

# Challenges and Opportunities in Land Development

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BRITISH  
COLUMBIA

Ministry of  
Jobs, Trade  
and Technology



**Indigenous  
Business &  
Investment  
Council**

# Introductions

Greg Booth  
*Ministry of Jobs, Trade &  
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Moderator



Mel Woolley  
*Land Strategies Ltd*

Panelist



Jonathan Kruger  
*Sodexo*

Panelist



Questions to follow



# Workshop Themes

- A. **Effective Pre-Development Planning:** Practical Business Planning Tools - *foundations for a successful project.*
- B. **Assembling the Right Team:** roles & responsibilities
- C. **Benefiting from Land Development:** examples from experience

# A. EFFECTIVE PRE-DEVELOPMENT PLANNING

1. The Opportunity Analysis
2. The Strategic Planning Workshop
3. Business Case Outline
4. Partnerships



**Effective Pre-Development Planning –**  
Practical Business Planning Tools: **1. Opportunity Analysis**

**The Land Development *Opportunity Analysis***- It is a rare community that does not have some opportunity for land development.

Community members often have a good sense of what product or service is needed.

Preliminary market, financial, and technical evaluations for each opportunity is inexpensive and should provide the basis for the *development strategy workshop* going forward.



## Effective Pre-Development Planning

Practical Business Planning Tools: **1. Opportunity Analysis**

Each opportunities can be evaluated for-

- potential profitability,
- job creation,
- cost per job,
- ease of market entry,
- capital costs,
- risk factors,
- environmental impacts,
- compatibility with community plans, zoning, etc.

A prioritizing of the development opportunities can be done as part of the strategic workshop.



## Effective Pre-Development Planning-

Practical Business Planning Tools: **2. Strategic Planning Workshop**

### ***Strategic Planning Workshop*** for a Development Vision

- Confirm and clarify a long term vision;
- Agree on the project objectives;
- Agree on how project success will be measured;
- Agree on an operating and management philosophy
- Clarify short term (1 – 2 years) goals.
- Clarify assumptions regarding the undertaking



## Effective Pre-Development Planning-

### Practical Business Planning Tools: **2. Strategic Planning Workshop**

- Agreement on how the project stakeholders will work together on the project
  
- Risk analysis —
  - What risks or forces exist that might prevent success?
  - Agree on most important risk factors.
  - Develop ideas to resolve these most important factors.





## Effective Pre-Development Planning

### Practical Business Planning Tools: **2. Strategic Planning Workshop**

- Agreement on protocols, administrative practices and any additional supporting systems needed to support the undertaking;
- Agreement on immediate actions to achieve the goals ... and reduce risks;
- A basic strategy flowchart could be developed.



## Effective Pre-Development Planning-

Practical Business Planning Tools: **3. The Business Case**

The foundation for a successful project is the ***Business Case***.

1. **Context** — Simple recap of world, nation, community situation or whatever has set the framework for the opportunity below.
2. **Opportunity** — Brief summary of the business, project, undertaking, etc being contemplated.
3. **The Development Vision** — What is the big picture for the community or stakeholders in the project?
4. **The Land** — If applicable outline the special nature of the land... in context of the vision.



## Effective Pre-Development Planning-

### Practical Business Planning Tools: **3. The Business Case**

- 5. The Concept Plan**— Text and graphic description of the program— the vision manifested in more detail;
- 6. Development Budget and Schedule** — Work with architect, designer, contractor, operations and financial people to determine program, time and costs to deliver;
- 7. Management Structure, Operations, Marketing** — Describe how the centre will be managed, operated and marketed;
- 8. Cash Flow** — A simple spread sheet reflecting assumptions from for a 5-7 year period of Operations showing the first year on a monthly basis and annual over the next 4 years



## Effective Pre-Development Planning-

### Practical Business Planning Tools: **3. The Business Case**

- 9. The Invitation** (Request) — A succinct highlighting of the financial needs - drawn from the Development Budget and the Operational material.
  
- 10. Risks and Rewards** — Everything you can imagine will try to go wrong. Highlight the how this will be dealt with. Also highlight the rewards and benefits from the undertaking back to world, nation, community, stakeholders, etc.
  
- 11. The Team** (predevelopment, development, management and operations) — Discuss how the undertaking will be developed over the next period and a paragraph or so on each person;



Effective Pre-Development Planning-  
Practical Business Planning Tools: **3. The Business Case**

## 12. Summary

Here you articulate at least 3 core questions —

- *What do you have?*
- *What do you need?*
- *What do the investors (stakeholders) receive?*

13. and you attach **Appendices** — All supporting materials to further a positive decision.



## Effective Pre-Development Planning- Practical Business Planning Tools: **4. Partnerships**

Most economic development projects do not happen without ***partnerships***:

- Infrastructure funding partnerships with ISC;
- Cash equity partnerships with investors;
- Business financing partnerships with Banks and Capital Corporations;
- Joint marketing with the area communities.
- This “doing business” is all about relationship building.



# Pre-Development Planning

**The  
PEOPLE  
factor**





## Effective Pre-Development Planning- Practical Business Planning Tools: **People Factor**

- A project can be mediocre in projected profit, but with a good team the likelihood of success is greatly enhanced.
- A great opportunity with inexperienced people will likely struggle, fail or never get started.
- If consultants or partners are required look for individuals with proven experience and integrity.





# Pre-Development Planning

## **The Role of Politics**

- Impacts
- Opportunities
- Challenges



## Effective Pre-Development Planning- Practical Business Planning Tools: People Factor

***“Rules are more important than resources”***

– Harvard Project on American Indian Economic Development

A Band with effective rules of governance and few resources will do better, in the long run, than a Band with lots of resources but an ineffective or incompetent governing system.



# **ASSEMBLING TEAMS**



# Assembling Teams

## **Roles & Responsibilities**

- Who does what and why?
- Community, Council, Administration, Project Team



Beyond the Project

# **BENEFITS OF LAND DEVELOPMENT**





# Benefits of Land Development

Wealth creation

Land taxation base

Land lease revenues

Job creation/diversification

Pride of Nation...with good projects



# Wrap Up



**Indigenous Business and  
Investment Council**

*Sharing Success*

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# QUESTIONS

Opportunities & Challenges in Land Development