

Misty Isles Economic Development Society

Annual Report

2010 – 2011



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Message from the Chair – Director Evan Putterill

It has been a full and productive third year of operations for MIEDS and on behalf of the Board of Directors I am pleased to present our Annual Report. This report provides an overview of how MIEDS has been working strategically to address key community economic development priorities on Haida Gwaii that result in meaningful achievements for Island residents over the long term. We are proud of what MIEDS has been able to achieve in three short years and look forward to building on these accomplishments as we move forward together.

I would also like to take this opportunity to sincerely thank all outgoing directors (Mayor Cory Delves, Roly Thompson, Skye Cantin, Shirley Kricheldorf, and Andrew Merilees) and our Executive Director, Travis Glasman, for their dedication and hard work for the organization over the last three years.

A handwritten signature in black ink, appearing to read 'Evan Putterill', with a stylized flourish at the end.

, Chair

Misty Isles Economic Development Society Constitution

The intent of the society is to help achieve increased coordination, collaboration and implementation of island-wide economic development priorities and to respond to business partnerships with the Haida communities for the collective benefit of all people of the islands.

The purposes of the society are:

- a. To develop a sustainable and diversified economy for all residents of the Misty Isles economic region.*
- b. To promote stronger communities and careful stewardship of the land and water.*
- c. To provide Island leadership for Island business attraction, retention and expansion*
- d. To promote Island initiatives that strengthen economic capacity*
- e. To work with the Haida on economic development to benefit all Islanders*
- f. To provide a link to regional economic development initiatives.*

Sharing Our Accomplishments

MIEDS has had a very productive third year of operations, with funding and staff consistency that has allowed the organization to focus on economic development work for Haida Gwaii. We have been concentrating on a number of key areas that we believe will have significant benefit for sustainable community and economic development on the Islands moving forward. These areas include: Organizational and Human Resources Development, Tourism and Recreation, Forestry and Value Added, Agriculture and Mariculture, and Regional Economic Development Implementation. A brief review of the accomplishments from the past year is provided below.

Organizational and Human Resources Development

Organizational and human resources development is fundamental to a healthy local economy. Without having organizations and people that are ready to take advantage of economic opportunities as they arise, we simply “miss the boat”. Creating a comprehensive development strategy in this area is an important issue that needs to be addressed on Haida Gwaii. In lieu of such a strategy, MIEDS tries to take advantage of collaborative development opportunities in this area when they appear. Over the past year, MIEDS has been involved in the following projects:

The Simon Fraser University - Community Economic Development Certificate for Professionals that MIEDS hosted on Haida Gwaii was successful, with three local people receiving certificates that expand their understanding of what sustainable community development can look like on Haida Gwaii. We look forward to hosting this educational opportunity again should there be sufficient local interest.

The High School Job Readiness Project that aimed at providing all Grade 10 students on Haida Gwaii with key certificates that improves their employability and ability to enter the workforce was a great success during the 2009/2010 school year. The project was a collaborative effort with SD50 and Community Futures, which saw 58 students, obtain various certificates including: Pleasure Craft Operators Certificate, Level 1 First Aid, WHMIS, and Food Safe. Many of these students indicated that the certificates assisted them in gaining employment over the past summer and beyond. This project has now been taken on directly by the School District for the 2010/2011 school year.

In partnership with North Saving Credit Union, Village of Queen Charlotte, Community Futures, Northwest Community College and Gwaii Trust, MIEDS coordinated a Non-profit Board Development Workshop on the north and south end of Graham Island. The workshop was facilitated by Bill Beamish, CAO for Queen Charlotte, and Ron Poole, CAO from Terrace. Over 35 participants gained a better understanding of their role as directors of non-profit societies and effective board practices, which we hope will assist their respective organizations.

Tourism and Recreation

The Haida Gwaii Tourism Advisory Committee has been very active over the past year, with projects widely ranging in scope. Much of the project work in tourism has revolved heavily around continuing to develop our marketing tools. The key projects completed over the past year have included:

- ☑ Finalized branding strategy for Haida Gwaii;
- ☑ Published a Visitor Information Pad Map for Haida Gwaii;
- ☑ Promoted Haida Gwaii through various advertisements including Northword Magazine, Northern BC Travel Guide, Soar Magazine, Go Camping magazine and the Guide to Haida Gwaii
- ☑ Launched the Islands' destination marketing website gohaidagwaii.ca (Feb 2010)
- ☑ Continued to support the Art Route program;
- ☑ Supported and assisted coordinating the recent surfing event 'Expression Session' on North Beach in an initial effort at expanding our off season tourism.
- ☑ Established a Digital Asset Management System to make photography and HD videos of Haida Gwaii widely available for tourism marketing and promotion of the Islands.
- ☑ Completed a travel media kit comprised of 20 promotional travel story ideas for media access.
- ☑ Completed call for members at large to serve for 2 years on the TAC.
- ☑ Printed additional copies of the Trails brochure
- ☑ Toured various media groups and received worldwide recognition
- ☑ Assisted in nominating the Haida Heritage Centre for "Best Overseas Tourist Attraction" for 2010 by the British Guild of Travel Writers.
- ☑ Added an additional B-roll film and a winter activities video to promote Haida Gwaii
- ☑ Met with Ministry of Transportation representatives to develop a better working relationship with BC Ferries.

We also developed a required Tourism Business Plan and began to engage the accommodation sector in preparation to apply for the Additional Hotel Room Tax (AHRT) and Resort Region Tax Transfer programs. These programs are crucial to securing core tourism funding to support and expand the existing destination marketing and infrastructure improvement for the local tourism industry. This funding is necessary to support tourism as a significant and sustainable contributor to the local economy. While there is not total agreement on the implementation of the AHRT, the TAC believes that it would be a mistake to overlook this funding source that will benefit operators and accommodators alike. A re-engagement process is currently being developed and implemented for 2011.

The TAC's plans over the next period include: implementing the 2011/2012 project priorities and re-engagement on the AHRT.

In addition to the destination marketing work being conducted by the TAC, MIEDS has begun developing important infrastructure aspects of this sector. Whether it is for our health, tourism, or alternate transportation routes, trails are an important component of our local infrastructure.

The Haida Gwaii Trail Strategy project brings together the information and documents prepared as part of past Islands processes, in combination with stakeholder and public input, to develop a single strategy for the Islands. The Strategy addresses the need for sustainable development and use of trails, common standards for all trails on Haida Gwaii, and a mechanism for the communities to prioritize projects and see the overall picture. Another valuable result of this strategy is that funders typically have needed to see a strategy in place for the islands to ensure that the infrastructure is a priority for the Islands and that maintenance plans are in place. The draft Trails Strategy is now available for review and will help set the stage for a common approach to our trail infrastructure.

Forestry and Value Added Products:

MIEDS is a vehicle where the Communities can develop joint projects with our neighbours. In this role, MIEDS has been providing technical assistance to the Communities on the development of forestry priorities.

As an interim measure, the Minister of Forests has offered the Communities, through MIEDS as a shared organization, a Forestry License to Cut (FLTC) of 25,000 m³ of wood annually until the Annual Allowable Cut is determined. We have been working with BC Timber Sales to identify and develop the initial 25,000 m³ for 2010, as well as the 25,000 m³ allotment for 2011. We anticipate a total of 30,000 m³ to be underway by mid- 2011, with the remaining 20,000 m³ to be implemented in late 2011. These volumes will be publicly offered under a Request For Proposals.

Once the annual cut level has been determined the Communities have also been offered a Community Forest Agreement for 80,000 m³ that will necessitate a partnership with BC Timber Sales. The legal form of the Community Forest has yet to be decided by the Communities.

The Council of the Haida Nation (CHN) has expressed interest in developing options for collaboratively acquiring the various forest tenures on Haida Gwaii in order to manage all of the forests on the Islands under one management unit. The objective is to ensure sustainability and improve efficiency. Staff members of the respective organizations have worked together with MIEDS staff to acquire the necessary technical and financial information for local government leadership. This is a new approach to local forest management and the work is on-going.

As local access to timber grows through the above initiatives, we are turning some of our attention to value added opportunities that are now becoming possible through access to our local fibre supply. Many

established local businesses are in a good position to take advantage of this increased local timber availability, as can entrepreneurs seeking to establish new opportunities here. We have assisted several local entrepreneurs to develop their plans in this past year and are encouraging other manufacturing ideas to move forward. We believe that our greatest opportunity to create local jobs is to do more with the natural resources on Haida Gwaii.

One area having tremendous potential is non-timber forest products, particularly as more of the forest land base comes under local control. MIEDS has partnered with the Great Bear Initiative to further develop the opportunities presented by conifer oil production on Haida Gwaii, which is an idea that has been around for over 10 years. By matching a portion of our Invest Canada-Communities Initiative funding with our partners funding, Haida Gwaii now has a Conifer Oil Product Investment Profile as a tool for developing this opportunity into viable business, which will soon be added to with a business plan being completed by the Great Bear Initiative. This is just a small part of the variety of “non-conventional” forest products that can become a sustainable initiative that improves our local economy.

Agriculture and Mariculture

Local food sovereignty (security) is of high importance to our communities. Frequent and prolonged ferry cancellations regularly remind us of our risky dependence on distant producers for 90% of our food and the opportunity for increased production for local farmers. Over the past year, Misty Isles Economic Development Society, the Graham Island East Coast Farmers Institute, Islands Food, and interested individuals met to discuss food sovereignty, local food production and storage issues for Haida Gwaii. The need for a clear strategy to provide direction for future local food production and markets was identified as a priority.

The Haida Gwaii Agriculture Strategy seeks to address food production and local food security with a broad-brush with the objective of informing and positioning the residents and communities of Haida Gwaii to begin taking advantage of the opportunities that Agriculture presents for a stable local economy. This islands-wide strategy identifies currently unused land having agricultural potential, compares the volume of food we import to the volume grown locally, and identifies opportunities for future agricultural endeavors.

Information has been gathered on the volume of imported produce, meat, eggs and dairy, volume of similar food produced locally, mariculture production/opportunities, and agro-forestry opportunities. In addition,

research addressed local agricultural product development opportunities, a freight opportunities and barriers analysis, climate data summarization, and sources of local soil amendments. As a mechanism to help foster greater local food production and a reduced carbon foot print, land that has good agricultural potential in close proximity to each community was identified.

Information was gathered throughout the fall of 2010 and was presented for public feed feedback at community meetings in December 2010 and January, 2011. The process culminated in an islands-wide meeting in Port Clements in February, through which residents identified the priorities for implementation.

We are grateful to Northern Savings Credit Union, Investment Agriculture Foundation, and Coast Sustainability Trust for providing funding for this worthwhile project.

On the implementation side and with funding from Invest Canada-Communities Initiative, MIEDS worked with the Haida Gwaii Culinary Cooperative to develop Product Investment Profiles that will assist the Cooperative to develop a marketable product line using locally produced food.

Regional Economic Development Implementation Project

MIEDS continues its work to revisit the Haida Gwaii Community Viability Strategy (CVS) under funding received from Coast Sustainability Trust for a Regional Economic Development Implementation Project (REDI). REDI is aimed at coordinating and tracking the various economic development priorities identified in the CVS. This project will determine what priorities have been advanced since the completion of the CVS, the progress that has been made on the active priorities and timelines for completion, as well as revisit the priorities in the CVS to determine if they are still applicable and if other priorities need to be added.

MIEDS staff will formally engage the various community and economic development organizations on the Islands to solicit their input. We also undertook a series of public input sessions in order to “check in” with the Islands Communities on the priorities they see and to update them on progress made on the priorities set in 2006.

MIEDS works to serve as a vehicle to network with Islands organizations and businesses, and to keep everyone up to date as things progress. As part of this, MIEDS has completed an updated Business Directory and detailed Community investment Profile for the communities on Haida Gwaii, and a

Freight Analysis for the Islands. These tools are available to the public on the MIEDS website (www.mieds.ca).

Financial Report for 2010/2011

MIEDS expended \$ 381,935.45 on projects and initiatives as described above during the past fiscal year. We have been able to leverage much of the funding necessary to complete the projects by over 20 times for every dollar of Provincial seed money expended.

As a result, we are pleased to report that we have been able to conserve the small seed funding given to us by the Province, having only spent \$36,204 of the \$500,000 to date. This is over a 25:1 leveraging ratio. This leaves MIEDS greater ability to leverage this limited resource even more as we continue towards even greater Community Economic Development opportunities for Haida Gwaii.

The detailed 2010-2011 Financial Report can be found as a separate addendum to this report.

Board of Directors

Chair Evan Putterill , a lifelong resident of Sandspit, is the Chairperson of MIEDS. He has studied Natural Resource Geography and Public Administration. Mr Putterill is the Electoral Area E Director for the Skeena Queen Charlotte Regional District.

Mayor Carol Kulesha of Queen Charlotte is MIEDS' Vice-Chairperson. Mayor Kulesha is a long time resident who has worked in the fishing industry, marketing, health care (registered nurse) and local government.

Mayor Cory Delves of Port Clements has resided in Haida Gwaii since 1988 and has worked in the forest industry and as a commercial diver. He is currently serving his second term in local government.

Mayor Barry Pages of Masset has served on Council for the Village of Masset for the past 15 years. He works in the banking industry as a commercial lender.

Brad Setso of Old Massett is the Electoral Area D Director for the Skeena Queen Charlotte Regional District. Mr. Setso is a lifelong resident of Old Massett and has served on the boards of Gwaii Trust Society, Old Massett Village Council, Gwaii Tel, and GMDC. He recently completed studies in business administration.

Skye Cantin has resided on the islands since 1991. As a Business Analyst and Loans Coordinator with Community Futures for the past 9 years, she also brings 21 years of experience in the banking industry.

Ian Gould resides in Port Clements and is a Co-Chair of the Haida Gwaii Tourism Advisory Committee. He has many years experience as a tour and kayak guide in Gwaii Haanas, Juskatla Inlet and the forest industry.

Shirley Kricheldorf has been a resident of the Tow Hill Road community for 15 years, first moving to Masset in 1990. She is currently the Program Coordinator at the Career Development Centre

Andrew Merilees is a Masset councilor, Co-Chair of the Haida Gwaii Tourism Advisory Committee and a Director on the Northern Region board of BC Tourism. He owns and operates Haida Gwaii Discovery Tours.

Staff

Travis Glasman, RPF, Executive Director has lived on Haida Gwaii for over 15 years and has worked in each of the islands communities in various roles. He brings a broad appreciation of the Islands, experience in small business, management and forestry and a profound commitment to making Haida Gwaii a better place to live.

Mary Lou (Von Niessen) Schroeder, Administrative Assistant has resided on Haida Gwaii since 1994. She brings many years of administrative and book keeping experience to MIEDS. Mary Lou is deeply committed to seeing local food production reintegrated as part of our daily lives.

Jenn Dolen, BSc, Project Coordinator has already established herself as a successful business owner in her relatively short time on the islands. She understands the necessity of effective public involvement and coordination that is fundamental to achieve Community Economic Development.

Special thanks go out to our funders for their support:

Northern Development Initiative Trust: \$122,500

Coast Sustainability Trust: \$78,110

Skeena-Queen Charlotte Regional District: \$10,224

Northern Savings Credit Union: \$23,000

Investment Agriculture of BC: \$41,471

Invest Canada Communities Initiative: \$29,043

Gwaii Trust Society: \$18,983

Tourism British Columbia: \$20,162

Haida Gwaii Community Futures: \$1,994

Real Estate Foundation: \$5,000

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2010 - 2011 Financial Report

For Year Ending March 31st, 2011



Comparative Income Statement

To March 31, 2011

	Approved Budget \$\$\$	Actual \$\$\$
Revenues		
Province of British Columbia - Seed Capital	59,775.97	17,703.04
Communities - NDI (Economic Development Funding)	122,500.00	122,500.00
Coast Sustainability Trust (Regional Ec Dvpt Plan)	70,000.00	60,000.00
Art Route Membership Fees	1,300.00	2,265.00
Tourism BC (Partnership Program)	25,050.00	20,162.00
ICCI	29,043.00	29,043.00
Investment Agriculture	44,709.30	41,471.45
NSCU Agriculture Strategy	23,000.00	23,000.00
CST Agriculture Strategy Implementation Plan	18,110.00	18,110.00
Social Media Workshop		4,791.50
Other (Includes CFDC work Readiness - Previous Fiscal)	20,000.00	42,275.96
Investment Interest	3,600.00	3,613.50
AR Adjustment from Previous Fiscal		-3,000.00
Total Revenue	417,088.27	381,935.45
Personnel		
Total Personnel Expense	149,132.97	148,808.94
Operational		
Ceridian Admin Fees & Legal	3,500.00	895.12
Advertising/Promotion/Website	6,110.00	5,284.34
Professional Development	3,000.00	1,500.00
Strategic Planning	3,000.00	
Training & Board Development	2,000.00	4,500.00
Insurance	2,000.00	720.00
Interest & Bank Charges	500.00	487.67
Equipment & Furnishings Purchase	4,177.00	663.75
Office Supplies	5,000.00	1,901.15
Photocopying/printing/postage	5,000.00	348.23
Telephone/Fax/Internet	4,000.00	4,456.74
Meetings & Functions	5,000.00	4,463.63
Travel	20,000.00	12,432.27
Rent/Utilities	11,213.00	10,875.58
Repairs/Maintenance	1,500.00	1,355.16
GST/HST Expense	3,000.00	4,504.96
Total Operations	79,000.00	54,388.60
Total Personnel & Operations	228,132.97	203,197.54
Projects		
Community Tourism Project	25,050.00	38,996.34
Tourism Other (MIEDS)		910.42
Foreign Investment Dvpt	58,086.00	35,720.00
Agriculture Strategy	85,819.30	82,942.91
Community Forest		425.00
Board Development		2,524.19
Trails Strategy	20,000.00	15,225.00
Previous Fiscal Work Readiness		1,994.05
Total Projects	188,955.30	178,737.91
Total Expenses	417,088.27	381,935.45
Difference	-	-



BALANCE SHEET

As at March 31, 2011

ASSET	
Current Assets	
Q Trade Account	217,284.34
Chequing Bank Account	80,412.80
NSCU Shares	28.14
Total Cash	297,725.28
Accounts Receivable	166,070.35
Total Receivable	0.00
Total Current Assets	463,795.63
TOTAL ASSET	463,795.63
LIABILITY	
Current Liabilities	
Accounts Payable	0.00
MC Payable	
Total Credit Card Payable	0.00
WCB Payable	0.00
GST Paid on Purchases 2010/2011	
HST Paid on Purchases 2010/2011	
GST Owing (Refund)	0.00
Total Current Liabilities	0.00
TOTAL LIABILITY	0.00
EQUITY	
Retained Earnings	
Retained Earnings - Previous Year	481,498.67
Current Earnings	-17,703.04
Total Retained Earnings	463,795.63
TOTAL EQUITY	463,795.63
LIABILITIES AND EQUITY	463,795.63