



UPPER OTTAWA VALLEY
Chamber of Commerce

UOVCC Proposal

Gary Melnyk - President UOVCC & Chair Business Development Committee (BDC)

Lorraine MacKenzie – Executive Director UOVCC

Brian McInall – Chair, Deep River & Area Branch UOVCC & BDC Member

John Walden – BDC Member



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One of the objectives of the Chamber of Commerce is to provide creative business leadership and effective coordination of all interested parties in solving community problems and initiating constructive community action.



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The Chamber is proposing that together we will create

**A Center for the History of Canadian Nuclear
Science & Technology**
coupled with a
Tourist Information Center
for the
Greater Upper Ottawa Valley



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Today we are looking for a commitment in principle from the
desired stakeholders before we proceed to the next level



We are asking that each municipal council pass a resolution
confirming their willingness to agree in principle to the
chamber's proposal and to assign a member of their municipal
staff to participate in the business planning stage of the process.



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The services that the UOVCC proposes to provide are managerial in nature and will provide the stakeholders with the following:

- ✓ The staffing and management of a center dedicated to the history of Canadian Nuclear Science and Technology.
- ✓ The staffing and management of a year round tourist information center along the Hwy 17 corridor, promoting attractions and activities in the region.
- ✓ Local economic development activities aimed at aiding businesses and business owners within the region. Such as educational seminars, tradeshow opportunities, mentoring and advising entrepreneurs.
- ✓ Provide a local Chamber of Commerce point of contact for anyone inquiring about economic development and/or requesting statistical information from our region.



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The next step for the Chamber of Commerce

- ✓ Once we have a commitment in principle from all of the stakeholders the Chamber will begin to develop a draft business plan.
- ✓ All stakeholders will have an opportunity to participate in the vision and concept as the business plan is being developed.
- ✓ At some point stakeholders will be asked for full commitment moving forward.



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What will be required by the stakeholders.....

- ✓The stakeholders will assist cooperatively and to the best of their ability in the acquisition of capital funding for the project.
- ✓Each stakeholder will commit to a long term agreement with the Upper Ottawa Valley Chamber of Commerce.
- ✓A funding formula will be created to ensure the costs are shared equitably.



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Basic Assumptions

- Building Assumptions
- Rent Assumptions
- Service Contract Assumptions
- Administrative Expenses Assumptions



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Building Assumptions

- 3500 s/f facility
 - 3050 s/f - AECL - Science & Technology Center
 - 450 s/f - Municipalities - Tourist Information Center
 - Estimated Cost to Construct \$150 s/f
 - Total Cost to Construct **\$525,000**
- Chamber to raise 50% of Cost (\$262,500)
- Finance 50% \$262,500 for 10 years at 6%
 - Annual debt servicing \$35,000



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Rent Assumptions

- Assuming \$10 per s/f
- AECL's annual rent for 3050 s/f
 - \$30,500
- Shared Municipalities annual rent for 450 s/f
 - \$4,500



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Service Contract Assumptions

20 Year Term

10 Years and then Two 5 Year Options

Based on 6 days per week at 8 hours per day
Chamber to provide 1.2 x Full Time Employees

Based on a Service Fee of \$20 per hour

Total annual service fee = **\$49,920**

(Fee to increase 2% annually)



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Administrative Expenses	2013	2014	2015
Bell Canada Phone	1,560	1,591	1,623
Bell Canada Internet	1,200	1,224	1,248
Hydro One	2,700	2,754	2,809
Enbridge Gas	1,200	1,224	1,248
Town Water	1,296	1,322	1,348
Building Maintenance	3,000	3,060	3,121
Cleaning	6,000	6,120	6,242
Total Administrative Expenses	16,956	17,295	17,641



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Service Fees and Administrative Expenses

Annual Service Fee Divided Equally Between All Stakeholders (4)
\$12,480 Annually

1st Year Annual Administrative Expenses Divided with an 80/20 Split
80% AECL and 20% Municipalities

AECL - \$13,564 Annually

Municipalities - \$3,391 Annually

UOVCC to pay property taxes and Insurance aprox \$3000/yr



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Financial Summary of Annual Cost

	Rent	Service	Expenses	Total
AECL	\$30,500	\$12,480	\$13,564	\$56,544
DR	\$1,500	\$12,480	\$1,130	\$15.110
LH	\$1,500	\$12,480	\$1,130	\$15.110
HCM	\$1,500	\$12,480	\$1,130	\$15.110



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Financing after the 1st 10 Year Term

- Rental cost to all stakeholders is eliminated
- Annual Service Fee assuming a 2% annual increases;
\$60,852 or (\$15,213 per stakeholder)
- Annual Administrative Expenses assuming a 2% annual increases;
\$20,666 or (AECL \$16,535 and Municipalities \$4,131)

	Service	Expenses	Total
AECL	\$15,213	\$16,535	\$31,748
DR	\$15,213	\$1,377	\$16,591
LH	\$15,213	\$1,377	\$16,591
HCM	\$15,213	\$1,377	\$16,591



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Benefits for AECL

- ✓ Provides public relations and educational opportunities that have been absent since the closure of the on-site Visitor's Centre
- ✓ No Capital Investment and very reasonable annual operating costs
- ✓ After the first 10 years the cost significantly decreases
- ✓ Opportunity to highlight AECL's commitment that people will receive energy, health, environmental and economic benefits from nuclear science and technology



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Benefits for Municipalities

- ✓ Cost Effective way to provide year round tourist information
- ✓ Provides a significant attraction for the area
- ✓ Economic Development – Could provide an anchor for Business Park development
- ✓ Potential job creation through Business Park development
- ✓ Supports the industry that is the economic engine for the area



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Benefits for UOVCC

- ✓ Gain an extra employee'(s)
- ✓ Raises the Chamber's profile in the area
- ✓ Help to increase membership
- ✓ Helps in succession planning for Chamber of Commerce
- ✓ Increase of service to members/business community



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Questions