

2008 Annual Report
Atikokan Economic Development Corporation

Atikokan: The Canoeing Capital of Canada

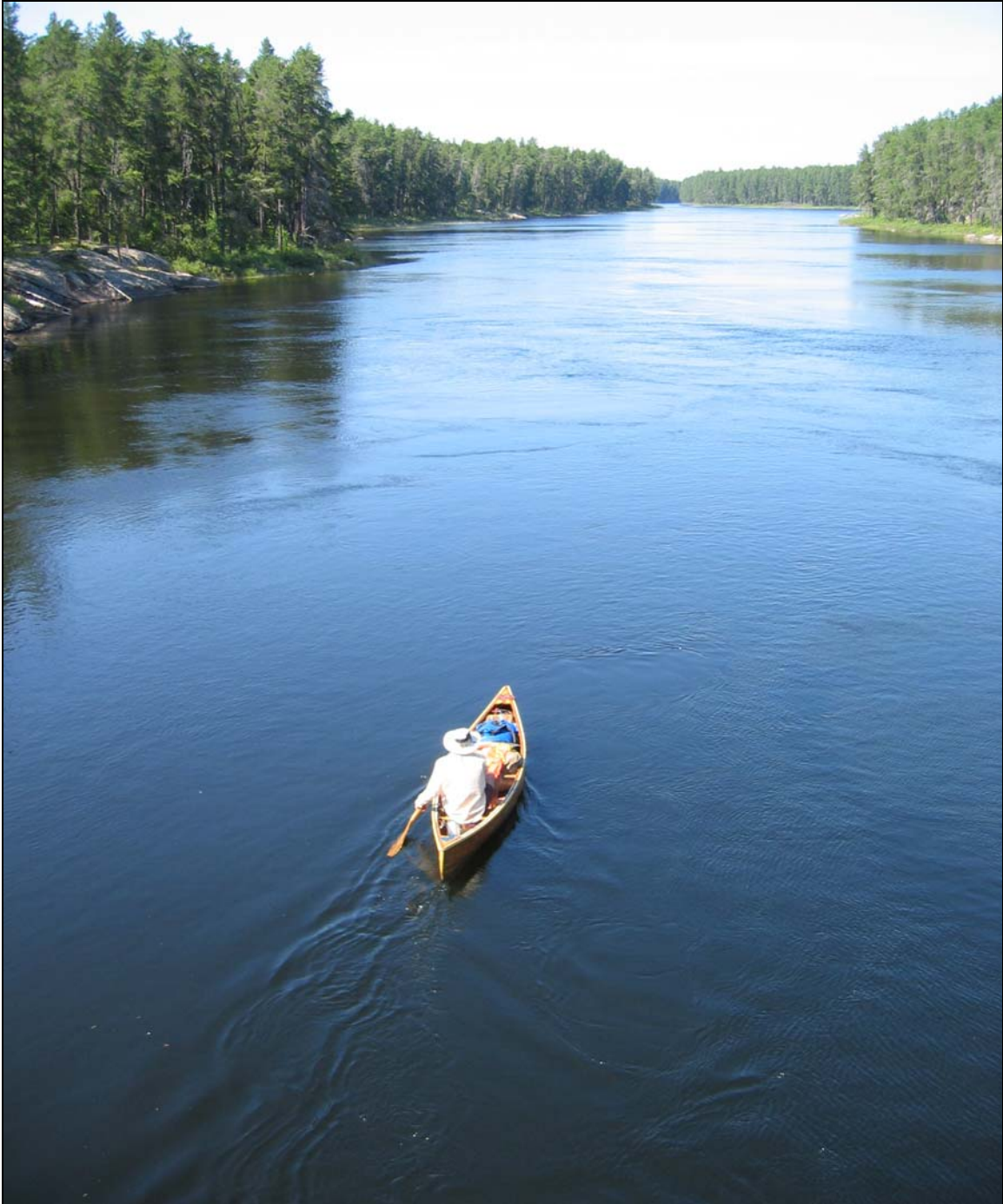


Photo Courtesy of Rick Dutka

Where we've been.....

And where we're going.....

Committee Involvements and Updates:

Pg. 1

Fibratec and Atikokan Forest Products:

The AEDC continues to work very closely with the Township of Atikokan as we attempt to secure a new enterprise to redevelop the Fibratec plant. Much progress has been made but there is still some distance to go due to normal receivership challenges. The AEDC's role has been primarily one of securing information and contacts for the purchasers and responding to specific inquiries from them.

There has been no change in the status of Atikokan Forest Products. The owner has taken all available steps to reduce overheads while the plant remains idled and to ensure the plant is ready to resume operation when the market recovers.

Energy committee:

The Mayor's ad-hoc committee on energy meets periodically to discuss evolving issues and to review progress on the energy front. General consensus is that progress has been made in terms of solidifying the future of the Atikokan Thermal Generating Station. The Ministers of Natural Resources and Energy jointly announced that the ATGS will be the first thermal plant in Ontario to be converted to 100% biomass. This announcement took place at a bioenergy conference in Toronto on January 20th, 2009. The committee also continues to work closely with the province on the Atikokan Bio-energy Research Initiative.

Chamber of Commerce:

It's been a year of change for the Chamber of Commerce.

Five new members (Michael McKinnon, Val Fraser, Catherine Reilly, Ed Enge, Fred Colvin and Kim Cross) joined the board, along with a new rep from Town Council (Mary Makarenko). (Returnees are Maureen James, Judi Simmons, Sandra Gauthier-Poelman, and Linda Braun.) The board also welcomed a new coordinator, Jolene Wood.

The Chamber renewed its partnership with the AEDC and the Town, and entered into a new agreement with Shaw Cable to operate the community channel announcements.

Despite the decline in the international economy, the Chamber continues to enjoy solid local support, with about 70 member businesses and organizations - a figure that has been stable for the past several years.

A major focus continues to be the operation of the tourist bureau, and after laying the groundwork last year, they plan this year to open a second Chamber office there during the 2009 tourist season to better serve the 3,000 or so visitors who stop there annually.

The Chamber was actively involved in a wide range of other activities, including hosting (with the Lions Club) a second Let's Go Outdoors Show, running the business awards program, supporting the Spirit of Atikokan and Implementation committees, and offering a range of retail promotions.

“The AEDC has been a stalwart partner of the Chamber for many years.

Its support (and, at times, guidance) has helped the Chamber maintain a vibrant presence in the community as an effective voice for business.

Ultimately, the Chamber is a volunteer organization, and the support of the AEDC allows us to have a much stronger impact than would ever be possible on our own.”

- Mike McKinnon

Chamber, President

The Township and the AEDC met in May to discuss future planning and resource sharing. The two groups intend to meet regularly to continue discussions about joint marketing and priorities.

Mining development:

Support for the mining and minerals sector continues to be a priority for the AEDC. The Atikokan Mineral Development Initiative is progressing well and new geophysical survey information is expected to be released over the spring and summer of 2009. The release of the AMDI information is expected to generate a lot of prospecting and staking activity in the area.

PARO:

The AEDC continues to liaison with PARO, a micro-loan program available for women based out of Thunder Bay. This organization reaches into our district to offer workshops and counseling for business start-up.

In Latin, what does PARO mean?
- good morning
- to prepare & provide
- business plan

See pg. 13 for answer

Atikokan Labour Adjustment Centre:

To help address the impact of the 2007 lay-offs (approximately 350 jobs), the Atikokan Labour Adjustment Action Centre was established early in 2008. Their mandate is to work with community service providers to assist anyone in the community negatively impacted by unemployment.

The Action Centre is governed by a committee consisting of members representing service agencies, Town council and union representatives of laid off workers. The centre is operated by a Co-ordinator, an Assistant Co-ordinator and several Peer Helpers.

The Labour Centre works with clients to:

- * Help identify options (which could include finding new employment, re-training, self-employment or retirement) and then to provide access to information and resources.
- * Gather statistics that will assist in identifying the needs and priorities of the community as a whole.
- * Offer a “drop-in” location for individuals to meet with former co-workers and friends.
- * Deliver informational sessions and workshops
- * Organize social events.

The Action Centre is funded by the Ministry of Training, Colleges and Universities, under the umbrella and support of the Atikokan Economic Development Office.

Path of The Voyageur:

This committee continues to meet in their quest to develop a broad theme to inter-connect tourism and cultural experiences across eight communities in Northwestern Ontario.

The goal is to create an experience where travelers will visit our area, take in sites, and participate in events which celebrate our history and our future. The committee believes this initiative has conservation, education, social and artistic benefits for both local residents and tourists.

When Hearing loss gets in the way:

The ability to hear well allows individuals to be more active and involved. Via funding from the Ontario Trillium Foundation, the AEDC has purchased assistive hearing devices. 2008 was a year of trial and error, learning about the equipment and sharing it with community groups. It has been used a great deal within the churches, and a campaign is now underway to promote it aggressively for the use of others.

The AEDC continues to work closely with The Thunder Bay Regional Health Sciences Centre and The Town of Atikokan to identify health sciences opportunities within our community. Currently, they are researching the field of transcription services, and the employment possibilities that could result.

The Youth Treatment Centre:

Ongoing discussions continue regarding establishing a location in Atikokan where youth from the district can be treated for drug and alcohol addictions. They are working closely with the Sister Margaret Smith Centre in Thunder Bay, and various organizations within the Rainy River District.

Health Care Recruitment Committee 2008:

Our community currently has 5 physicians. We continue to see locums and interns come and go, with the hope that they will make the decision to come back and stay permanently. The committee continues to advertise in various medical magazines and attend recruitment events for new potential hires. The hospital also has been aggressively seeking nurses and other health practitioners.

Are people viewing our Website? You bet!



Last year, the site received over 204 thousand visitors,
And over 3 million hits.

Per day, that translates to:
558 visitors per day, and over 85 hundred hits per day.

Possible office relocation:

A relocation committee has been formed, and discussions are underway with Fednor regarding funding for a move. The committee has a proposed location, and we expect to know more about this within the next few months.

Our Service area:

The AEDC offers its services to the residents of Upsala, Lac La Croix, and Seine River. We continue to improve our relationship with these outlying areas, as we attend meetings together and finance projects within their communities.

“Our community would like to sincerely thank you for approving our grant. We have purchased equipment for our fitness centre. You can’t possibly know how much this equipment will be used.”

- Mary Gonyou
Upsala Fitness Centre

Who have we worked with?

Pg. 4

The AEDC works with local residents to create and maintain jobs in the following ways:

- ▶ Provide financial support
- ▶ Provide technical and advisory support such as help with their business plan, cash flow projections, staffing issues, training, etc.
- ▶ Participation in the Self Employment Benefit Program.

The Self-Employment Benefit Program (funded by The Ministry of Training, Colleges and Universities) is administered by our office and offered to Atikokan residents. It is a very successful program, as it provides financial backing to new entrepreneurs engaging in business start-up.

“The SEB is an awesome program.
You may have potential, but don’t have capital,
so it’s a great place to start.
The program gives you confidence and financial security.”

- Rebekka DeCorte
The Beckery

SELF-EMPLOYMENT SERVICES

SECTOR	YEAR ENDED DEC. 31/08	SINCE INCEPTION
Hospitality	1	6
Service	4	50
Tourism	0	6
Aquaculture	0	2
Manufacturing	0	9
Transportation	1	5
Retail	3	20
Forestry	0	6
TOTAL	9	104

“Being able to take advantage of the SEB program
was the push I needed to actually get my business up and running.
I would encourage anyone who is thinking of starting their own business
to take advantage of this benefit – it was well worth it!

-Bonnie Bjorkman
Bonnie’s Photography & Design

BUSINESSES & JOBS CREATED/MAINTAINED

YEAR	BUSINESSES STARTED	BUSINESSES MAINTAINED	JOBS CREATED	JOBS MAINTAINED
2003	5	32	6	69
2004	6	29	148	203
2005	2	20	8	191
2006	8	31	139	293
2007	8	11	19	43
2008	15	12	21	82
TOTAL	96	221	452	1,166

From a Financial Perspective.....

During 2008, our office disbursed new investment funds of \$802,530 towards new loans. In total, 24 loans were refinanced, amalgamated and/or disbursed.

Seven Community Futures Development Corporations within Northwestern Ontario have formed a corporate pool for dispensing larger loans. Atikokan currently has 13 of these regional investments totaling \$647,445 in that portfolio. This partnership allows the AEDC to consider investments in excess of \$150,000 by sharing the risk with six other partners (maximum loan amount is \$500,000).

That's almost
1.5 Million
Dollars into
Northwestern
Ontario's
Economy

"The AEDC has been a strong supporter of Souris River Canoes since 1992. In 2008, they were instrumental in helping us obtain financing from 3 different partners to build a new resin building. This will allow us to increase our production from 500 to 750 canoes per year. The new building is state of the art and provides a much improved working atmosphere for our employees. Their business advice is always dead on the money. As a business owner, it is nice to have that kind of support when the going gets tough.

-Keith Robinson
Souris River Canoes

LOAN ACTIVITY FOR THE PAST 3 YEARS

YEAR	LOANS ISSUED	LOAN AMOUNT	REPAYMENTS	PORTFOLIO BALANCE
2006	25	\$603,024	\$314,722	\$3,577,917
2007	28	\$713,394	\$446,325	\$3,603,534
2008	24	\$802,530	\$493,915	\$4,385,956

I started Turtle Wood Enterprises in April 2008.
 As the economy slowed in the Fall, I approached the AEDC with my prospected goals and they worked with me to get everything in place.
 They were a very great help and continue to be.
 I now employ 5 people full time and as things progress I can see that number increasing.

Ken Faykes
 Turtle Wood Enterprises

INVESTMENT PORTFOLIO ACTIVITY - 2008

SECTOR	AMOUNT OF LOANS ISSUED IN 2008	CURRENT # OF LOANS IN PORTFOLIO	CURRENT AMOUNT OF LOANS
Hospitality	\$133,637	14	\$810,259
Mining	0	2	\$101,835
Service	\$113,633	21	\$638,053
Tourism	0	9	\$549,683
Manufacturing	\$169,927	8	\$658,134
Transportation	\$74,333	10	\$399,466
Retail	\$306,500	15	\$760,705
Forestry	\$1,500	13	\$402,321
Research/Development	\$3,000	3	\$65,500
TOTAL	\$802,530	93	\$4,385,956

All funding applications received by the AEDC are reviewed by our Community Investment Fund Committee. This committee is comprised of three members from the community at large, and three members from the AEDC Board. We gratefully acknowledge the following for the many volunteer hours throughout the year that they contribute: Dr. Ken Sawchuk (Chair), Elizabeth MacKay, Robin Johnson, Cecil Leif, Mary Makarenko and Elvin Rydberg.

“Small business loans are very helpful in kick-starting new business.

Entrepreneurs are constantly taxing themselves in areas of endeavor where second opinions become insights and/or confirmation that one is headed in the right direction.

The AEDC has, on many occasions, provided that forward thinking and expertise to us. They have proven to have the broad range of skills and knowledge required to assist and steer business ventures such as ours. Whether seeking a second opinion, guidance or advice, this has been one great resource.”

- Dennis Fredrickson
 Poli-Shelters/Soft Wilderness Adventures

Welcome to our Business Community!

Pg. 7

We are proud to have worked with the following clients who have opened their doors for business this year:

“I was absolutely sick about preparing a business plan. The AEDC guided me through that. The SEB Program helped me out financially a great deal. The staff was very helpful with referrals to websites for research, and lending me books regarding business start-up.”

-Marcia Cross
Run With Scissors
Hairstyling

*“Running With Scissors” Hairstyling
Marcia Cross

*“Grand Paws Den”
Kennels
Darrell Chambers

* TheBeckery
Rebekka DeCorte

*Carrie’s Corner
Carrie Girard &
Erle Zacharias

*Black Door Marketing
Connie & Greg Terlesky

*Dave’s Appliance &
Parts
Joan Wiens

*“The Odd Guy for Odd Jobs”
Ken Danard

*Turtle Wood
Enterprises
Ken Faykes

* D&L Grocery
John Williams

*Sunset Country
Contractors
Ted McLeod

*McCarthy’s Home
Renovations
Dennis McCarthy

* Gardewine
Sam O’Flaherty

“The AEDC has been an enormous amount of help in the development of my business. I found them to be very knowledgeable, supportive, and necessary to get my business up and running. I will be looking forward to further assistance in the following months as well.”

- Darrell Chambers
GrandPaws Den

“The AEDC staff were very informative. If I had a problem, they knew where to go and what to do. I will continue to work with the AEDC as my business progresses.”

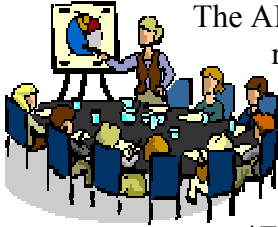
-Dennis McCarthy
McCarthy’s Home
Renovations

“We were very happy with the support we received from the AEDC. The staff was very helpful putting together our business plan, and was always there for us if we had any questions or just needed to talk.”

-Carrie Girard &
Erle Zacharias
Carrie’s Corner

Workshops & Seminars:

Pg. 8



The AEDC is committed to offering ongoing education for our clients and residents within the communities we serve. We encourage suggestions from you if there are topics of interest that you would like to know more about. Last year, we hosted information seminars on the following:

- *FedNor & Northern Ontario Heritage Fund Corporation Funding
- *The Self Employment Benefit Program
- *Aboriginal Business Canada "Funding Your Business"
- *How To Start A Business
- *Marketing and Selling
- *Hiring & Training Employees
- *E-Commerce
- *Looking for Money?
- *PARO
- *High School Coop

Atikokan Employment Centre:

With many upsets in the local labour market the Employment Centre has been extremely busy helping people to cope with and adjust to the changes in our community and the surrounding areas. We have seen a shift of a great population of our workforce to the Western provinces to work. Participation of our Employment Ontario programs has been at an all time high. Last year we assisted clients in the negotiation of:

- Over \$500,000 in funds from the Ontario Skills Development Program
- \$140,000 in funds from the Ontario Second Career Strategy
- \$60,000 in funds from the Ontario Targeted Wage Subsidy Program which created 4 full-time jobs within the community. It also assisted local groups secure project money through the Job Creation Partnership to undertake a variety of special projects.

We also helped over 50 residents apply to these positions, which resulted in employment and skill building opportunities for 22 people.

Other activities hosted by the Employment Centre in 2008 included:

- Participation on the Atikokan Labour Adjustment Action Centre Committee.
- Free WHMIS training to over 100 unemployed and employed residents.
- A variety of group information sessions to clients including: Interview Skills Techniques, Resume Writing Clinics, Young Worker Awareness Training, Babysitting Training, Cover Letter Writing Workshops and Job Search Techniques Training.
- The Atikokan Career Fair 2008 (more than 100 people in attendance).
- A Networking Luncheon in partnership with the existing Inter-Agency Group to promote the interaction of service providers within the community. This event was a huge success with over 50 Inter-Agency members in attendance, which is more than double the regular meetings.
- Partnered with the RCMP to hold two recruiting sessions in 2008.
- Co-ordinated a 'Dress for Success Session' for clients needing assistance with their physical first impression.
- Worked with Service Canada to offer in-person client appointments for individuals that are having challenges with, or questions about, Employment Insurance, CPP/OAS or Boater's Registration. Representatives from Service Canada come to our community bi-weekly to provide services to the community. This has been well-received and continues to be an in-demand service.

It has been a busy year for the Employment Centre and we predict the activities of the office to increase as we make plans to enhance and expand the services we provide within the community.

Investing in Community Projects:

Pg. 9

The Local Initiatives (LIP) is funded by Industry Canada/Fednor for the purpose of supporting local economic community development projects that fit within the community's Strategic Plan. We would like to recognize our LIP committee members (3 from the AEDC Board, and 2 members from the community) who volunteer many hours throughout the year to review all of our funding submissions. Thank you to Mary Makarenko (Chair), Dave Homer, Shannon Riding (Upsala rep) Sally Burns, and Jan Lewis.



Last year, those dollars made the following possible:

\$ Atikokan Sno-Ho Club Compaction bar for the groomer	\$4,639
\$ Atikokan Art Centre Pottery wheel, slab roller and flooring for pottery room.	\$2,400
\$ Bow to Stern Association Professional canoe race in Atikokan	\$5,000
\$ Township of Atikokan Community Investment-ready projects	\$4,909
\$ Charleson Recreation Brochure and trade show display unit	\$1,701
\$ Chi-ma-a-ganing Native Development Corp. Seine River First Nation Ec. Dev. Management System	\$2,500
\$ Beaten Path/Triple P Triathlon Advertising, insurance and course set-up fees.	\$1,000
\$ Atikokan Pictograph Gallery Web site development	\$3,709
\$ Atikokan Amateur Radio Club Back-up generator and the development of a second repeater.	\$3,865
\$ Atikokan Public Library New computer hardware and software for teen lounge.	\$3,348
\$ Atikokan Youth Initiatives Corp. Furniture, equipment, and pool table for new youth centre.	\$3,750
\$ Atikokan Employment Centre Website for service exchange.	\$500
\$ Upsala Fitness Centre Treadmill, elliptical machine and various exercise equipment.	\$4,678
\$ Atikokan Intergenerational Centre for Arts Recording studio enhancement equipment.	\$3,000
\$ Atikokan Bass Classic Additional pieces for the event tent	\$5,000

“The compactor bar will be used for opening trails. Without the LIP grant, our Club would be unable to purchase this equipment.”
- Kim Cross
SnoHo Club

“The event was a huge success with a total of 46 participants. This would not have been possible without the support of the LIP.
- Julie Slack
Triple P Centennial

“Our Club has been able to significantly improve Atikokan's emergency communications abilities. The LIP funds have given us increased visibility.”
- Warren Paulson
Amateur Radio Club

“The AEDC have always been there to help out with advice and assistance. They have consistently helped us with postage, photocopying, grant applications, LIP money, bridge financing, as well as in many other ways whenever necessary. They have sent staff to attend our meetings when we requested it. This has proven to be an entirely worthwhile method for us to see a problem or situation we needed to resolve from a totally different perspective, and make a wise decision which we maybe had not considered at all.”

- Linda Manford

Past Chair, Atikokan Bass Classic

Please meet our Staff:

Executive Director	Garry McKinnon
Community Development Advisor	Paula Sanders
Community Development Advisor	Mikael Mantyla
Office Administrator	Marg Thurier (temporarily being filled by Annette Bryk)
Administrative Assistant	Dawn Hayes (temporarily being filled by Brigitte Tribe)

(After over 8 1/2 years of dedicated service to our organization, we congratulate Dawn on her retirement in March, 2009. We appreciate the energy and commitment that she brought to our organization.)



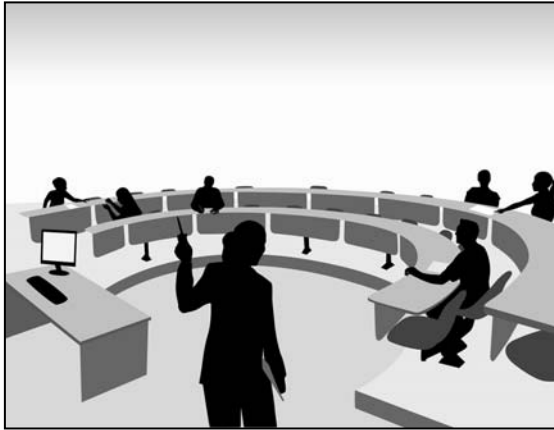
We are also pleased to receive funding from The Ministry of Training, Colleges and Universities to operate The Atikokan Employment Centre located across the street from our office at 206-214 Main Street.

Employment Counsellor	Lisa Marusyk
Employment Resource Worker	Annette Bryk (temporarily being filled by Sue Bates)
Chamber of Commerce Office Manager	Jolene Wood (The AEDC contributes towards the wages for the Office Manager position.)

Looking Ahead....

Pg. 11

AEDC activities for the 2009 year, as determined at the board strategic planning session, fall into three broad categories:



1. Education and Youth Development:

The first initiative in this area is to establish a business plan competition for high school students. If it can be included within the school curriculum we will work with the teachers to develop the program. If it cannot be an in-school activity, the AEDC will develop the program and deliver it as an extra-curricular activity.

There never seems to be a shortage of good ideas for new business in the area. However, there appears to be a shortage of engaged people to take those ideas and run with them. In an attempt to address this incongruity, the AEDC will host entrepreneurship workshops. We will attempt to have a workshop tailored to senior high school students.

In an effort to start to orient people to the business world, the AEDC will endeavour to host or sponsor a business camp for young people. The objective of this camp will be to pique the young people's curiosity and thereby encourage them to explore their options.

Due to the size and location of the Atikokan High School, there are few electives for senior students to enroll in. The AEDC will work with the school and try to identify mechanisms to expand the options for students. It is anticipated that electronic course delivery will be a primary source of solution. If this is successful, we will attempt to make similar choices available in our other communities.

2. Support and Development for Business:

At the board planning meeting, it was pointed out that shopping patterns for at least one of our communities change seasonally. It has been determined that the issues of time differential and a lack of marketing effort contributed to a loss of business for Atikokan retailers in the winter months.

One remaining bright light on the horizon appears to be the potential for mineral exploration and development, particularly in the months following the release of the AMDI results. The AEDC will prepare and distribute periodic reports on the status of mining initiatives throughout the area. The objective of this activity is to generate interest in the sector and prepare residents and businesses for potential developments.



It was agreed at the strategic planning session that the most important component of our business services needs to be maintaining relationships with current business. To accomplish this, the AEDC will develop a contact protocol outlining guiding principles that will be followed to ensure maximum contact and communication. The expected outcomes are prompt identification of challenges and opportunities in addition to improved multiple bottom line performance of those businesses.

The AEDC has always promoted new businesses through press releases in the local paper. We also list all businesses on our website. In addition to these efforts, The AEDC will celebrate business successes when they open new markets, develop new products, expand their operations, etc.

There is a bit of renewed interest in the opportunity represented by "Quetico Centre". Although the business no longer exists, the asset is still intact and ready for a new enterprise to take over. The AEDC will work with the property owners, the education sector, and potential users and operators in an effort to identify the best options for the facility.

3. Strategic Tourism Development:

Cross country skiers from the Thunder Bay area have stated that the Beaten Path Nordic Trails rival, and may be superior to, either Lappe or Kamview, which are the top facilities in Thunder Bay. There is a growing market for quality cross country skiing product in northwestern Ontario and in the region south of the border. The AEDC will work with Beaten Path to develop and implement a marketing plan. The desired outcome is to attract more traffic to these fabulous nordic trails and while they are in the area, the users can spend their money in the retail and hospitality establishments.

All terrain vehicle (ATV) recreational activities are increasing across North America and there has been incredible growth in ATV ownership. Northern Ontario communities from Parry Sound to Chapleau to Manitowadge are marketing ATV adventure trail riding. There is an apparent lack of recognition of the potential for this recreational activity to attract economic benefit in the northwestern Ontario region. The AEDC will instigate discussion with the intent of developing a group to take on this opportunity. We will know we have been successful if a group is established to study this potential.



Little Falls is a hidden gem right in the Town of Atikokan! Someone traveling by Atikokan or visiting the community would never know it existed based on signage or directional information. The AEDC will engage the Township of Atikokan in a discussion about ways to improve exposure for this spectacular natural feature. The

desired outcome will be the installation of promotional signage on the highway that has a pictorial depiction of the site, and directional signage in town to help people find it.

Many enterprises and organizations are involved in tourism marketing in the area. The good news in that observation is that there may be multiple promotional messages out there. The bad news is that there may be multiple promotional messages out there. There is a need for those involved in marketing the areas tourism resources to improve communications and coordination of marketing efforts to ensure maximum outcomes. An initial Endeavour to bring these many voices together will be lead by the AEDC, hopefully with the support of the Township of Atikokan, and the Atikokan Chamber of Commerce, among others.

If you have suggestions or comments about our organization or our website, we encourage your feedback. Please contact us:



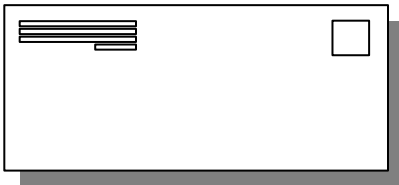
By telephone: 807-597-2757 or 1-888-334-AEDC



By email: atikokaninfo@atikokaninfo.com



In person: 115 Main Street West,
Voyageur Mall, Lower Level



By mail: P.O. Box 218
Atikokan, ON
P0T 1C0



Atikokan
ECONOMIC DEVELOPMENT CORPORATION
A Community Futures Development Corporation

