We?



Corporate Structure



- Single stakeholder – City of Prince George
- Governance agreement with Investment strategy
- Council (Progress PG)
- Independent Board of Directors
- Subsidiary companies



Investment Activities

The Livebridge Story

Key Lessons:

- Do not compete with your stakeholders
- Develop an operating plan
- Have an exit strategy



Operational Funding - \$2,360,000

- Contract for Services - \$1,290,000
- Rental Income - \$740,000
- Earned Income - \$100,000
- 3rd Party Contributions - \$230,000
 - Federal Government
 - Provincial Government
 - Local Government
 - Private sector

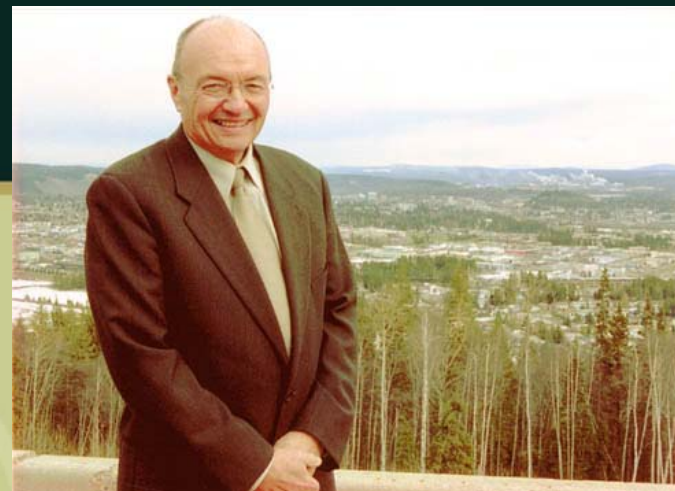


Funding Considerations

- Leverage, Leverage, Leverage
- Management Control
- Contracting with other Gov't Agencies
- Adequacy of Funding
- The costs of raising funding



How Green is my Valley...



- Success needs \$\$\$
- \$\$\$ come with success
- Mixed income stream, public & private = Stability
- Longer term income from private sector
- Marketing or fundraising – What is your role?

QUESTIONS ?