

Sugar City Development Corporation Business Plan



*A Distinctive Community with an
Entrepreneurial Spirit*



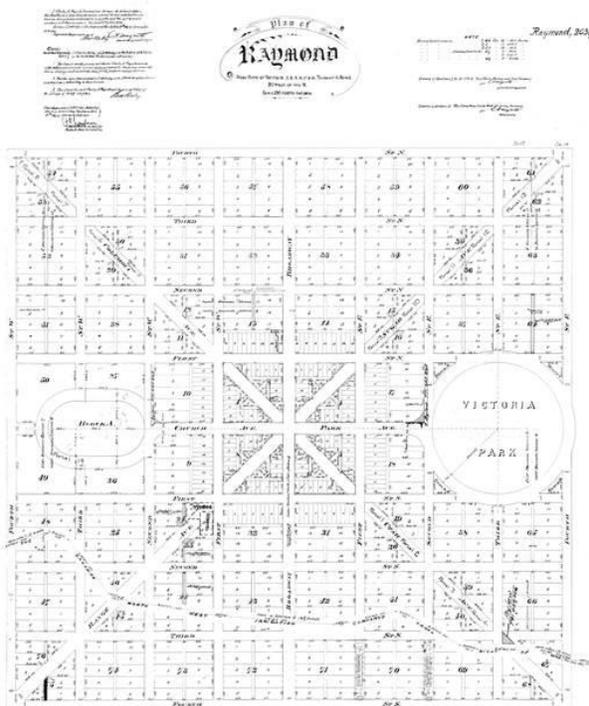
Distinctive Community with an Entrepreneurial Spirit

The Sugar City Development Corporation (SCDC) is a municipally controlled corporation established under section 75.1(2) of the *Municipal Government Act (MGA)*. The SCDC is owned and solely controlled by the Town of Raymond. It works collaboratively with other individuals, organizations, and businesses to accomplish its purpose, focused agenda, and strategic priorities.

The SCDC is a continuation of the entrepreneurial spirit of Raymond's founder Jesse Knight, a prominent mining magnate from Utah. Knight saw economic opportunity in Southern Alberta. In 1899, he purchased 284,500 acres including the future location of the town of Raymond. On August 11, 1901 Jesse Knight and Apostle John W. Taylor selected the location of a sugar factory and townsite. The Townsite was named after Jesse Knight's eldest son Oscar Raymond setting the stage for a significant migration of people into the area as the result of the economic opportunities created by Knight's actions. He introduced the sugar industry, milling industry, and large-scale ranching into the region.



On December 8, 1901, Charles Ora Magrath submitted a plan for the Town of Raymond using the "Plat of the City of Zion" overlain with Georges-Eugene Haussmann's "Paris Plan". Raymond's layout was highly distinct in comparison with other communities in southern Alberta. The SCDC is also committed to honouring this high distinction in community layout, design and standard. The area's history spans thousands of years encompassing First Nations groups in the region and later early settlers, who harnessed the agricultural potential of the open rugged prairie through the development of large-scale irrigation projects. The community's positioning along the railway, the presence of The Church of Jesus Christ of Latter-day Saints, available arable land, and the early establishment of the Knight Sugar Factory in 1903, made Raymond highly attractive to immigrants from the United States, Europe, and neighboring provinces.



Today Raymond is comprised of hardworking, community-minded people with enduring connections to the town. The residents' value the community for its inclusivity, walkability, and its multiple green spaces where people can participate in leisure and recreational activities. Residents possess a strong volunteer spirit which is reflected by the variety of community organizations, groups, and societies that can be found here and are well-known for their entrepreneurial spirit.

Our Purposes

The purposes of the Sugar City Development Corporation are to:

- promote growth and sustainable development by providing leadership and coordination of community resources; and
- to balance and enhance the Town of Raymond's assessment base through the promotion, marketing, and attraction of new investment in the community; and
- to develop and facilitate the adherence to defined community development standards and priorities; and
- working co-operatively with economic and community development stakeholders.

SCDC will provide services within the Town of Raymond corporate limits.

Town of Raymond Vision Statement

"Welcome Home" A model family-oriented community that has an ingrained sense of place. A place of firsts where innovation, leadership, and excellence flourishes. Where all are embraced by a warm spirit of friendliness, involvement and worth.

Core Values

The Sugar City Development Corporation approach to their business activities will be guided by the following concepts, which guides our decisions, behaviours, and actions.

- **Trust:** We build trusting relationships by acting with honesty and integrity.
- **Proactive:** We strategically anticipate changing conditions within our environment and industry and continually adapt and adjust our business initiatives and activities for successful outcomes.
- **Accountable:** We accept responsibility for and support efforts to achieve better outcomes. Striving to be innovative and provide the highest quality services possible.
- **Collaboration:** We strive to work with other individuals, organizations, and business to maximize the return on our investment. Our capacity to achieve is greatly enhanced when we work with others. Together, we enhance our capacity; we are open to new ideas; different perspectives and solutions.
- **Sense of Place:** sense of place is an enduring belonging to the community, a spirit or feeling of pride, love, and respect for community.



- **Community as a Whole:** Our business activities are focused on initiatives, programs and activities that lead growth and sustainable development. The benefit of our activities is for the Town and community not that of the individuals, organizations, or business we partner with.

Market Impact Analysis

Sugar City will partner with qualified, private developers to encourage quality growth. Equitable agreements will ensure that both parties move forward positively, while increasing the towns assessment base. SCDC will assess each development individually and will either partner with other private developers or may develop lands owned by the Town of Raymond alone. The intent is to focus on a housing type or demographic that may be under-represented in our housing or business inventory and to develop subdivisions to a higher finished standard to attract new investment and to steadily increase the value of existing and future subdivisions.

Initial Activity and Funding of the Corporation

Sugar City will need a funding source to move forward, and it is proposed that the town transfer title on these lots:

Lot	Block	Plan	Title	Land Value	
1	185	7810880	781114913	\$47,130	
2	185	7810880	781114913A	\$36,570	
3	185	7810880	781114913B	\$50,100	
4	185	7810880	781114913C	\$51,860	
5	185	7810880	781114913D	\$28,930	
6	185	7810880	781114913E	\$13,870	
7	185	7810880	781114913F	\$17,440	
8	185	7810880	781114913G	\$19,560	
9	185	7810880	781114913H	\$53,990	
10	185	7810880	781114913I	\$58,100	Total Value of lots = \$910,263
11	185	7810880	781114913J	\$18,840	
12	185	7810880	781114913K	\$15,180	
13	185	7810880	781114913L	\$33,440	
	18A	8710870	88162151	\$59,890	
3	9	2039I	971130019	\$32,580	
6	53	2039I	149R133	\$54,670	
	180	4489J	011053485	\$104,610	
1	55	2039I	971187180	\$60,800	
18	56	7810478	971187188	\$35,340	
3	58	2039I	971187193	\$35,130	
1	182	9911029	991087457	\$38,290	
2	38	2039I	151249821	\$57,660	
2	14	2039I	171039289	\$47,083	



These lots will either be sold or used as collateral for debt financing if approved by the Corporations Board. The corporation will require assistance from the Town to develop all or a portion of these properties initially until the corporation has sufficient cash flow to fund future development projects on its own. The costs associated with the establishment of the corporation are outlined (and attached 5-yr budget) as follows:

Insurance	\$1,000
Interest & Bank Charges	\$500
Office Supplies	\$500
Marketing & Promotions	\$5,000
Professional Fees	\$3,500
Total	\$ 10,500.00

The corporation will manage its operations and investments in accordance with available funds accumulated through these developments. If the proposed 5 year budget does not work out as portrayed, the SCDC can work with a slower return on investment timeline as the purpose of the SCDC is to grow the Town’s assessment base over time and any available profits will be injected back into future projects. The corporation will be self-sufficient and not require town funding for its operations after its initial development begins selling lots or units to interested buyers. Overtime, the Board will provide dividends (as their cashflow allows) to reimburse the Town for the land parcels initially transferred to the SCDC at its incorporation.

Risks Associated Corporation

The following are potential risks involved with controlling this corporation:

- 1) Corporation making decisions that are not consistent with Council direction or vision.
- 2) Cashflow is not sufficient to keep up with ongoing operating expenses.

Plans for risk mitigation:

- 1) Two council members on the board of directors (3 voting members total).
- 2) Business plan will be reviewed and updated yearly to reflect current direction and vision of Council.
- 3) Initial infusion of direct support from the Town will be sufficient to maintain operations until inventory begins to sell. Corporate entity will utilize a very lean operation model to ensure overhead costs are kept to a minimum.
- 4) SCDC will provide Council with a yearly report, and SCDC must obtain Council approval for the next year’s activities (as outlined in the updated business plan.)
- 5) Because the MCC is a separate corporate entity, the town is protected from financial and legal liability.



Focused Agenda

Our Strategic Plan focuses on the following four themes:



Growth and Sustainable Development

Objective: To promote growth and sustainable development by providing leadership and coordination of community resources.

Realizing our potential has a lot to do with the sustainable growth and development of the community. Council values residential subdivisions that attract individuals and families to our community. Non-residential growth is important for providing services for residents.

Strategic Priority	Description	Action Type	Target Date
1	Infill development plan and implementation strategy	Planning	2020
2	Explore partnerships with approved subdivision developments that have stalled.	Collaboration	2020
3	Develop and coordinate a community marketing plan to attract buyers to all local sub-divisions.	Planning	2020
4	Identify, subdivide and service initial development	Planning	2021-2022

Balance and Enhance the Town's Assessment Base

Objective: To ensure that there is residential and non-residential land inventory available that offers a wide range of housing/commercial/industrial options available to prospective developers/investors.

A sustainable community is one that offers housing options to all segments of the population. Starter homes, a healthy re-sale market and larger luxury homes are all needed to ensure that a community has a healthy mix of diversity and opportunity. Making sure that everyone has a place in Raymond is a critical component of building a viable community.



Strategic Priority	Description	Action Type	Target Date
1	Ensure land and housing options available for all segments of the housing market. Focus on segments not offered by existing developers.	Planning	2020
2	Identify and Expand Commercial land inventory	Planning	2021
3	Identify and Expand Industrial land inventory	Planning	2021

Community Development Standards and Priority

Objective: To ensure that subdivisions are developed to a finished standard before lots are sold to attract buyers and developers to invest their capital in Raymond versus a neighbouring community.

Raymond is not alone in trying to attract new investment. Subdivisions that are developed to an urban, city standard have a better chance at attracting buyers than ones that are at varying stages of development. By working with developers, the SCDC will ensure that lots are serviced, boulevards are landscaped, streets are paved, sidewalks are installed, and parks and open spaces are completed before a lot is sold. This will increase lot values and attract buyers by enhancing the quality of our developments when compared to subdivisions in other communities.

Strategic Priority	Description	Action Type	Target Date
1	Provide developers with opportunity to reduce risk but share rewards by offering a suite or risk mitigation initiatives available through SCDC.	Planning	2020

Working Co-operatively with Economic and Community Development Stakeholders

Objective: Ensure that local investment opportunities are funded with local investors where possible. Make the necessary connections to attract outside development support to fill-in the gaps of our local market. Work closely with the Town's Tourism & Economic Development Committee and Department to leverage opportunities as they arise.

Strategic Priority	Description	Action Type	Target Date
1	Work to foster local investor network to identify opportunities for residential and non-residential development.	Implementation	2020

