



A partnership of the City of Dawson, Dawson City Chamber of Commerce, Klondike Institute of Art & Culture, Klondike Visitors Association, and Chief Isaac Incorporated

## RENTAL HOUSING PROJECT



## A True Community-Based Solution

### BUSINESS PLAN

Prepared February 2014

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## ACKNOWLEDGMENTS

Canada Mortgage and Housing Corporation provided substantial funding through the Seed Funding program. The KDO Directors are volunteers and their considerable energy and expertise is valuable.

## BIBLIOGRAPHY OF SUPPORTING DOCUMENTS AND REFERENCE MATERIALS

Yukon Rent Survey	Yukon Bureau of Statistics	September 2013
Housing Opportunity Research	KDO	2010
Housing Demand Survey	KDO	2011
Housing Strategy	KDO	2011
Apartment Survey	KDO	2012
Dawson Employer Labour Market Survey	KDO	2013
Apartments Demand Survey	KDO	2013
Residential Land Demand Survey	KDO	2011

All the KDO research reports may be accessed at <http://klondikedevelopment.com/research>

## WEB SITES

Government of Yukon Socio-Economic Portal	<a href="http://www.sewp.gov.yk.ca">www.sewp.gov.yk.ca</a>
Census of Canada	<a href="http://www12.statcan.gc.ca/">http://www12.statcan.gc.ca/</a>
National Household Survey	<a href="https://www12.statcan.gc.ca/nhs-enm/index-eng.cfm">https://www12.statcan.gc.ca/nhs-enm/index-eng.cfm</a>
Yukon Bureau of Statistics	<a href="http://www.eco.gov.yk.ca/stats/">http://www.eco.gov.yk.ca/stats/</a>
Klondike Development Organization	<a href="http://klondikedevelopment.com">http://klondikedevelopment.com</a>

## Table of Contents

<b>Executive Summary</b> .....	<b>5</b>
<b>1 Organizational Summary</b> .....	<b>7</b>
1.1 Structure .....	7
1.2 Vision and Mission.....	7
1.3 Directors Experience .....	7
1.4 Team Member Experience.....	8
1.5 Contact Details.....	9
<b>2 Market Need and Demand Analysis</b> .....	<b>10</b>
2.1 Regional Economy .....	10
2.2 Demography.....	11
2.2.1 Population and Age.....	11
2.2.2 Household Size, Growth and Type.....	12
2.2.3 Household Incomes.....	12
2.3 KDO Demand Surveys.....	12
2.4 Current Housing Market.....	14
2.4.1 Availability .....	14
2.4.2 Rental Rates .....	14
2.4.3 Home Ownership Options .....	15
2.5 Rental Market Competitors .....	15
2.6 Target Market Segmentation .....	16
2.7 Demand Conclusion .....	16
<b>3 The Development Project</b> .....	<b>17</b>
3.1 Description .....	17
3.2 Proposed Location .....	17
3.3 Conceptual Designs .....	19
3.3.1 Option 1 .....	19
3.3.2 Option 2.....	21
<b>4 Construction</b> .....	<b>23</b>
4.1 Timetable.....	23

4.2	Construction Team .....	24
4.3	Capital Expense Estimates .....	24
<b>5</b>	<b>Operations and Management.....</b>	<b>25</b>
5.1	Management Structure .....	25
5.2	Operating Expense Estimates .....	25
<b>6</b>	<b>Communications, Marketing and Sales .....</b>	<b>26</b>
6.1	Communications .....	26
6.2	Marketing .....	27
6.2.1	Sales Avenues .....	27
6.2.2	Sales Forecast .....	27
<b>7</b>	<b>Financial Plan .....</b>	<b>28</b>
7.1	Funding and Financing Plan .....	28
7.2	Important Financial Assumptions.....	29
7.2.1	Financing .....	29
7.2.2	Revenue .....	29
7.2.3	Operating Costs.....	29
7.2.4	Depreciation .....	29
7.3	Pro Forma Profit and Loss Statements .....	30
7.4	Projected Cash Flow Statements .....	32
7.5	Pro Forma Balance Sheets .....	34
	<b>Appendix 1 – KDO Director Profiles.....</b>	<b>36</b>
	<b>Appendix 2 – Team Member Profile: Han Construction .....</b>	<b>45</b>
	<b>Appendix 3 – Team Member Profile: Low Impact Development.....</b>	<b>49</b>
	<b>Appendix 4 – Team Member Profile: Across The River Consulting .....</b>	<b>54</b>

## **Executive Summary**

### **About Us**

Klondike Development Organization was founded in 2009 and is a partnership of City of Dawson, Chief Isaac Incorporated (Tr'ondëk Hwëch'in), Dawson City Chamber of Commerce, Klondike Visitors Association and Dawson City Arts Society. Our vision is of a resilient Klondike where highly engaged citizens, networks and organizations collaborate to build a sustainable economy.

Our mission includes strengthening critical economic and social sectors. We have continually found that Dawson City's housing shortage acts as a barrier to its growth and development and the Board of Directors has prioritized this sector in its strategic plan.

### **Our Project**

There is a significant shortage of rental housing in Dawson City (particularly in one bedroom stock) and yet all studies have shown that construction costs prohibit the development of a new for-profit rental development at market affordable rents. A community-based rental housing project operated on a not-for-profit basis and supported by Yukon Housing Corporation poses our best chance of adding a significant amount of new housing stock to the market in the near future.

Based on our feasibility study supported by the CMHC Seed Funding program, our concept for a Dawson City housing solution is the development of an apartment complex of compact, energy efficient units that would be suitable for single individuals, couples, or small families.

### **Our Concept**

We completed a Market Need and Demand Analysis this summer including an Apartments Demand Survey with 104 respondents. 64 respondents, or 87% of renters, indicated they were, or may be, interested in renting an apartment in such a complex. Existing market supply, demand and affordability data support the proposal of a complex of sixteen units, split between twelve 1-bed and four 2-bed apartments.

Initial demand, capital and operating cost projections have lead us to size the units at approximately 480 ft<sup>2</sup> and 648 ft<sup>2</sup> respectively. To achieve the 16 units, there are two building configuration options we are considering and conceptual designs have been completed:

- One building of 16 units, total floor area approximately 8400 ft<sup>2</sup> over 2 stories, on about a 60' x 72' rectangular building footprint
- Two buildings of 8 units, each total floor area approximately 4200 ft<sup>2</sup> over 2 stories, on about a 30' wide x 72' long footprint, situated side by side on two lots to minimize foundation cost risk and enhance design. The two could possibly be developed consecutively as demand directs.

Either option would fit on 2 lots, downtown, with parking stretching across the back of the 2 lots accessed from the alley in accordance with municipal bylaws. There are multiple suitable and available sites. This project will be located in the Downtown core, and therefore is being designed to meet historic bylaws, and complement Dawson City's historical landscape.

This project will have a lean budget, and will be designed with both construction and operation and maintenance efficiency in mind. Key strategies to achieve capital and operational efficiency include:

- Super-green energy-efficiency standards for construction
- Electric heat and HRV ventilation will be installed and assigned individually to each unit and tenants will be responsible for their own bills to encourage good practices
- Interior common areas such as hallways will be excluded or greatly reduced to minimize our heating, custodial and other unpredictable property servicing cost risks
- Off-street parking will be minimized to 11 spaces in alignment with survey indicated demand
- Construction timetable will be carefully attuned to seasonal conditions

**Financial**

Based on financial projections to date, this project's break-even construction cost is a maximum of \$200 ft<sup>2</sup>. The project will not proceed if construction cannot be achieved at this price or lower. The basic capital and financing budgets with a 50% YHC capital grant contribution are below:

<b>Construction Costs</b>		<b>Investment and Financing</b>	
Property Purchase	\$110,000	Equity	\$0
Lot Development	\$100,000	YHC Contribution	\$998,664
Building Construction	\$1,670,400	Mortgage Financing	\$998,664
Construction Financing & Misc. Costs	\$116,928		
<b>Total Build Cost</b>	<b>\$1,997,328</b>	<b>Total Investment</b>	<b>\$1,997,328</b>

Rents are pitched at \$850/month for the 1-bedroom and \$1250/month for the 2-bedroom. With a 95% occupancy rate at these rental rates, using 5% mortgage financing over 20 years, revenues will cover all operational costs including cost and repayment of finance, utilities, insurance, property management, maintenance and replacement reserves. A property tax relief program is being considered by the municipality of City of Dawson at this time, and we will be submitting a proposal for a minimum of five years relief, and if granted, the business will be sustainably cash flow positive from year one.

**Our Team**

We are lead by a board of directors who bring forward complementary skill sets, a record of achievement, and successful project management and execution that is unparalleled in the region. We are pleased to be partnering with a number of other highly capable and experienced Dawson-based businesses, namely Han Construction, Low Impact Development and Across The River Consulting to construct, operate and manage this business proposal. Further local businesses will be contracted to manage and service the operation of the business.

# 1 Organizational Summary

## 1.1 Structure

Klondike Development Organization (KDO) was founded in 2009 and is a highly effective partnership of the lead community agencies of City of Dawson, Chief Isaac Incorporated (Tr'ondëk Hwëch'in), Dawson City Chamber of Commerce, Klondike Visitors Association and Dawson City Arts Society. It brings the capacity and knowledge of each to all its initiatives. KDO is lead by a board of directors who bring forward complementary skill sets and a record of achievement and successful project management and execution that is unparalleled in the region. Each of the community partners nominates up to two directors and the following is a list of current board members and the organizations they represent:

City of Dawson:	Bill Kendrick (Vice-President) & Micah Olesh
Chief Isaac Incorporated:	Marge Kormendy
Dawson City Chamber of Commerce:	Dina Grenon (Secretary) & Helen Bowie
Klondike Institute of Art & Culture:	Karen Dubois (Treasurer)
Klondike Visitors Association:	Brian Stethem (President)

## 1.2 Vision and Mission

Our vision is of a resilient Klondike where highly engaged citizens, networks and organizations collaborate to build a sustainable economy.

Our mission includes strengthening critical economic and social sectors. We have continually found that Dawson City's housing shortage acts as a barrier to its growth and development and the Board of Directors has prioritized this sector in its strategic plan. KDO has since been active in the Klondike residential sector for over three years through research and facilitation of market supporting initiatives and has now been proactively planning this residential rental development for over one year.

## 1.3 Directors Experience

**Brian Stethem** is President and owns and operates Stethem Exhibits and Events and is a retired Senior National Communications Manger for Agriculture Canada. He also manages Gold Bottom Mine Tours.

**Bill Kendrick** is Vice-President and a City of Dawson Councilor with knowledge of the local municipal OCP, zoning bylaws, and processes. He is the key connection to the municipality on the project, with five years of experience. Bill is also the Land and Resources Manager at Tr'ondëk Hwëch'in.

**Karen Dubois** is Treasurer and as the Executive Director of the Klondike Institute of Art and Culture manages an annual budget of \$600,000.

**Dina Grenon** is Secretary, and has fifteen years experience managing the finances and accounting for her family business, Grenon Enterprises that undertakes ground preparation and

excavation as well as water and sewer service installations. Dina was also General Manager of the Triple J Hotel for 4 years and managed residential rental properties for Klondike Travel Ltd for 3 years.

**Helen Bowie** owns and manages BHB Storage & Rentals and has operated storage facilities and residential and office rental spaces for 16 years. Helen has designed, converted or constructed several residential and commercial spaces, including the Outreach Building on 3<sup>rd</sup> avenue in Dawson.

**Marge Kormendy** has been responsible in her position at Chief Isaac Group for property management of a number of housing units, the Tr'ondëk Hwëch'in Hall and administrative office complex, the Dänojà Zho Cultural Centre, as well as other smaller office buildings, and institutions in town for the last twelve years.

**Micah Olesh** is the City's Community Development and Planning Officer and has a thorough understanding of the City's Heritage Bylaws, construction permitting and other requirements for building locally, with 4 years of experience.

Professional summaries and/or resumes are included in the appendix for further details of the experience and capabilities the KDO directors will bring to the successful design, construction and operation of these residential accommodations.

#### **1.4 Team Member Experience**

KDO is pleased to be partnering with a number of other highly capable and experienced Dawson-based businesses to construct, operate and manage this business proposal. Further details of their specific roles and responsibilities are shown in the later chapters.

**Han Construction Limited** (HCL) is a subsidiary of Chief Isaac group, a development corporation wholly owned by Tr'ondëk Hwëch'in. HCL started out in 1992 for the purpose of addressing the residential construction and maintenance needs of the First Nation while creating employment and training opportunities. Today the business has expanded into the government, commercial and private sectors of the community of Dawson City and other areas of the Yukon.

HCL has an impeccable reputation in the Yukon construction industry due to their superior cold climate project management and construction skills and experience. HCL has provided leadership in bringing projects to occupancy on time and on budget and is recognized nationally by CMHC for leadership in northern residential construction techniques and products.

Employing ten permanent and up to 50 casual workers, large projects have included the Tr'ondëk Residential Subdivision in Dawson City (52 residences), the Tr'inke Zho Centre, Tr'ondëk Hwëch'in Administration Building and the Danoja Zho Cultural Centre.

**Hector Renaud**, HCL Project Manager, has over 20 years of construction contracting, subdivision development and project management experience in Ontario and Alberta.



**Low Impact Development** (LID) is a Dawson City based design-build residential business partnership of **Greg Hakonson** and **Paul Derhak**. LID focuses on residential development, with a keen eye to designing compact and energy-efficient living spaces. LID has designed and built ten residences since its inception in 2009. Greg also provided architecture, design, engineering, and project management for renovation of the two storey, 9,000 ft<sup>2</sup> Old Liquor Store into the Yukon School of Visual Arts (SOVA) in 2007. This was a highly successful community-driven, government partnership project that came in on budget at approximately \$1.6 million dollars.

**Across The River Consulting** is a Dawson community and business planning, development and management consultancy, comprised of **Mark Wickham** and **Evelyn Pollock**.

Mark has exceptional knowledge of the particular cultures and real-world challenges to development faced in the smaller Yukon community context. Previously, Mark was the Community Development and Planning Officer at City of Dawson from 2005-2008.

Evelyn is the senior research and event facilitation/marketing consultant and is currently completing a professional certificate in Community Economic Development at Simon Fraser University. She brings diverse skills from the non-profit sector such as grant writing, reporting, budget management, and event planning, coordination and marketing. Evelyn uses her experience with digital design and communications platforms to assist in development of marketing materials.

Professional summaries and/or resumes are included in the appendix for further details of the experience and capabilities the team partners will bring to the successful design, construction and operation of these residential accommodations.

## 1.5 Contact Details

Mail: Klondike Development Organization  
PO Box 1613  
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Web: [www.klondikedevlopment.com](http://www.klondikedevlopment.com)

Facebook: Klondike Development Organization

KDO's representative for future communications on this project is our regular business manager:

Mark Wickham  
Across the River Consulting  
1-867-993-2306  
[klondikedevlopment@gmail.com](mailto:klondikedevlopment@gmail.com)

## 2 Market Need and Demand Analysis

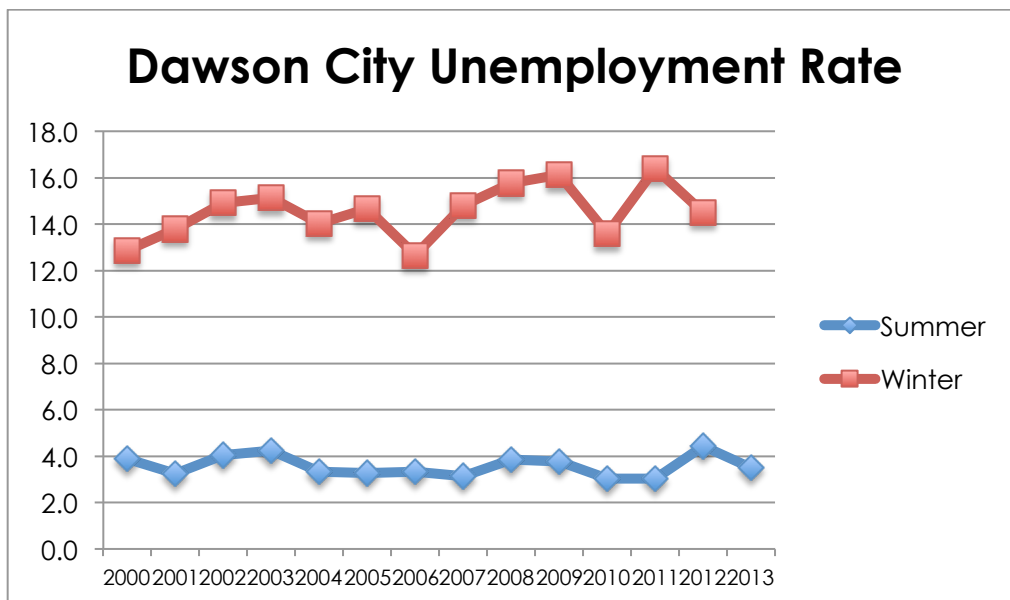
From 'Economic Scan and Assessment of Potential for Development (Vector Research et al, March 2008)':

*"Housing is currently a challenge in Dawson. Whether it is for year-round residents or for temporary summer workers it is a topic that arises consistently. Any further development that will push the demand for housing is going to run into the limitations already existing in the community around housing. While there is an overall desire for a modest population increase to reach a critical mass for year-round services there is currently very limited capacity for new residents to find adequate housing. This applies to rental properties as well and without adequate apartment accommodation or some form of condominium development the ability to attract and retain people is a factor."*

### 2.1 Regional Economy

The Yukon economy expanded 3.4 per cent in 2012. At that time, the Klondike region was experiencing a 'boom' in the mineral exploration sector, while at the same time a large number of significant capital construction projects were taking place in Dawson City. However, since that summer, spiking activity levels have once again tapered off to more 'normal' levels, due primarily to the completion of the construction projects side, and the dropping of metal prices and a weak investment climate for early stage exploration. In 2013 Yukon was therefore expecting a slower pace of economic growth, projecting a 0.9 per cent increase in output.

There is very little formal public economic data at the Dawson regional level. Numbers for regular employment insurance beneficiaries are the only quantitative employment indicator. While the summer 2013 number of 50 was close to the ten-year average of 40, winter numbers have risen in recent years to as high as 230 in January 2011. An estimate of the unemployment rate trend can be made from this data as shown below.



Employment is broadly stable with slight seasonal (winter) decreases. Major employers are stable, being governments (federal, territorial, First Nation and municipal), NGOs including Klondike Visitors Association and tourism operators such as Holland America and other hotels.

Overall, while the Dawson economy remains highly seasonal, it is stable with potential for considerable growth if recent strong exploration activity in the periphery is converted into long-term producing mines.

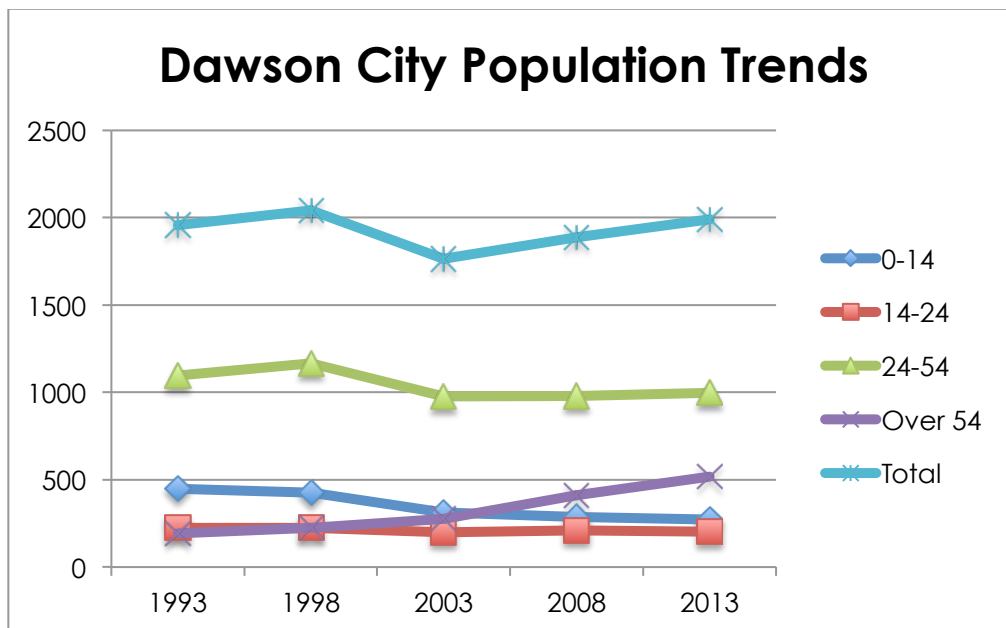
## 2.2 Demography

### 2.2.1 Population and Age

Yukon Bureau of Statistics (YBS) estimates the population of Dawson City from the Yukon Health Care Registration file, recording 1,989 in June of 2013, the latest available. This is close to a fifteen-year high, a rise of 2.8% over the previous year, a five-year rise of 5.3% and a 13% rise from the recent low point of 1,765 in 2003. It is fair to say that the population has been increasing slowly but steadily in recent years and has accelerated in the last year, possibly as a direct result of the increased economic activity.

	0-14	14-24	24-54	Over 54	Total
<b>1993</b>	447	224	1095	193	1959
<b>1998</b>	426	224	1166	225	2041
<b>2003</b>	313	199	977	276	1765
<b>2008</b>	285	211	980	413	1889
<b>2013</b>	272	204	997	516	1989

As in many rural Canadian communities the population has experienced a rapid ageing in recent years. The only segment to have been growing is over 54:



### 2.2.2 Household Size, Growth and Type

The latest census data is from 2011. The average household size fell from 2.32 to 2.11 between 2001 and 2011. Almost all of the recent population growth has been single-person households and some from childless couples, at the expense of families:

Total Numbers	2001	2006	2011	Change
All households	540	595	625	+85
Single-person households	190	240	260	+70

Dawson now has a much higher proportion of one-person households (42% over 30.7%) and less couples and families than the rest of Yukon. Approximately 20% of households move in any given year.

### 2.2.3 Household Incomes

Dawson has a high and rapidly increasing income profile for single-person households. Considerable gains were seen between 2000 and 2010, the latest census data available:

Median Gross Income	2001	2006	2011	Change
All households	\$41,792	\$50,240	\$60,072	+43.7%
Single-person households	\$20,512	\$30,345	\$38,941	+89.8%

## 2.3 KDO Demand Surveys

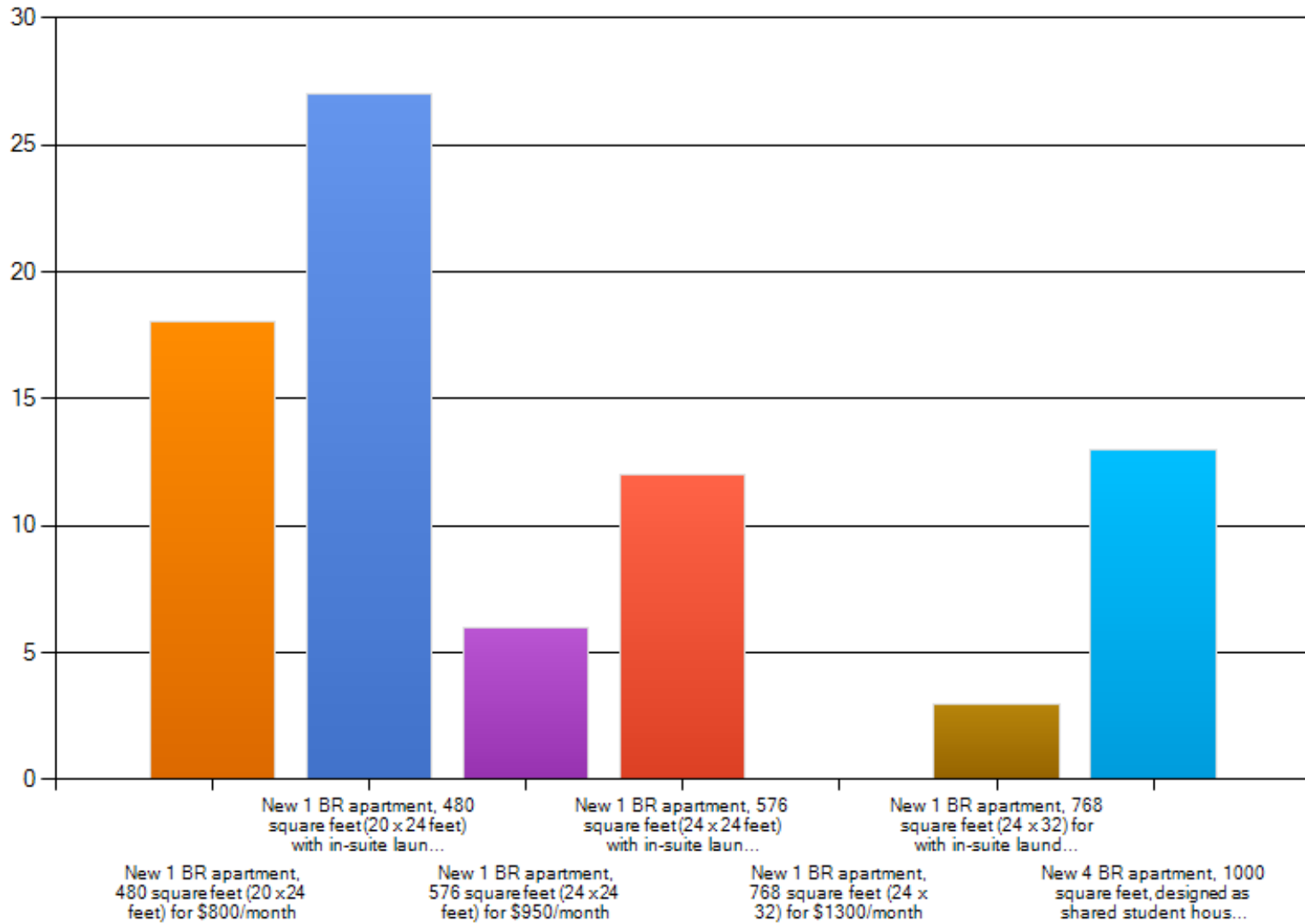
KDO has undertaken the following research on the community housing situation that includes needs assessments, all of which can be accessed at [www.klondikedevelopment.com/research/](http://www.klondikedevelopment.com/research/)

1. *KDO Housing Opportunity Research, 2010*
2. *KDO Housing Demand Survey, 2011*
3. *KDO Apartment Survey, 2012*
4. *Dawson Employer Labour Market Survey, 2013*
5. *KDO Apartments Demand Survey, 2013*
6. *KDO Residential Land Demand Survey, 2013*

The 2013 Apartments Demand Survey garnered 102 responses. 64 indicated definite (29) or possible (35) interest in renting an apartment in a new complex. The most popular option was a \$900/month 480 ft<sup>2</sup> unit with laundry and the split was 70:30% between the 1-bed 480 ft<sup>2</sup> and 2-bed 648 ft<sup>2</sup> spaces as shown on the following chart. Detailed data was also collected on preferred servicing such as vehicle use and parking space requirements were measured at 71%.

Median income of the positive respondents was \$38,000, who are currently paying an average monthly rent of \$705, or 22% of gross income.

**Of the following choices of rental units, which would appeal to you?**



## 2.4 Current Housing Market

### 2.4.1 Availability

In the 2011 National Household Survey, renting was much more prevalent in Dawson than Yukon with 61 per cent (415) of households renting. Only 10 households live in a condominium development.

The Yukon Rent Survey (YBS, September 2013) recorded a 13.3% vacancy rate, although the small sample size means this only represents 2 units. The survey warns that caution should be used when analyzing the data for this reason.

Yukon Housing Corporation has 70 social housing and 27 staff housing units and Tr'ondëk Hwëch'in has approximately 140 units. All are full and oversubscribed. As of January 2014, local management noted a waiting list of 4 for soacial housing units and 9 for staff units. Existing clients are lead by single working males with relatively few receiving social assistance. Multiple clients are paying rents in excess of 'market' rates but the units meet their employment cycle needs for single occupancy with low maintenance demands. Tr'ondëk Hwëch'in typically has between thirty and fifty people that are defined as either 'homeless' or 'not appropriately housed'. Tr'ondëk Hwëch'in was building approximately six units per year but this has slowed due to access to finance.

Mining company rentals associated with the exploration boom were thought to have removed usual rental housing from the open market but this affect has now waned. Twenty to twenty-five social assistance clients are receiving rent monies in a usual month. There is only one regular landlord accepting social assistance clients and issues with maintenance standards are reported. Social assistance recipients are being forced down the housing quality ladder and safety is becoming an issue.

In the 2011 KDO Housing Demand Survey, only 55% of renters were satisfied with their housing. While home rental affordability is quite reasonable, *quality* and *availability* are critical issues.

### 2.4.2 Rental Rates

The Yukon Rent Survey (YBS, September 2013) quotes median monthly rental rates at \$700. No indications of housing location, amenities, age or quality is given and again, the sample size is small. The 2013 KDO survey put average one-bedroom monthly rental rates at \$718 but this includes respondents in low-rate and rent-geared-to-income government social housing.

These surveys are seen as biased to the low side on pricing, as is demonstrated by a spot poll of available rental properties in late 2013:

Location	Bedrooms	Rent Per Month (excluding utilities)
6 <sup>th</sup> Avenue	Room in shared house	\$500
7 <sup>th</sup> Avenue	1	\$800
6 <sup>th</sup> Avenue	1	\$1,050

Front Street	1	\$1,100
Bonanza Road area	1	\$1,350
House 20 minutes outside town	2	\$1,500

**2.4.3 Home Ownership Options**

The National Household Survey recorded a large rise in the average value of an owned dwelling between 2006 and 2011, by 41 per cent from \$148,890 to \$209,212. The more regular Yukon Real Estate Survey (YBS) includes no Dawson specific data so these costs are dated.

The average monthly shelter costs for owned dwellings were \$780, exactly the same as that for rented dwellings. KDO has tracked and recorded the asking price of properties for sale in the Dawson area over the last 2 years and at the end of 2013 there were 25 homes for sale, ranging in price from \$185,000 for heritage homes in need of renovations to 3-bedroom country residential family homes at \$499,000. There are no condominium developments in Dawson.

KDO's online properties map is [http://www.klondikedevlopment.com/klondike\\_lots.html](http://www.klondikedevlopment.com/klondike_lots.html). This map is a search tool and database designed to help prospective property or homebuyers see very quickly what is available for sale in Dawson, with associated information like pricing and contact details. The site lists both commercial and residential properties.

As of late 2013, the estimated value of a serviced building lot was \$45,000. The 2013 KDO Residential Land Demand Survey recorded an average new-build house need at 1276 ft<sup>2</sup>, projecting the average new-build home cost at \$266,705 assuming a \$175/ft<sup>2</sup> building price.

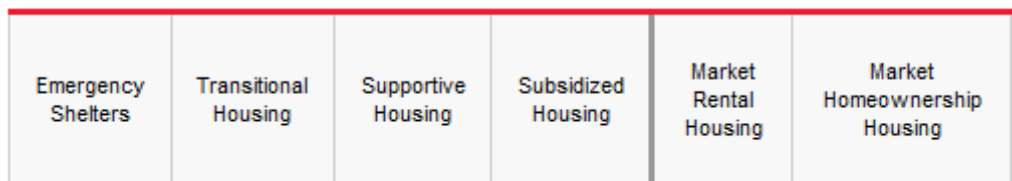
New residential building permits averaged 10.1 annually over the 2000-12 period (Yukon Statistical Review 2012 Annual Report) with 10 in 2012. This includes government housing. There is no speculative hous building market in Dawson.

In summary, with no single-person unit condominium developments in place or planned, satisfying housing demand for this segment through home ownership will typically require a budget of \$250,000 or more.

**2.5 Rental Market Competitors**

The housing sector is best understood as a continuum from emergency shelters to full market home ownership as seen below, from CMHC:

**Housing Continuum**



As noted above, the Yukon and Tr'ondëk Hwëch'in governments are active in the emergency shelter, supportive and subsidized social housing sectors. Single person households can earn up to \$54,320 in Dawson and still qualify for social housing. However, with rent-geared-to-income at 25% of gross income, such a client would be paying \$1,130 monthly. At an income of \$38,400, monthly rent would be \$800.

Setting aside the small-scale Yukon Rent Survey, the spot poll of available private sector rentals puts this supplier at \$1,100 or more in monthly rent. The quality of units that tend to become available in this sector is reported as low and frequently unreliable with short tenancies the norm. The best private units are generally locked in long-term agreements with permanent residents.

Market home ownership also competes, but with a \$250,000 budget requiring an annual income of \$55,000 and a down payment of \$15,000, this leads to a \$1,327 monthly payment. With interest only in year one being \$830 monthly plus an estimated \$250 extra in taxes and utilities, this totals to a monthly carrying cost of \$1,100 or more.

**2.6 Target Market Segmentation**

The primary target market segment will be single-person households or childless couples. Secondary markets will include single-parent families and single-persons willing to share 2-bedroom units. Households are expected to be working, with total incomes in the \$40-\$55,000 range that are trapped in an under-served segment between government social housing and market home ownership. Rents will be fixed at or slightly below market rates and not geared-to-income, better allowing tenants to save equity for future home ownership should they wish.

Target Segment		Household Income	Monthly Rent
Primary	Single-Persons	\$40-\$55,000	Fixed \$800-\$900
	Childless Couples		
Secondary	Single-Parent Families		
	Sharing Singles		

There is no data on the income distribution of single households in the National Household Survey. There are approximately 400 single person households in Dawson and an estimated 100 households in this income bracket. With 61% currently renting this indicates an estimated potential marketplace in this segment of 60 units. Similarly, the 2013 KDO Apartments Demand Survey had 64 respondents indicating a definite or possible interest in renting such an apartment.

**2.7 Demand Conclusion**

With quality and security of tenure reported as such an overarching demand criterion, the Market Need and Demand Analysis can conclude with confidence that there is significant and adequate demand just from these primary and secondary targets segments alone, to validate the demand case for development of a new quality 16-unit fixed open market rental development to be priced in the \$800-\$900 monthly rent range. Such rents will be below 25% of gross income, a standard affordability measure.



### **3 The Development Project**

#### **3.1 Description**

Delivering successful affordable housing requires a disciplined approach to cost and most importantly to the functional design. Dwelling units will meet the needs of the target market and be attractive to maximize occupancy rates, but at the same time the size and amenities will not be over-built. Operational and maintenance costs are a particular concern.

The development will be a complex of 16 sustainable, compact apartment units, including 12 one-bedroom apartments, and 4 two-bedroom apartments. Units will be sized at approximately 480 ft<sup>2</sup> and 648 ft<sup>2</sup>, respectively.

At this time, two options for construction configuration are being considered:

- 1) One 16-unit building of an estimated 8400 ft<sup>2</sup> over 2 storeys with an approximate 60' x 70' rectangular footprint. This building would sit on a double lot (100' x 100' or 10000 ft<sup>2</sup>) site in the downtown core, with parking stretched across the back alley side.
- 2) Two separate and consecutively built 8-unit buildings, each with an approximately 30' x 70' footprint. Each building would be 2 storeys, with parking along the back alley side. The buildings could be adjacent on a double lot (10000 ft<sup>2</sup>), or they could be situated independently on single lot (5000 ft<sup>2</sup>) spaces.

This project is intended to fit into the Downtown core, and therefore will be designed to meet historic bylaws, and complement Dawson City's historical landscape. Conceptual drawings have been included in this plan.

The project will leverage investment funds into the maximum number of new Yukon dwelling units and will necessarily have a lean budget. It will be designed with a keen eye to both construction and operation and maintenance efficiency. Key strategies to achieve this include:

- Super-green energy-efficiency standards for construction.
- Electric heat and HRV ventilation will be installed and assigned individually to each unit and tenants will be responsible for their own bills to encourage good practices.
- Interior common areas such as hallways will be excluded or greatly reduced to minimize our heating, custodial and other unpredictable property servicing cost risks.

#### **3.2 Proposed Location**

The project will be located close to amenities in the downtown core of Dawson City. The benefits of affordable housing can be negated if vehicle ownership is required and in the absence of public transportation in Dawson City, a central location close to jobs, shops, schools, recreation, parks and other services will be selected.

In addition, City of Dawson is completing preparation of a residential development incentive program that will include property tax rebates and parking requirement relaxations for currently

vacant sites in a defined Downtown Core. All the potential sites are within that core as this is essential to the business case.

Four potential private sites known to be available for sale have been targeted:

- 2<sup>nd</sup> Avenue between Princess & Queen Street
- 3<sup>rd</sup> Avenue between Harper and Princess Street
- 3<sup>rd</sup> Avenue between Church and Harper Street
- 4<sup>th</sup> Avenue between Queen and King

These are shown on the map below. All of the sites are compliant with the municipal OCP and zoning bylaw for our proposed project and no regulatory delays are foreseen.



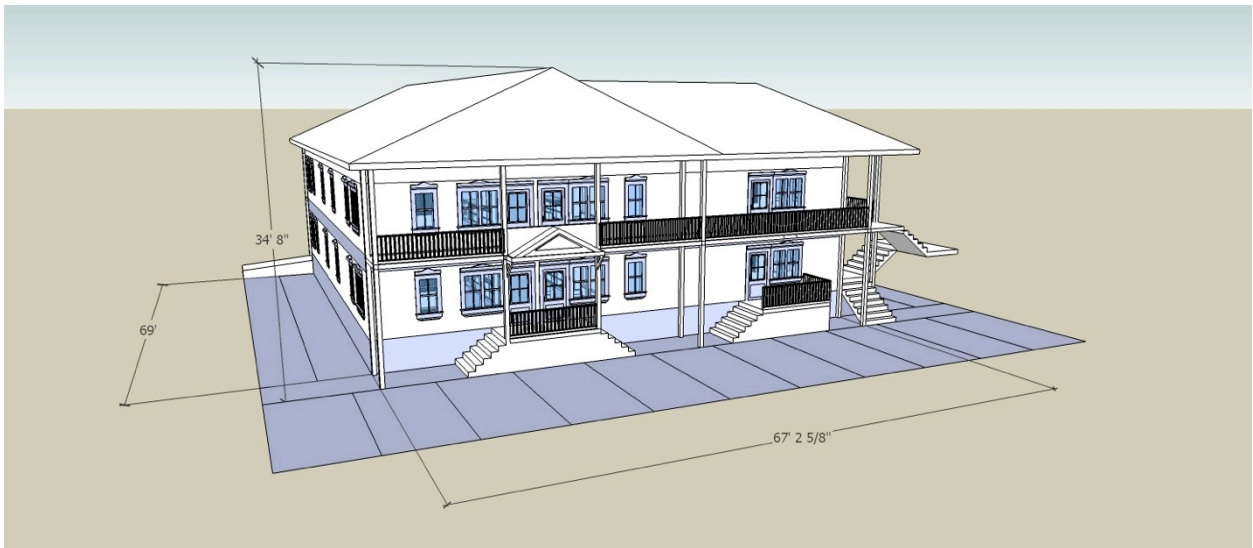
### 3.3 Conceptual Designs

#### 3.3.1 Option 1

One 16-unit building of an estimated 8400 ft<sup>2</sup> over 2 storeys with an approximate 60' x 70' rectangular footprint

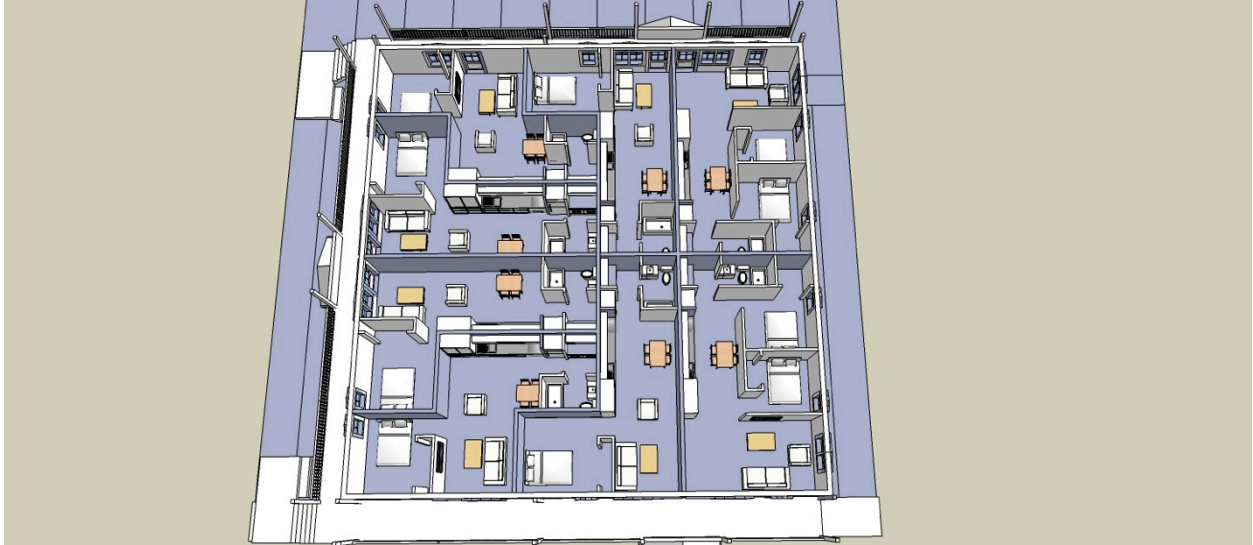


Front view

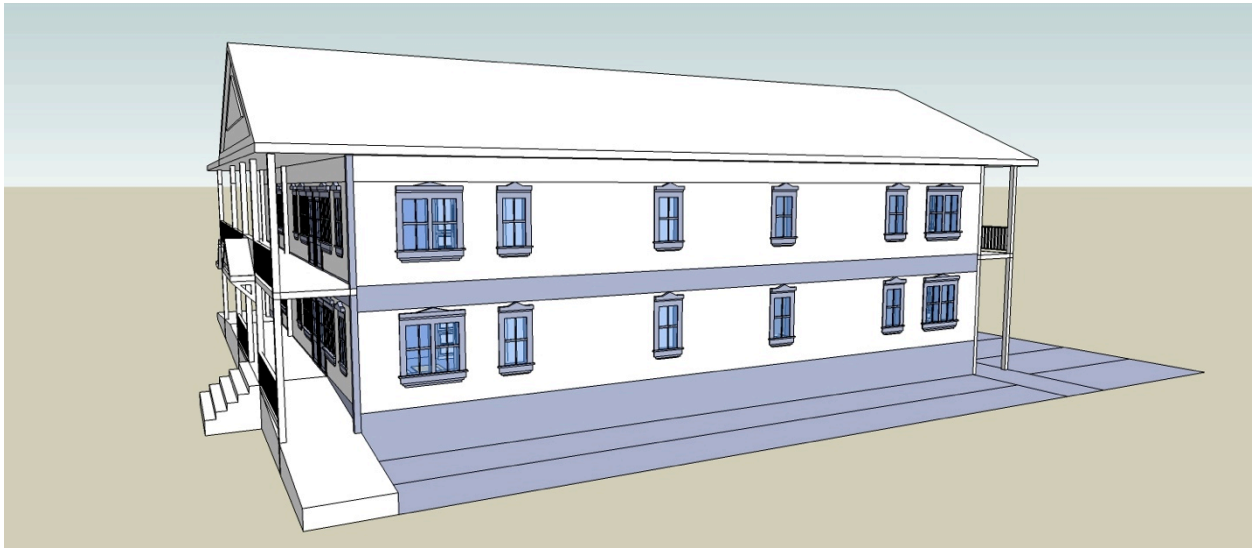


Back view

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Interior layout view – one floor



Side view

**3.3.2 Option 2**

Two separate and consecutively built 8-unit buildings, each with an approximately 30' x 70' footprint

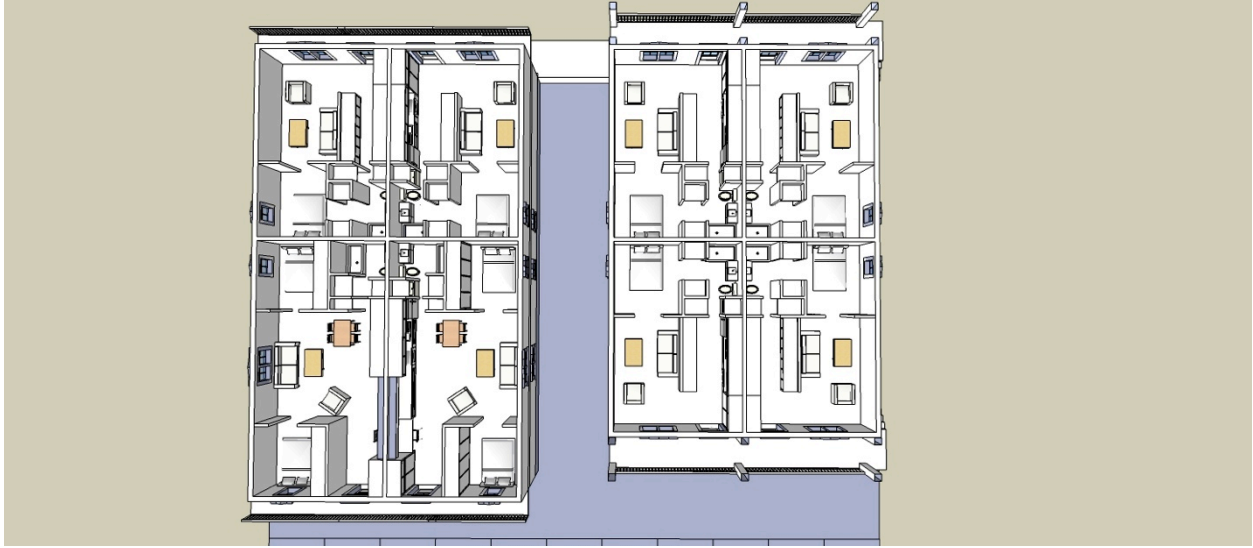


Front view

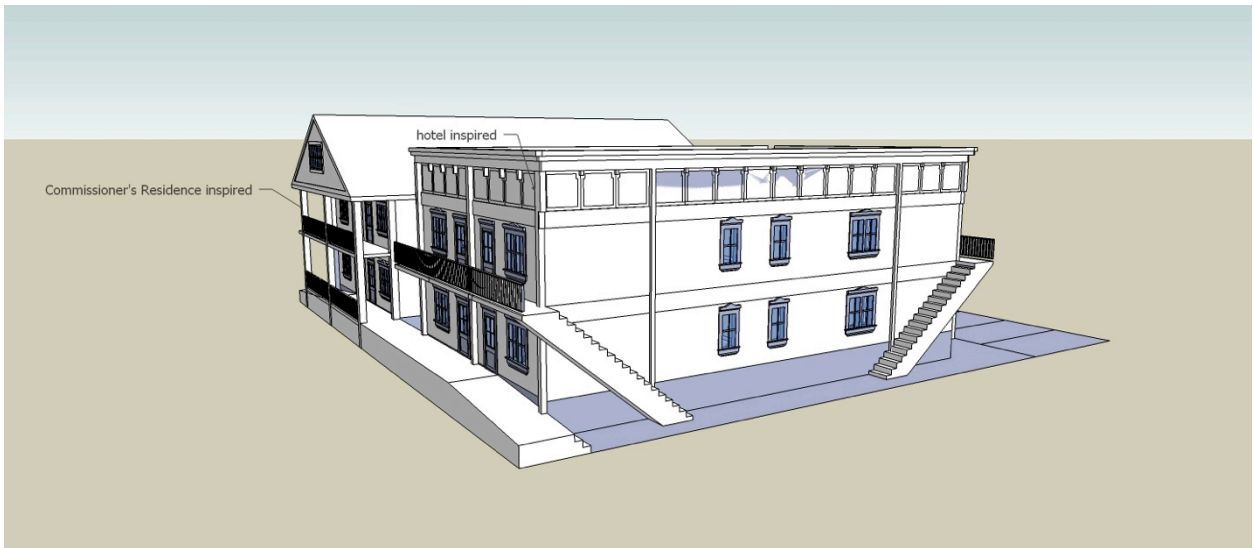


Back view

A Community Based Housing Solution



Interior layout view – one floor



Side view

## 4 Construction

### 4.1 Timetable

Delivering affordable housing requires a diligent minimization of financing and construction costs, which in the Dawson City environment means good planning to acquire materials at cheaper seasonal prices and timing construction appropriately to the seasonal climates. This can mean delaying a project one would like to complete earlier. In the regional economic context it is only to be expected that team contractors will have already secured alternative work for the 2014 season and additionally, the logistics of acquiring and moving materials cost-effectively to the remote location requires greater lead times than would be available for 2014.

The 2014 priorities will be to complete all administrative and contractual obligations, including final site acquisition and regulatory approvals, and to complete site preparation; servicing and foundation work in the late summer/Fall season. Ground in Dawson City is best worked in the fall when fully thawed but before frost emerges, and then allowed to settle before construction begins the following year.

All the shortlisted sites comply with the municipal OCP and zoning bylaw and are within the Downtown Revitalization Plan area being considered for the development property tax incentive program. The conceptual designs are by Trina Buhler, who is an Architectural Technician, and Chair of the municipal Heritage Advisory Committee. Extensive team knowledge of the Dawson heritage regime and other regulatory requirements means that the project will not be delayed as other less Dawson-experienced proponents have been.

ACTIVITY	START	COMPLETE
1. Project Planning and Administration		
Finalize and close project financing	April 2014	April 2014
Final team responsibilities and contracts	April 2014	May 2014
Finalize design	May 2014	June 2014
Regulatory approvals - project permitting	June 2014	July 2014
Site preparation	August 2014	August 2014
Site servicing	September 2014	September 2014
2. Construction		
Construction (16-plex option)	April 2015	March 2016
Construction (2 x 8-plex option) part one	April 2015	November 2015
Construction (2 x 8-plex option) part two	April 2016	November 2016
3. Operation		
Operation (16-plex option)	April 2016	
Operation (2x8-plex option) part one	December 2015	
Operation (2x8-plex option) part two	December 2016	

The prior table provides an outline of the intended construction progression. This timetable will ensure that all regulatory requirements will be met and that the project team will be available and are able to complete the project on schedule and budget.

Under the single 16-plex option housing occupancy is expected by April 2016. Under the alternative dual 8-plex option consecutive housing occupancy of the two complexes is expected by December 2015 and 2016.

#### 4.2 Construction Team

The table below is a summary of the broad responsibilities the team members will assume for this project. Full resumes and profiles for further details are included as appendices to this plan.

Team Member	Responsibilities	Skill Sets
Klondike Development Organization	Overall project accountability, public relations and communications, ownership and lead management of complex upon completion.	Business and project management, property management, financial management, book-keeping, budgeting, construction, site preparation, water & sewer installation, understanding of local permitting & historic bylaws.
Low Impact Development	Design lead, project management, quality assurance and some construction contracting.	Design, construction contracting, project management, construction costing/budgeting, quality assurance and on time and on budget project delivery.
Han Construction	General construction contracting.	Construction, finishing carpentry, project management, on time and on-budget project delivery.
Across The River Consulting	Business planning, financial management, regulatory and permitting matters and public communications.	Business plans, community consultations, finance and contract administration, permit applications, funder relationships.

#### 4.3 Capital Expense Estimates

The table below summarizes the anticipated capital costs, assuming a construction cost of \$200/ft<sup>2</sup>. Further details can be found in the financial plan chapter.

Property Acquisition	\$110,000
Lot Development & Servicing	\$100,000
Construction	\$1,670,400
Construction Financing/CMHC Insurance	\$116,928
<b>Total Build Cost</b>	<b>\$1,997,328</b>

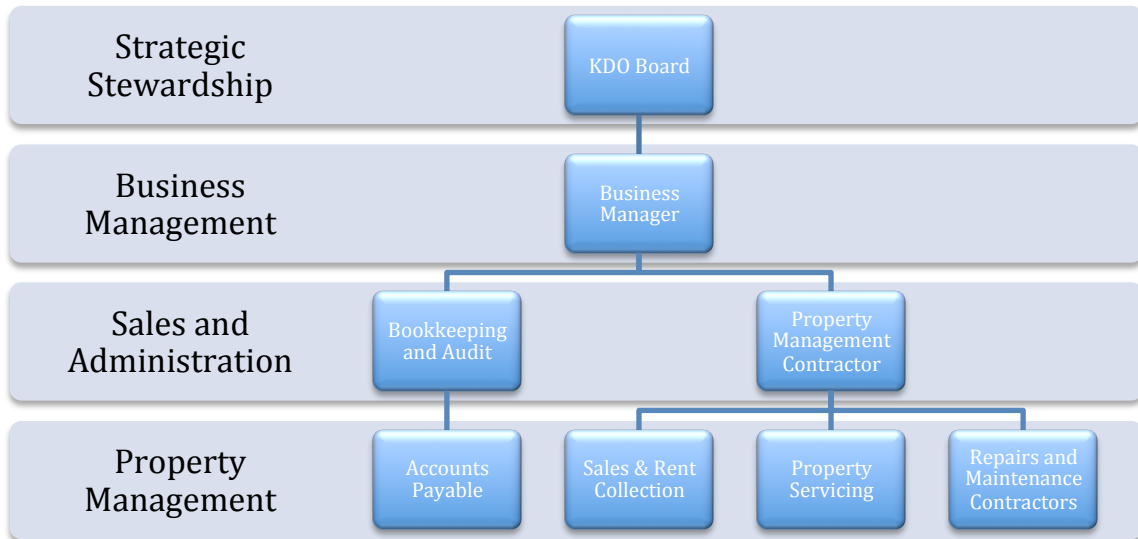


## 5 Operations and Management

### 5.1 Management Structure

KDO operates on a lean business model with no fixed assets or permanent staff. Contractors are used to provide all managerial and administrative support. This greatly reduces the management responsibilities for the volunteer Board that is freed to focus on its stewardship role. This model will be extended to this development.

Dawson City is fortunate to be well served by a number of capable private sector companies that provide the assistance required, such as property management, custodial, snow removal, landscaping and repairs and maintenance. Regular competitive tenders will be issued in order to ensure the best services are contracted at the best rates and operations and maintenance costs are minimized. This approach will ensure in-house staffing and administration do not grow to become a burden upon long-term operations.



### 5.2 Operating Expense Estimates

The table below summarizes the anticipated operational costs in year one, excluding the cost of finance and capital repayment. Further details can be found in the financial plan chapter.

Property Taxes	\$14,224
Utilities	\$18,560
Maintenance	\$16,000
Building Insurance	\$7,517
Heat and Electric	\$1,600
Hot Water	\$3,316
Snow removal and landscape	\$6,000
Property Management	\$19,200
Administration	\$8,136
<b>Total Operating Expenses</b>	<b>\$94,553</b>

## 6 Communications, Marketing and Sales

### 6.1 Communications

Community involvement assists in developing a successful housing project. Involving members of the community proactively through various strategies, such as communication, consultation and capacity building, ensures acceptance and support.

KDO is an organization with strong ties to the community. KDO is a partnership of the City of Dawson, Klondike Visitors Association, Klondike Institute of Art & Culture, Dawson City Chamber of Commerce and Chief Isaac Incorporated, and as such has direct channels of communication via each of the founding organizations. KDO regularly engages with the broader community via open houses, public partnership forums, social media and traditional media. Over more than a year, during the market research and planning phases to date for this project, there has been communication with the public in a variety of ways to ensure the development is well targeted to the market and that the community has had opportunities to offer input and feedback. Examples have included:

- March 2011 and 2012 Klondike Housing Information Fairs (102 and 60 attendees)
- Rental Housing Stakeholder Partnership Forum, March 2012, 15 attendees
- May 2, 2012 Klondike Sun newspaper article
- November 2012 public presentation to Council on cable TV
- February 2013 presentation to Yukon Housing Corporation officials
- Public Partnership Forum on Housing, April 2013, 22 attendees
- Summer 2013 online Apartments Demand Survey, 102 respondents
- Public presentation of survey results, September 9, 2013
- Public presentation of Quarterly Update to Council on cable TV, January 6, 2014
- Regular KDO Facebook and website postings

KDO maintains a website, [www.klondikedev.com](http://www.klondikedev.com) with housing specific pages and updates and a Facebook page where all news on this project is posted. Team member Across The River Consulting specializes in effective community engagement. Specific ongoing approaches and tools will include, but not be limited to:

- An open door policy for any community member to stop by at the KDO permanent full-time and centrally located office to discuss the project
- Public open houses to gain community input prior to finalizing designs and locations
- Regular updates on the project's progress via KDO website and Facebook page; Klondike Sun newspaper; CFYT community radio; bulletin board posters; e-mail newsletters and websites of partner organizations and cable televised presentations to Councils and others

Authorized Spokespeople are:

- 1) Brian Stethem      President
- 2) Dina Grenon      Secretary
- 3) Mark Wickham      Across The River Consulting

## 6.2 Marketing

The community is small, the development will be high profile and demand is projected to be strong. An extensive marketing campaign is not anticipated to be necessary to achieve the required occupancy over the medium to long-term. Nevertheless, the following tools will be used as appropriate to market the development during its final planning and construction phases to maximize occupancy from opening:

- 1) In-person interviews
- 2) Varied media including:
  - Newspaper (Klondike Sun) articles
  - Cable TV rolling advertisements
  - Local CFYT radio
  - Posters
  - Website updates
  - Social media
- 3) Public information meetings at key stages:
  - Informal open houses
  - Renter Skills Learning workshops
- 4) KDO partner distribution networks
- 5) Word of mouth
- 6) Events to celebrate key stages e.g. sod-turnings
- 7) Site tours and viewing units

### 6.2.1 Sales Avenues

The contracted property management company will be responsible for sales. The contract will include financial incentives for the company to maximize occupancy. Sales will be on a first-come basis for qualified tenants with appropriate references, deposits and proof of income. Tenancies will be indefinite and long-term stays will be encouraged.

A building website will be put in place with all the necessary information for tenants, both existing and prospective, including an application process, both online and hard copy.

### 6.2.2 Sales Forecast

This business plan conservatively projects 95% occupancy for the full 16 units, allowing for each unit to be vacant for approximately one month per year during tenant turnovers and required repairs and maintenance. Tenants will be responsible for their own heating and electric bills, no communal laundry is included and no charges for parking are anticipated. The only other revenues projected are from the anticipated municipal property tax rebates.

Rental Income Year One	\$173,280
Property Tax Rebate	\$14,040
Total Revenues	\$187,320

## 7 Financial Plan

### 7.1 Funding and Financing Plan

The total capital budget for construction is estimated at \$1,997,328 based on the following financial assumptions:

1. Property purchase price of \$110,000 for a 100 ft. by 100 ft. lot based on recent market inquiry
2. Lot development and servicing of \$100,000 based on contractor estimates
3. Construction cost of \$200/ft<sup>2</sup> based on contractor estimates
4. Construction financing interest at 5% over 1 year
5. CMHC mortgage insurance costs and fees of 4.5%

KDO has submitted a proposal to the Yukon Housing Corporation Northern Housing Trust for up to 50% of the capital cost of construction, amounting to \$998,664. If accepted this amount will be a one-time-only capital grant with no interest or repayment, subject to maintenance of affordable rental rate commitments, to be based upon a mutually acceptable community market survey.

Two options are being considered to finance the remaining 50% balance:

- 1) Joint venture or other corporate structure with Northern Vision Development Limited Partnership. KDO has had initial discussions with senior executives and secured a commitment to investigate options further should the project vision be accepted by Yukon Housing Corporation.
- 2) Commercial bank mortgage, most likely through the local financial institution, CIBC. Preliminary discussions with CIBC regional management indicated an ability to secure a mortgage for 50% of the costs to build the proposed apartment complex, subject to valuation appraisals and further due diligence.

#### Capital Budget:

##### Construction Costs

Property	\$110,000
Lot Development & Servicing	\$100,000
Construction	\$1,670,400
Construction Financing/CMHC	\$116,928
<b>Total Build Cost</b>	<b>\$1,997,328</b>

##### Investment and Financing

YHC Northern Housing Trust	\$998,664
Matching Financing	\$998,664
<b>Total Investment</b>	<b>\$1,997,328</b>

## **7.2 Important Financial Assumptions**

### **7.2.1 Financing**

1. Interest rate 5%
2. Amortization period of 20 years
3. Equal monthly payments

### **7.2.2 Revenue**

1. Twelve 1-bedroom units at \$850 monthly rate
2. Four 2-bedroom units at \$1,250 monthly rate
3. Occupancy rate of 95%
4. Municipal property tax rebate grant equal to 100% of applicable taxes for 5 years

### **7.2.3 Operating Costs**

1. Property tax at 1.56% of assessed value as estimated by Yukon Property Assessment
2. Water & sewer utilities and waste management at \$97 per unit per month
3. Capital replacement reserve at 8% of revenue (4% CMHC guidance adjusted to full value)
4. Annual maintenance of \$1,000 per unit (industry standards adjusted to Dawson)
5. Building and commercial general liability insurance at 0.5% of value (quoted)
6. Heat and electric minimal for external lights etc., tenants take their own unit bills
7. Central hot water at \$207 per unit annually as per Energy Solutions Centre estimate
8. Snow removal and landscaping at \$6,000 total (quoted)
9. Property management \$1,500 per month (quoted)
10. Administration fees of 4.7% cover business management fees, bookkeeping and audits

### **7.2.4 Depreciation**

1. Buildings are depreciated on a declining value basis at a 4% annual rate
2. Land is not depreciated

**7.3 Pro Forma Profit and Loss Statements**

<b>FY 2016-17</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Jun-16</b>	<b>Jul-16</b>	<b>Aug-16</b>	<b>Sep-16</b>	<b>Oct-16</b>	<b>Nov-16</b>	<b>Dec-16</b>	<b>Jan-17</b>	<b>Feb-17</b>	<b>Mar-17</b>	<b>2017</b>
<b>Sales Revenue</b>													
Rent	14440	14440	14440	14440	14440	14440	14440	14440	14440	14440	14440	14440	173280
Property Tax Rebate Grant				14224									14224
<b>Total Sales Revenue</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>28664</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>14440</b>	<b>187504</b>
<b>Operating Expenses</b>													
Property Taxes				14224									14224
Utilities	4640			4640			4640			4640			18560
Maintenance	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	1333	16000
Building Insurance	7517												7517
Heat and Electric	133	133	133	133	133	133	133	133	133	133	133	133	1600
Hot Water	276	276	276	276	276	276	276	276	276	276	276	276	3316
Snow removal and landscape	563	375	375	375	375	563	563	563	563	563	563	563	6000
Property Management	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	19200
Administration	678	678	678	678	678	678	678	678	678	678	678	678	8136
<b>Total Operating Expenses</b>	<b>16740</b>	<b>4396</b>	<b>4396</b>	<b>23260</b>	<b>4396</b>	<b>4584</b>	<b>9224</b>	<b>4584</b>	<b>4584</b>	<b>9224</b>	<b>4584</b>	<b>4584</b>	<b>94553</b>
<b>Operating Income</b>	<b>(2300)</b>	<b>10044</b>	<b>10044</b>	<b>5404</b>	<b>10044</b>	<b>9856</b>	<b>5216</b>	<b>9856</b>	<b>9856</b>	<b>5216</b>	<b>9856</b>	<b>9856</b>	<b>92951</b>
Interest Incurred	4161	4151	4141	4131	4120	4110	4100	4089	4079	4068	4058	4047	49256
Depreciation and Amortization	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	71493
Replacement Reserve Transfer												13862	13862
Income Taxes													
<b>Total Expenses</b>	<b>26859</b>	<b>14505</b>	<b>14495</b>	<b>33348</b>	<b>14474</b>	<b>14651</b>	<b>19281</b>	<b>14631</b>	<b>14620</b>	<b>19250</b>	<b>14599</b>	<b>28451</b>	<b>229164</b>
<b>Net Profit</b>	<b>(12419)</b>	<b>(65)</b>	<b>(55)</b>	<b>(4684)</b>	<b>(34)</b>	<b>(211)</b>	<b>(4841)</b>	<b>(191)</b>	<b>(180)</b>	<b>(4810)</b>	<b>(159)</b>	<b>(14011)</b>	<b>(41660)</b>

A Community Based Housing Solution

<b>FY 2016-17 to 2020-21</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Sales Revenue</b>					
Rent	173280	178478	183833	189348	195028
Property Tax Rebate Grant	14224	14508	14799	15095	15396
<b>Total Sales Revenue</b>	<b>187504</b>	<b>192987</b>	<b>198631</b>	<b>204442</b>	<b>210425</b>
<b>Operating Expenses</b>					
Property Taxes	14224	14793	15385	16000	16640
Utilities	18560	19302	20074	20877	21713
Maintenance	16000	16480	16974	17484	18008
Building Insurance	7517	7742	7975	8214	8460
Heat and Electric	1600	1648	1697	1748	1801
Hot Water	3316	3415	3518	3623	3732
Snow removal and landscape	6000	6180	6365	6556	6753
Property Management	19200	19584	19976	20375	20783
Administration	8136	8299	8465	8634	8807
<b>Total Operating Expenses</b>	<b>94553</b>	<b>97444</b>	<b>100429</b>	<b>103512</b>	<b>106697</b>
<b>Operating Income</b>	<b>92951</b>	<b>95543</b>	<b>98202</b>	<b>100930</b>	<b>103728</b>
Interest Incurred	49256	47437	44940	42443	39947
Depreciation and Amortization	71493	68633	65888	63253	60722
Replacement Reserve Transfer	13862	14278	14707	15148	15602
Income Taxes					
<b>Total Expenses</b>	<b>229164</b>	<b>227792</b>	<b>225964</b>	<b>224356</b>	<b>222968</b>
<b>Net Profit</b>	<b>(41660)</b>	<b>(34805)</b>	<b>(27333)</b>	<b>(19914)</b>	<b>(12543)</b>

### 7.4 Projected Cash Flow Statements

<b>FY 2016-17</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Jun-16</b>	<b>Jul-16</b>	<b>Aug-16</b>	<b>Sep-16</b>	<b>Oct-16</b>	<b>Nov-16</b>	<b>Dec-16</b>	<b>Jan-17</b>	<b>Feb-17</b>	<b>Mar-17</b>	<b>2017</b>
<b>Operations</b>													
Net Profit	(12419)	(65)	(55)	(4684)	(34)	(211)	(4841)	(191)	(180)	(4810)	(159)	(14011)	(41660)
Depreciation and Amortization	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	5958	71493
Change in Accounts Receivable													
Change in Accounts Payable													
<b>Net Cash Flow from Operations</b>	<b>(6461)</b>	<b>5893</b>	<b>5903</b>	<b>1273</b>	<b>5924</b>	<b>5746</b>	<b>1117</b>	<b>5767</b>	<b>5778</b>	<b>1148</b>	<b>5799</b>	<b>(8053)</b>	<b>29833</b>
<b>Investing and Financing</b>													
Assets Purchased or Sold													
Investments Received													
Change in Short-Term Debt													
Change in Long-Term Debt	(2430)	(2440)	(2450)	(2460)	(2470)	(2481)	(2491)	(2501)	(2512)	(2522)	(2533)	(2543)	(29833)
<b>Net Cash Flow from Investing and Financing</b>	<b>(2430)</b>	<b>(2440)</b>	<b>(2450)</b>	<b>(2460)</b>	<b>(2470)</b>	<b>(2481)</b>	<b>(2491)</b>	<b>(2501)</b>	<b>(2512)</b>	<b>(2522)</b>	<b>(2533)</b>	<b>(2543)</b>	<b>(29833)</b>
<b>Cash at Beginning of Period</b>	<b>0</b>	<b>(8891)</b>	<b>(5438)</b>	<b>(1985)</b>	<b>(3171)</b>	<b>282</b>	<b>3548</b>	<b>2173</b>	<b>5439</b>	<b>8705</b>	<b>7331</b>	<b>10596</b>	<b>0</b>
<b>Net Change in Cash</b>	<b>(8891)</b>	<b>3453</b>	<b>3453</b>	<b>(1187)</b>	<b>3453</b>	<b>3266</b>	<b>(1374)</b>	<b>3266</b>	<b>3266</b>	<b>(1374)</b>	<b>3266</b>	<b>(10597)</b>	<b>(0)</b>
<b>Cash at End of Period</b>	<b>(8891)</b>	<b>(5438)</b>	<b>(1985)</b>	<b>(3171)</b>	<b>282</b>	<b>3548</b>	<b>2173</b>	<b>5439</b>	<b>8705</b>	<b>7331</b>	<b>10596</b>	<b>(0)</b>	<b>(0)</b>



A Community Based Housing Solution

<b>FY 2016-17 to 2020-21</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Operations</b>					
Net Profit	(41660)	(34805)	(27333)	(19914)	(12543)
Depreciation and Amortization	71493	68633	65888	63253	60722
Change in Accounts Receivable					
Change in Accounts Payable					
<b>Net Cash Flow from Operations</b>	<b>29833</b>	<b>33828</b>	<b>38555</b>	<b>43339</b>	<b>48179</b>
<b>Investing and Financing</b>					
Assets Purchased or Sold					
Investments Received					
Change in Short-Term Debt					
Change in Long-Term Debt	(29833)	(32699)	(35196)	(37692)	(40189)
<b>Net Cash Flow from Investing and Financing</b>	<b>(29833)</b>	<b>(32699)</b>	<b>(35196)</b>	<b>(37692)</b>	<b>(40189)</b>
<b>Cash at Beginning of Period</b>	<b>0</b>	<b>(0)</b>	<b>1129</b>	<b>4489</b>	<b>10135</b>
<b>Net Change in Cash</b>	<b>(0)</b>	<b>1129</b>	<b>3360</b>	<b>5647</b>	<b>7990</b>
<b>Cash at End of Period</b>	<b>(0)</b>	<b>1129</b>	<b>4489</b>	<b>10135</b>	<b>18126</b>

**7.5 Pro Forma Balance Sheets**

<b>As of Period End</b>	<b>Start</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Jun-16</b>	<b>Jul-16</b>	<b>Aug-16</b>	<b>Sep-16</b>	<b>Oct-16</b>	<b>Nov-16</b>	<b>Dec-16</b>	<b>Jan-17</b>	<b>Feb-17</b>	<b>Mar-17</b>	<b>2017</b>
<b>Current Assets</b>														
Cash		(8891)	(5438)	(1985)	(3171)	282	3548	2173	5439	8705	7331	10596	(0)	(0)
Accounts Receivable														
<b>Total Current Assets</b>	<b>0</b>	<b>(8891)</b>	<b>(5438)</b>	<b>(1985)</b>	<b>(3171)</b>	<b>282</b>	<b>3548</b>	<b>2173</b>	<b>5439</b>	<b>8705</b>	<b>7331</b>	<b>10596</b>	<b>(0)</b>	<b>(0)</b>
<b>Long Term Assets</b>														
Land	210000	210000	210000	210000	210000	210000	210000	210000	210000	210000	210000	210000	210000	210000
Buildings	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328	1787328
<b>Intangible Assets</b>														
<b>Accumulated Depreciation</b>		(5958)	(11916)	(17873)	(23831)	(29789)	(35747)	(41704)	(47662)	(53620)	(59578)	(65535)	(71493)	(71493)
<b>Total Assets</b>	<b>1997328</b>	<b>1982479</b>	<b>1979975</b>	<b>1977470</b>	<b>1970326</b>	<b>1967821</b>	<b>1965129</b>	<b>1957797</b>	<b>1955105</b>	<b>1952413</b>	<b>1945081</b>	<b>1942389</b>	<b>1925835</b>	<b>1925835</b>
<b>Current Liabilities</b>														
Accounts Payable														
Short Term Debt														
<b>Total Current Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Long Term Debt</b>	998664	996234	993795	991345	988885	986414	983933	981442	978941	976429	973907	971374	968831	968831
<b>Total Liabilities</b>	<b>998664</b>	<b>996234</b>	<b>993795</b>	<b>991345</b>	<b>988885</b>	<b>986414</b>	<b>983933</b>	<b>981442</b>	<b>978941</b>	<b>976429</b>	<b>973907</b>	<b>971374</b>	<b>968831</b>	<b>968831</b>
Paid In Capital	998664	998664	998664	998664	998664	998664	998664	998664	998664	998664	998664	998664	998664	998664
Earnings		(12419)	(12484)	(12539)	(17223)	(17257)	(17468)	(22309)	(22500)	(22680)	(27490)	(27649)	(41660)	(41660)
<b>Total Owners Equity</b>	<b>998664</b>	<b>986245</b>	<b>986180</b>	<b>986125</b>	<b>981441</b>	<b>981407</b>	<b>981196</b>	<b>976355</b>	<b>976164</b>	<b>975984</b>	<b>971174</b>	<b>971015</b>	<b>957004</b>	<b>957004</b>
<b>Total Liabilities and Equity</b>	<b>1997328</b>	<b>1982479</b>	<b>1979975</b>	<b>1977470</b>	<b>1970326</b>	<b>1967821</b>	<b>1965129</b>	<b>1957797</b>	<b>1955105</b>	<b>1952413</b>	<b>1945081</b>	<b>1942389</b>	<b>1925835</b>	<b>1925835</b>

A Community Based Housing Solution

<b>As of Period End</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Current Assets</b>					
Cash	(0)	1129	4489	10135	18126
Accounts Receivable					
<b>Total Current Assets</b>	<b>(0)</b>	<b>1129</b>	<b>4489</b>	<b>10135</b>	<b>18126</b>
<b>Long Term Assets</b>					
Land	210000	210000	210000	210000	210000
Buildings	1787328	1787328	1787328	1787328	1787328
<b>Intangible Assets</b>					
<b>Accumulated Depreciation</b>	<b>(71493)</b>	<b>(140127)</b>	<b>(206015)</b>	<b>(269267)</b>	<b>(329990)</b>
<b>Total Assets</b>	<b>1925835</b>	<b>1858330</b>	<b>1795802</b>	<b>1738196</b>	<b>1685464</b>
<b>Current Liabilities</b>					
Accounts Payable					
Short Term Debt					
<b>Total Current Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Long Term Debt</b>	<b>968831</b>	<b>936132</b>	<b>900936</b>	<b>863244</b>	<b>823055</b>
<b>Total Liabilities</b>	<b>968831</b>	<b>936132</b>	<b>900936</b>	<b>863244</b>	<b>823055</b>
Paid In Capital	998664	998664	998664	998664	998664
Earnings	(41660)	(76466)	(103798)	(123712)	(136255)
<b>Total Owners Equity</b>	<b>957004</b>	<b>922198</b>	<b>894866</b>	<b>874952</b>	<b>862409</b>
<b>Total Liabilities and Equity</b>	<b>1925835</b>	<b>1858330</b>	<b>1795802</b>	<b>1738196</b>	<b>1685464</b>

## Appendix 1 – KDO Director Profiles

### Professional Experience Summary

#### BRIAN STETHEM

##### **Skills Summary:**

- Communications Management & Communications
- Event Management & Marketing
- Tourism
- Small Business Management

##### **Employment (Current):**

###### **Manager: Gold Bottom Mine Tours**

- Gold Bottom Tours operates interactive and interpretive tours to an active placer gold mine and to Parks Canada's Dredge Number 4. Gold Bottom Mine Tours also operate visitor accommodations

###### **Owner/Operator: Stethem Exhibits & Events**

- Provides exhibit development and finished exhibits suitable for trade shows and other marketing events
- Event Coordination services

###### **Owner/Operator: Dawson Mobile Chip Repair**

- Windshield repair services

##### **Employment (Recent Past):**

###### **Senior National Communications Manager: Agriculture Canada (retired)**

##### **Volunteer Board Involvement:**

###### **Current:**

- Klondike Development Organization, Chairperson
- Klondike Visitors Association, Chairperson
- Member Tourism Marketing Committee (sub committee Tourism Yukon)

## **CURRICULUM VITAE**

### **MARGARET KORMENDY**

Administration/Operations Manager – Chief Isaac Incorporated

Margaret (Margie) Kormendy was hired as the Administration Manager of Chief Isaac Incorporated (CII) in 2001. Over the past 12 years she has been responsible for managing various divisions and assisting with administrative operations of the Corporation and its subsidiary companies.

The Chief Isaac Group is structured with divisions, departments and business entities. With a Bachelor of Arts and Majors in Psychology & Sociology and training background in Management, Administration & Finance, Margie uses her skills and knowledge to effectively manage the areas of Property Management & Security, Property Development & Rental, Firefighter Contracts and Camp Catering. As well, Margie's abilities in planning and evaluation assist the CII management team in Administration, Contract, Project Management and Funding Applications for the Corporation. She also provides guidance and assistance to the office staff and Board of Directors, when required.

Originally from Bethel, Alaska and of Yup'ik decent, Margie has lived in the Dawson City area for the past 29 years and has family ties to the Tr'ondëk Hwëch'in Nation. She is committed to the enrichment of the community and culture. In 1987 she took the position as Band Manager for the Tr'ondëk Hwëch'in First Nation and held the position for seven years overseeing all aspects of the organization. As a partner/owner of an eco-tourism wilderness camp in the Dawson area, she is familiar with links between tourism, economic development and First Nation culture. She has also focused much her energies on teaching and taught a variety of youth and adult courses for Yukon College, Yukon Tourism Education Council as well as other private and public organizations. Her experience in delivery of workshops, training, retreats, youth wellness programs and programming to various agencies and government departments works well in assisting in the human resource skill development and training of CII staff.

Margie Kormendy's education, skills and knowledge are a vital component to the overall smooth management and delivery of Chief Isaac Inc.'s business and administrative processes. Her strong organizational and communication skills are substantial and a vital component in completion of projects that the Corporation undertakes.

Margie is currently a member of the Tr'ondëk Hwëch'in Education Committee, a board member of Klondike Development Organization and sits on the Executive of the Dawson Chamber of Commerce.

## Professional Experience Summary

### DINA GRENON

#### Current Employment

Co-Owner/Operator of Grenon Enterprises Services & Rentals Ltd.

Our services include bulk potable water delivery, mobile high-pressure washing/steaming, septic education, line thawing, portable outhouse rentals and a variety of equipment rentals complete with experienced operator.

Dump trucks, graders, rubber tire backhoe/loader, bobcat and snowploughs are just a part of our fleet.

Associated Skills:

- Crew Management
- Project Management
- Accounting, Accounts Payable/Receivable
- Contracting & Tendering Processes and Protocols
- Regulatory Compliance

Court Clerk for YG Department of Justice

Associated skills:

- Office Administration
- Notary Public
- Payment handling/processing

#### Volunteer Board Involvement

Current:

- Klondike Development Organization, Executive member
- Klondike Region Training Society, Executive member
- 2013 Relay for Life, Organizing Committee
- Dawson City Chamber of Commerce, bookkeeper

Past:

- Yukon Chamber of Commerce, member of Board of Directors
- Dawson City Chamber of Commerce, President, Treasurer, Board member
- Yukon College Campus Chair

## Professional Experience Summary

### HELEN BOWIE

#### **Employment**

Owner/Operator: BHB Storage Ltd. (Current)

Services include rental of mini-storage units, warehouses, workshops, apartments and office space.

Associated Skills:

- Property Management
- Accounts Payable/Receivable
- Book-keeping
- Office and residential space rental
- Tenancy agreements

Airport Manager, Old Crow and Dawson City, YT (past)

Associated skills:

- Administration
- Air Traffic Management

#### **Volunteer Board Involvement**

##### **Current:**

- Klondike Development Organization, Executive member
- Royal Canadian Legion, Dawson, President
- Literary Society of the Klondike, Secretary/Treasurer
- Klondike Institute of Art & Culture, Board member

##### **Past:**

- Yukon Chamber of Commerce, member of Board of Directors
- Dawson City Chamber of Commerce, President, Board member

## Resume

### KAREN DUBOIS

Box 547  
Dawson City, Yukon, Y0B 1G0  
(867) 993-5504  
kdubois@northwestel.net

#### **WORK EXPERIENCE**

2008 – present                    DAWSON CITY ARTS SOCIETY – KLONDIKE INSTITUTE OF ART and CULTURE  
Executive Director

- oversee development of programs, courses and workshops
- recruit, train and supervise staff
- be accountable to DCAS board for all KIAC operations
- prepare and administer budgets
- market and promote KIAC events, programs and services
- manage KIAC facility
- represent KIAC on various boards and at public events

1982 - 1999                    YUKON COLLEGE - DAWSON CAMPUS  
2003 - 2008                    Instructor/Coordinator

- instruct Adult Basic Education, College Preparation and Office Administration classes
- coordinate full time programs and continuing education courses
- provide career counseling
- perform administrative duties as required

2004 – 2005                    YUKON COLLEGE – AYAMDIGUT CAMPUS  
Instructor

- instruct Adult Basic Education Level Two class
- develop curriculum as required

1999 – 2002                    DAWSON CITY ARTS SOCIETY – KLONDIKE INSTITUTE OF ART and CULTURE  
Programs Manager

- implement and administer programs, courses and workshops
- develop curriculum for programs, courses, and workshops
- coordinate performing arts events
- prepare and administer program budgets
- supervise assistants and volunteers



1999 - present      GOLDLEAF FRAMING  
                                 Small Business Owner/ Custom Framer

1978 – 1981          YUKON GOVERNMENT - DEPARTMENT OF EDUCATION  
                                 Classroom Teacher

- instruct elementary classes, including several split classes and art classes at the intermediate level

## **EDUCATION**

1977    Bachelor of Arts in Education, University of Western Washington  
          Major: Art Education    Minor: Education

1982    Arts and Crafts Certificate, Yukon Vocational Technical Training Centre

1996    Native Adult Instructor Diploma  
          Okanagan University

2004    Completed all requirements for TESOL Certification Level

## **ACCOMPLISHMENTS**

- treasurer of the Klondike Development Organization since 2010
- member of the governing body for the Yukon School of Visual Arts since 2005
- member and chair of the Yukon Arts Advisory Council from 1999 to 2004
- member of the Dawson City Music Festival Association Board of Directors from 1979 to 2003. I held the positions of president, secretary or treasurer at different times over a period of 24 years. .
- member of the board of directors for the Yukon Art Centre from 1999 to 2002.

**William (Bill) Kendrick**

Box 214, Dawson City, Yukon, Y0B 1G0

Email: whkendrick@gmail.com Phone: (867) 332-2424 (mobile); (867) 993-6367 (home)

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**Education**

**Graduate Diploma in Environmental Impact Assessment**

Land/resource management and impact assessment: theory, methods, and practices (incl. land use planning); also analysis of land/resource management policies, plans, programs, and projects. GIS using ArcGIS software.

Department of Geography, Planning and Environment, Concordia University, Montreal, Que., 2007

**B.A. in Political Science/Environmental Studies**

Areas of multi-disciplinary study also included course work in ecology, economics, chemistry, mathematics, philosophy, and statistical research methods.

McGill University, Montreal, Que., 1994

**Energy Policy and Management**

Analysis of policy issues concerning energy production, trade, and utilization; evaluation of institutional and policy mechanisms available for implementation of energy policy, including demand-side management.

Graduate Course, School of Resource and Environmental Management

Simon Fraser University, Burnaby, B.C., 1996 (audited full course, with permission of instructor)

**Electrical Systems in Buildings**

Fundamentals of electricity and electrical systems in residential and commercial buildings.

British Columbia Institute of Technology, Burnaby, B.C., 1996

**Energy Workshops**

I have taken many energy and energy-related workshops and short courses, including RETSCREEN training and R-2000/energy efficiency building courses. I continue to keep informed on the latest in energy efficiency and renewable energy technologies, as well as energy policy developments.

**Work and Other Experiences**

**Regional Planning Manager/Senior Land and Resources Officer**

Tr'ondëk Hwëch'in Government, Dawson City (presently)

- Manages TH's role in the Dawson Regional Land Use Plan (DRLUP) process and serves as Technical Working Group member.
- Coordinates TH's role in the YESAA legislative amendment process
- Coordinates TH liaison duties with YG Abandoned Mines and Assessment Branch

**Land and Resources Manager**

Tr'ondëk Hwëch'in Government, Dawson City (June 2011- Nov 2013)

- Technical Working Group member for Tr'ondëk Hwëch'in in the Dawson Regional Land

Use Planning process;

- Supervises TH Land and Resources Branch employees.
- Management of the Development Assessment Process: Responsible for Tr'ondëk Hwëch'in Government submissions (incl. Decision Documents and relevant permits) relating to Yukon Environmental and Socio-economic Assessment Act (YESAA) projects within TH Traditional Territory;
- Participating as representative of Tr'ondëk Hwëch'in Government on issues related to YESAA and the 5-Year Review of YESAA legislation.

#### **Land and Resources Officer**

Tr'ondëk Hwëch'in Government, Dawson City. (April 2007- June 2011)

- Development Assessment Coordination: Reviewing, researching, coordinating, and writing Tr'ondëk Hwëch'in Government submissions relating to Yukon Environmental and Socio-economic Assessment Act (YESAA) projects within TH Traditional Territory;
- Participating in, and advising, Tr'ondëk Hwëch'in Government on issues related to YESAA and the 5-Year Review of YESAA legislation.
- Wrote successful funding proposal and coordinated project related to Climate Change and Health, supervised TH staff and outside contractors involved in project, prepared and managed budget (~\$150K).

#### **Solar Water Heating**

Sol-terra Energy Services, Whitehorse/Dawson City, Yukon (seasonal, 2000 - present):

- Preparation/presentation of feasibility studies, system designs, and funding applications.
- Work collaboratively with clients, professional engineers and trades people on system designs and installation.
- Manage construction finances and work teams.

#### **Research**

Selkirk First Nation, Pelly Crossing, Yukon:

- Research into mineral dispositions in Traditional Territory; project research contract (Winter 2007).
- Internet-based data collection and processing: created a database; Sustainable Development (SD) Strategy; project research contract – Research on SD issues and alternatives, including land use and infrastructure planning, building and energy technologies, and Traditional Knowledge (TK).

#### **Plumber/Contractor**

Self-employed, part-time, Dawson City, Yukon (2006):

- Installing new home plumbing systems, basic plumbing repair.

#### **General Construction**

Williams Construction, Dawson City, Yukon (2001-2006):

- Sub-contracting and employment in historical building renovation and structural repair, building leveling, insulation, plumbing, chimney installation, etc.

#### **Energy Technician**

House Calls 2000 Energy Efficiency Program, Yukon Conservation Society (2000-2001).

- Presented Energy Efficiency/Climate Change material to Dawson City residents.

- Installation of energy efficient fixtures, incl. insulation for water heaters.

### **Filmmaking and Film/Video Employment**

- Co-Director, Editor, Associate Producer and Camera Operator for an award winning video *The Elvis Project, A Yukon Road Documentary*.
- Actor (Extra) – *Northern Town*, Tagish Lake Films Inc., 2005
- Props/Set Construction Assistant – *Ice World*, Wall to Wall Productions, 2001
- Actor (Extra) and Production Assistant – *Husky Don't Cry*, MTM Cineteve GMBH, 2000

I have taken numerous film and video production courses and workshops, including:

- Chroma Key Course – Yukon Film Society (YFS) and Northern Film & Video Industry Assoc. (NFVIA), 2010
- Story Development and Troubleshooting – with Robert Thinkell, Yukon Film & Sound Commission, 2009
- Directing Actors and Acting for the Camera – YFS, 2009
- Location Management – NFVIA, 2008
- HD Camera, Lighting, DIT, Camera Assistant – YFS and NFVIA, 2008
- Directing for the Edit – with Chris Angel, YFS, 2008
- Documentary Film – with John Walker, 2006
- Sound Design – with Velcrow Ripper, 2006
- Locations Management Training Course - Yukon Film and Sound Commission, 2005
- Film and TV Financing – Yukon Film and Sound Commission, 2005
- Documentary Producing Workshop – National Film Board and Yukon Film & Sound Commission, 2003
- Video Camera Operation Workshop – with John Banovich, Whitehorse, 2002
- Basic Grip Course – NFVIA, Whitehorse, 2001

### **Community and Volunteer Board Experience**

- City of Dawson, City Councilor (2010- present)
- Association of Yukon Communities, Board Member (Dawson City representative)
- Klondike Development Organization, current Board Member
- Dawson City Television Association Ltd., Founding Member
- Past Board Member, Conservation Klondike Society

**\* References and Additional Information Available On Request \***

## Appendix 2 – Team Member Profile: Han Construction



*P.O. Bag 7070 Dawson City, Yukon Y0B 1G0 – office located 1371 2<sup>nd</sup> Ave*

### **Company Profile**

Han Construction Limited (HCL) is a subsidiary of Chief Isaac Incorporated (CII), the Economic Development Branch of the Tr'ondek Hwech'in (TH). HCL started out in 1992 for the purpose of addressing the residential construction & maintenance needs of the first nation while creating employment and training opportunities. Today our business has expanded into the government, commercial and private sectors of the community of Dawson City and other areas of the Yukon. HCL is active and successful in the Yukon Apprenticeship program, to date we have produced 7 Inter Provincial Journeyman carpenters, and we currently have 2 apprentices awaiting confirmation of there Journeyman status. Also we have 4 other apprentices who are currently completing 2<sup>nd</sup> and 3<sup>rd</sup> year at this time.

HCL has an impeccable reputation in the Yukon construction industry due to their superior cold climate project management and construction skills and experience. We have also provided leadership in bringing projects to occupancy on time and on budget. HCL is recognized nationally by CMHC for our leadership in northern residential construction techniques and products.

Employing 10 permanent and up to 50 casual workers, our projects includes new commercial and residential construction, renovations of all magnitudes, project management and a wide variety of other services including cabinetry, environmental reclamation projects and we have experience in Historical Building Restoration.

### **Related Experience**

The following are projects completed by CII and HCL, identifying their experience with developing and managing buildings and other projects.

#### **C4 Residential Subdivision Dawson City, YT**

C4 is a residential subdivision located along the banks of the Klondike River, just south of Dawson City. The TH Lands Department has overseen \$3.4 million of infrastructure development, including water and sewer installation. This project occurred after consultation with the municipality to ensure the development adhered to all bylaws and zoning restrictions and fell within the parameters of the official community plan. This project included an unprecedented infrastructure agreement with the local municipal government that resulted in TH developing infrastructure that was later handed over to the municipality to operate and maintain.

HCL was awarded a design-build contract to produce 5 residential duplex units (averaging 2660 sq ft per duplex) and 31 single family dwelling units (averaging 1600 sq ft per unit) located in C4 subdivision, as well as 3 residential duplex units and 5 single family dwelling units located in the town of the City of Dawson. This residential housing contract commenced in 1999 and completed as of 2011, with an average of \$220,000.00 per residence. A total of 52 residences were designed and constructed in a 12 year span.

This infrastructure was divided into a total of 10 separate contracted projects. HCL took leadership in site preparation as well as the complete design and construction of all units. This process consisted of consulting and conversing with architects and engineers until our client was satisfied with the proposed specifications and design. The rich success of this project to date owes largely to the close

working relationship that has developed between the municipality of the City of Dawson, Tr'ondek Hwech'in, CMHC, Chief Isaac, and Han Construction Ltd.

Project Reference:

George Richardson

CMHC BC-Yukon Regional Business Office

#200-1111 West Georgia Street, Vancouver British Columbia, V6E 4S4

Phone: (604) 737 4048

**Tr'inke Zho Centre**

**Dawson City, YT**

In 2007 HCL was contracted as the general contractor to construct this 1.8 million, 6080 square foot single storey Daycare facility for the Tr'ondek Hwech'in. The facility contains in floor heating and a abundant of custom wood interior finishes and cabinetry. Besides managing the construction, other responsibilities for this project included the supervision of the initial site work, excavation, backfill & compaction, the coordination of all sub trades. This project completed on time and within our budget. This building opened the summer of 2007 with a ribbon cutting ceremonies which was cut by TH Chief Darren Taylor and the Governors General Michele Jean.

Reference:

Claudia Carlson

Claudia Carlson Architect

P.O. Box 333 Dawson City, YT, Y0B 1G0

Phone: (867) 993 6640

**Old Daycare Renovation**

**Dawson City, YT**

Following the opening of the new daycare facility in Dawson City, the Tr'ondek Hwech'in consulted with HCL about what can be done with the old facility and if it can be transformed into office space. TH had been looking at different options to house their Health and Social Service staff and the vacancy with this building seemed to be a perfect solution. The 5,420 square foot two storey Old Daycare facility consisted of the daycare operations on the first floor and 4 apartment units on the second floor. HCL took the necessary steps to provide the TH government with a proposed office plan and overall costs to transform the building into office space. TH contracted HCL to perform this transformation and the \$480,000.00 project completed on time and within the contracted cost.

Reference:

Dalores Roberts

Tr'ondek Hwech'in Housing Manager

P.O. Box 599 Dawson City, YT, Y0B 1G0

**KIAC Phase 1 & 2**

**Dawson City, YT**

The Dawson City Arts Society (DCAS) is a registered non-profit society whose mandate is *to create an environment for advancement of the arts, to enrich the social culture and economic fabric of the Yukon Territory*. To accomplish this, the Society has established the Klondike Institute of Art and Culture (KIAC) as its operating arm. KIAC undertakes a wide range of programming including arts education, presentation and creation.

## A Community Based Housing Solution

KIAC required the service of a general building contractor for the renovations and an addition to the Old Liquor Store building, which the building is now called the Klondike Institute of Art and Culture (KIAC). HCL was contracted to perform these tasks in the fall of 2003 which ran into the early months of 2004. This project consisted of 2 phases and had an overall value of \$269,953.50

Phase 1 was the demolition of the existing buildings finishes and the moving of the building off the lot in order to excavate backfill and compact a new foundation. A new structural foundation for the building was implemented before moving the building back to its original position.

Phase 2 involved construction of the new two storey 2240 square foot addition. This contract was to have the addition closed to the weather only, and didn't involve any rough in work or interior or exterior finishes. This project carried through without any delays and stayed within contracted cost.

Project Reference:  
Ron Bramadat  
KIAC Project Manager  
Bag 8000 Dawson City, YT, Y0B 1G0  
Phone: (867) 993 5005

### **Tr'ondek Hwech'in Administration Building Dawson City, YT**

This 2.3 million facility built by HCL and owned by CII houses the government offices of the TH and the local Yukon Territorial Government agencies. The building is 15,000 square feet and was completed on time and within budget in 2000. This successful public-private partnership serves as our template for similar projects. TH provides the financing for the development, HCL manages all construction and CII owns and manages the property.

Project Reference:  
Charles McLaren  
Charles A. McLaren Architect Ltd.  
PO Box 10546, Whitehorse, YT, Y1A 7A1  
Phone: (867) 393 2232

### **Danoja Zho Cultural Centre Dawson City, YT**

This 1.6 million building welcomes over 5,000 visitors to Tr'ondek Hwech'in traditional territory each year. This beautiful 3,000 square foot structure includes two gallery spaces, a gift shop, offices and a 90 seat theatre that showcases traditional and contemporary First Nation culture. The unique appearance of the building won a Lieutenant Governor's Merit award for architectural design in 1999. The project was completed on budget and on time for the Tr'ondek Hwech'in in 1999 by Han Construction Ltd. CII took over property management and security responsibilities at that time.

References:  
Jack Kobayashi  
Kobayashi & Zedda Architects Ltd.  
26-1114 1<sup>st</sup> Avenue, Whitehorse, YT, Y1A 1A3  
Phone: (867) 633 6874

### **Other completed projects**

- YTG, Klondike Air Tanker Base, Dawson City, YT
- City of Dawson, Moose Mountain Ski Chalet, Dawson City, YT
- Kluane First Nations, 12 Residential SFD, Burwash Landing, YT
- YTG Heritage Branch, Telegraph Office Restoration/Phase 1, Dawson City, YT
- Selkirk First Nations, 1 Residential SFD, Pelly Crossing, YT
- YTG Heritage Branch, 40 Mile Heritage Site/Stabilization & Restoration of 40 Mile village Phase 1
- YTG Heritage Branch, Clinton Creek Mine reclamation Project, Clinton Creek, YT
- Many other smaller jobs and renovations performed for the TH and YT Governments, as well as the general public.

**Hector Renaud**

P.O. Box 1681, Dawson City,  
YUKON, Y0B 1G0

**Phone:** 867-993-2532

**Cell:** 867-332-4416

**cdnsilverback@yahoo.ca**

**Board Member & Chairman:**

Dawson City Heritage Advisory  
Committee

**Bilingual:** native francophone  
bilingual technical trainer.

**Experienced Developer:** Land  
Evaluation & Acquisition,  
Subdivision, Road, Water,  
Sewer, Hydro & Marina  
Infrastructure, and Pre-Sell  
Marketing & Sales.

**Experienced General Contractor**  
for Residential, Commercial and  
Institutional Buildings.

**Experienced Construction  
Supervisor** of Institutional  
Construction for School s &  
Hospitals, managing up to 40  
subcontractors and up to 100  
construction workers.

**Experienced Negotiator** with  
Municipal, Provincial and  
Federal Government for  
development agreements,  
building height requirements,  
Navigable Waters Protection  
Act, water pump stations,  
sewage lift stations, etc..

**Experienced Marina Design &  
Development Consultant** for  
Federal Government (Windsor  
Harbour Commission)

**OFFICE & DEVELOPMENT**

Excel Word Chief Architect

**Objective:** *Development of Residential and Institutional Housing in Dawson City in consultation with Territorial, Municipal and Community Organizations to create Heritage Approved, Arctic Adapted, Affordable Housing.*

**HAN CONSTRUCTION LTD,** Dawson City Yukon.  
**Chief Operations Manager,** Project Development.

**FEDERAL GOVERNMENT, CMHC**

**Northern Yukon Inspector** for CMHC's Homeowner Residential  
Rehabilitation Assistance Program

**YUKON GOVERNMENT, COMMUNITY SERVICES.**

Dawson City, Yukon. **Northern Yukon Inspector (Building/Plumbing),  
Development Officer, Building Safety,** covered territory from North  
of Carmacks to Herschel Island (Beauford Sea) and Alaska border.

**SOUTH CANADA PROPERTIES DEVELOPMENT COMPANY LTD.**

Windsor, Ontario. **President and General Manager,** created the  
original Russell Woods subdivision and installed roadways, sidewalks,  
service utilities, water, sewer and canal infrastructure in Maidstone  
Township, Ontario. 126 lots of minimum 3500 sq ft custom homes  
and a water canal system feeding off Pike Creek.

**REN-CRAFT CUSTOM HOMES, INC.,** Windsor, Ontario.

**General Contractor,** thirty five 3,500 square foot and larger custom  
homes within the Russell Woods Subdivision, Maidstone Township,  
and other South-western Ontario areas.

**WINDSOR HARBOUR COMMISSION**

**Marina Operations Manager and Design Consultant** for Mill Cove  
Marina, Lakeview Marina, Lakeshore Marina & Riverside Marina.

**SANDWICH WEST REVITALIZATION COMMITTEE,** Windsor, Ontario.

**Chief Mediator,** evaluated Waterfront and Marina development  
options and searched out related businesses to locate to this  
waterfront area. Mediated/Negotiated within organization and with  
Canadian Federal, Provincial, and Municipal levels of Government,  
Public Organizations, as well as divisions of the US Federal, State and  
Local Government levels.

This area is located along an international border and links to the  
busiest and most economically sensitive international bridge  
between Canada & the US.

**MARATHON CONSTRUCTION (WINDSOR) LTD.,** Windsor, Ontario.

**Site Supervisor,** Perma-Pak additions to schools.



## Appendix 3 – Team Member Profile: Low Impact Development

### Low Impact Development Ltd (LID) 2009-present

Paul Derhak & Greg Hakonson, partners

#### Duties

Greg is tasked with;

- sourcing work & negotiating contracts
- design & engineering
- acquiring permits
- client relations
- some minor hands on building & woodworking

Paul is tasked with;

- project management
- costing
- purchasing
- scheduling
- client relations
- some general hands on but particularly on finishing

LID has a progressive and forward looking philosophy and want to be known for building quality, super green, affordable buildings that meet and/or exceed the owners expectations and that come in on time and on budget.

LID's in-house capability coupled with it's strategic relationships give it the capability to design, engineer, finance and build residential and/or commercial buildings at extremely affordable rates. We provide our clients with a cost estimate breakdown and budget prior to starting and then track and provide detailed monthly breakdown on expenditures.

LID's progressive and forward looking philosophy keep it on the cutting edge of super green making their buildings leaders with extremely low heating and long term operating cost.

The appended photos show various styles and levels of work all designed and constructed by LID.

Low Impact Development (LID) & G Hakonson/ORO Enterprises Ltd (ORO)  
Main Construction History

G Hakonson

- Architecture & design of Eldorado Hotel 1970
- Redesign second floor of Eldorado Hotel after the fire in 2007
- Architecture, design and build present 3,300sqft log home at 8<sup>th</sup> and Princess 1980. ≈ \$285k
- Architecture, design, engineering and general management for renovation of the two storey, 9,000sqft Odd Fellows Hall in 1979. ≈ \$800k
- Architecture, design, engineering, general management and eventually project manager for renovation of the two storey, 9,000sqft Old Liquor Store/SOVA in 2007. ≈ \$1.6M
- Architecture, design and build the “Little Red House” a single storey 750sqft residence in 2010-11. ≈ \$190k

LID/ORO

- Architecture, design and build the Clemmensen & MacKenzie two storey 800sqft residence in 2009. ≈ \$165k.
- Architecture, design and build the Thomas 1,100sqft two storey residence in 2009. ≈ \$185k
- Architecture, design and build the McCauley 1,132sqft two storey residence in 2009. ≈ \$190k
- Architecture, design and build the MacArthur 780sqft, single storey residence in 2010. ≈ \$140k. This is the house that Kyla MacArthur refers to in her testimonial. She was unable to come up with the down payment for a mortgage but the bank was agreeable to a “purchase and sale contract” so we financed the construction with a guaranteed sale price and came in \$7 (seven dollars) under budget.
- Architecture, design and build the Favron two storey, 2,600sqft residence in 2010. ≈ \$363k
- Architecture, design and build the Woods two storey, 1,056sqft residence in 2011. ≈ \$234k
- Architecture, design and build the Jennings & Milnes single storey, 1,200sqft residence in 2011. ≈ \$217k
- Architecture, design and build the Hughes two storey, 1,600sqft residence in 2012. ≈ \$277k
- Architecture, design and build the Wierda single storey, 1,560sqft residence in 2012. ≈ \$185k
- Currently underway. Architecture, design and building the English two storey, 1,760sqft residence in 2013-14. ≈ \$240k
- Currently underway. Architecture, design and building the Ellis single storey, 912sqft residence in 2013-14. ≈ \$232k

A fair number of these houses are small and as such there were lots of challenges getting everything to fit and yet maintain functionality of the space. As well, virtually all the buildings are located in Dawson proper and so have to meet the heritage building requirements which is a pleasurable challenge but challenging. And, since almost all the houses are in Dawson they are built on permafrost and so had to be designed to address the issues that are associated with that.

## RESUME 2013

### Greg Hakonson

Bag 395, Dawson City, Yukon

Phone: (867) 993-5103 Fax: (867) 993-6821

Email: [ghakonson@northwestel.net](mailto:ghakonson@northwestel.net)

Canada Y0B 1G0

## WORK EXPERIENCE

- Co-founder and Co-Chair of Klondike Development Organization 2009-2013
- Co-founder of Low Impact Development Ltd 2008-present
- Innovator, founder and President, PneuVation Medical Inc. [www.pneuvation.com](http://www.pneuvation.com) 2004-present.
- Founder and President, ORO Enterprises Ltd, a product development company, 1986-present
- Founder and President, Nobel Metal Resources Ltd, a mining development company, 1986-present.
- Founder, President & Mine Manager, Eldorado Placers Ltd an alluvial gold mining company, 1976-2005
- Co-founder and President, Dawson City Arts Society (DCAS/KIAC), [www.kiac.org](http://www.kiac.org) 1998-2010
- Founding Father and Director of Yukon School of Visual Art (SOVA), 2006-2010, <http://yukonsova.ca/>
- Founder, Klondike Winery, 2001-2005
- Director of YEC and YDC <http://www.yukonenergy.ca/> 2006-2009
- Director Klondike Placer Mining Association (late 70's early 80's). <http://www.kpma.ca/>
- Co-founder of Moose Mountain Ski Hill, Dawson City, YT

## SKILLS BY RELEVANCE

- Entrepreneurial
- Architectural and structural design of commercial (3) and residential (16) buildings
- Self taught in AutoCad, Solid Works, Chief Architect
- Computer skills, word smithing and Excel spread sheet et cetera
- Budgeting, Strategic Planning, Human Resource management
- Negotiation
- Extensive heavy equipment operator experience
- Mechanical and fabrication skills
- Wood working skills
- Innovate, design and construct of mechanical devices for various fields, particularly in alluvial gold recovery and materials handling and more recently in the medical field ([www.trekkelumbarlift.com](http://www.trekkelumbarlift.com)).
- Extensive “hands on” knowledge of alluvial exploration, production methods and procedures (published in “Symposium On Gold Mining Technology”, Beijing June 15-17, 1993)

## EDUCATION

- 2000 First year MechEng, Heriot-Watt University, Edinburgh, Scotland
- 1989 First year Geology, University of Alaska, USA
- 1973 Graduated Grade 12, Robert Service School, Dawson

**PAUL DERHAK**

PO Box 142  
Dawson City, Yukon, Y0B 1G0  
(867) 993-5324  
[pderhak@gmail.com](mailto:pderhak@gmail.com)

**RESIDENTIAL DEVELOPMENT BUSINESS EXPERIENCE**

2008-Present Low Impact Development – Dawson City, YT

Partner in a residential development business founded to focus on the construction and delivery of green, energy efficient and affordable home ownership in Dawson City. Responsible for all cost projections, development implementation, construction project management, contract awards, overseeing contractors and managing client expectations. Six homes have now been completed and work has begun on the eighth.

2006-2009 Adobe Builders – Victoria, BC

Partner in an insured residential development business founded to focused on new construction.

Supervised three employees and responsible for all cost projections, development implementation and construction project management. Two high value homes were completed, priced from \$600,000 to \$850,000.

**PREVIOUS WORK EXPERIENCE**

2003-2006 Bill Hustler Construction – Victoria, BC

- General contractor, millwork fabricator and installer for float home project from drywall to completion
- Formwork, various custom millwork applications and window installer
- Preparation of shop drawings for windows and doors – organizing the manufacture and installation of these products

Reference: Bill Hustler (250) 391-4626

2000-2003 Self Employed - Dawson City, YT

- Covered a wide range of projects from finish carpentry, framing, boat work, renovations and millwork
- Awarded two tendered exhibit projects: Dawson city Museum, and Tr'ondëk Hwëch'in Cultural Centre

1999-2000 Dawson City Arts Society - Dawson City, YT

- Involved in the finish carpentry phase of renovating a historic building

Reference: Gary Parker (867) 993-5577

1996-1998 F.B. Interiors - Vancouver, BC

- All aspects of residential and commercial high end custom millwork

Reference: Frank Brzek (604) 732-6174

1995-1996 Kodama Woodworking - Vancouver, BC

- Residential

1994-1995 Tangent Stairs - Thunder Bay, ON

- Manufacturing of prefab stairs and the development of a manufacturing process for handrail components

Reference: Sam Pollario (807) 622-1710

## **Appendix 4 – Team Member Profile: Across The River Consulting**

### **MARK WICKHAM, MA**

Mark is the managing partner and senior consultant of *Across The River Consulting* and has lived in Dawson City, Yukon since 2001. He emigrated from the UK where he read Chemistry at Oxford University, leaving with a Masters Degree. He was trained in business and finance as an investment banker, spending six years with JP Morgan Bank in London, UK.

*Across The River Consulting* was founded in 2008 to specialize in rural community development work in the Yukon. Mark has exceptional knowledge of the particular cultures and real-world challenges to development faced in the smaller Yukon community context. His expertise in tailoring stimulating engagement and consultation strategies to each community and topic has been critical to their successful implementation. Previously, Mark was the Community Development and Planning Officer at City of Dawson from 2005-2008.

### **EVELYN POLLOCK, BA**

Evelyn is our senior research and event facilitation/marketing consultant. Evelyn has a Bachelor of Arts in Anthropology (University of Victoria), and a Diploma in Media Arts (Capilano College). She is currently completing a professional certificate in Community Economic Development at Simon Fraser University. Evelyn has worked for a wide variety of community groups including independent living organizations serving special needs children and adults (1997-2002), Klondike Institute of Art & Culture (Programs Coordinator then Manager, 2005-2009), Dawson City Chamber of Commerce (Manager, 2010-2012) and brings diverse skills from the non-profit sector such as grant writing, reporting, budget management, and event planning, coordination and marketing. Evelyn uses her experience with digital design and communications platforms to assist in development of marketing materials for both ATRC and our clients.

## **ACROSS THE RIVER CONSULTING**

Across The River Consulting specializes in community and business development work in rural Yukon. Passionate and energetic people drive these communities and our vision is to deliver the critical thinking, strategic planning and successful implementation necessary to enable the realization of their goals. Our expertise and knowledge of community and business development in smaller Yukon communities is now actively sought by many agencies, including businesses. A key feature of our approach is our ability to understand the capacities of smaller enterprises and organizations and develop strategies that meet their real world challenges. Our ability to build client understanding and trust has been fundamental to the success of their plans and projects.

We have developed a broad client base, ranging from business to government (municipal, territorial and First Nation), NGOs and community groups. Our work experience in Dawson City includes feasibility research, business planning, community and stakeholder consultations, workshop facilitation, research, planning and implementation of development projects. These have been across multiple sectors including housing and construction, tourism, culture, knowledge, the mineral industry and municipal regulation. A unique understanding of the connections between and across community planning strategies and the legal and regulatory requirements that affect the implementation of client visions has enabled us to become a go-to resource for project fulfillment.

### Unique capacity to contribute to the project

We are ideally placed to contribute to this project. Client value for money is always a priority. Our existing knowledge of the regional housing market and doing business in Dawson City enables increased time to be allocated to actually delivering the client needs instead of regional familiarization. We have extensive experience in the community and our involvement with the full range of agencies has given us a sound understanding of the ongoing initiatives and the requirements for success in this diverse town.

We provide technical services in several of the fields required to successfully execute the scope of work outlined in the proposal. Our services include:

- Opportunity identification
- Feasibility studies and business plans
- Community economic development planning and capacity building
- Community consultations and engagement
- Stimulating and objective facilitation
- Community event planning, promotion and execution
- Strategic planning focused on implementation; facilitation and evaluation
- Development of long-term, self-sustaining programs, projects and plans
- Quantitative and qualitative research

The successful implementation of a project such as this is heavily dependent on the level of community engagement from day one. We are well practiced in building community partnerships and conducting comprehensive consultations. Our existing relationships in the area will build confidence amongst the stakeholders and an open and constructive dialogue.

## **CURRENT AND RECENT CLIENTS**

Current and recent related projects of *Across The River Consulting* include, amongst others:

- Klondike Development Organization
  - *Klondike Housing Opportunity Research*
  - *Klondike Housing Demand Survey*
  - *Klondike Development Organization Housing Strategy*
  - *4<sup>th</sup> Partnership Forum - Rental Housing Project*
  - *8<sup>th</sup> Partnership Forum – Public Forum on Housing*
  - *Strategic Planning: Needs Analysis, Opportunity Research and Capacity Building*
  - *Regional Labour Market Development Strategy*
  - *Strategic Plan Implementation: Year One Work Program*
  - *Strategic Plan Implementation: Year Two Work Program – Enterprise and Investment Facilitation*
  
- Town of The City of Dawson
  - *Dawson Vacant Lot Analysis, Lot Demand Projections and Review of Land Development Options*
  - *Official Community Plan and Zoning Bylaw (with Urban Systems) – Consultation Specialist*
  - *Municipal Services Review – Engagement and Consultation Survey*
  - *Dawson City Heritage Management Plan - Development of Implementation Plan*
  - *Dawson City Heritage Management Plan – Implementation*
  - *Large Infrastructure Projects 2009 – Planning and Consultation Advisory Services*
  - *Pre-Feasibility Study - Community Economic Development Corporation*
  - *Waterfront Development – Planning and Consultation including YESAB submissions*
  - *'Take Back The River' Waterfront Development – Project Management*
  
- Low Impact Development
  - *Business Plan – Site Specific Land Development for Affordable Home Ownership in Dawson City*
  - *Business Case Assessment – Proposal for Yukon Staff Housing in Dawson City*
  
- Chief Isaac Incorporated
  - *Business Plan (Confidential at this time)*
  
- Tr'ondëk Hwëch'in
  - *Regional Economic Development Plan (with Silvertip Business Consulting)*
  - *Community-Based Economic Development Plan Implementation – Project Management*
  - *Rural Residential Subdivision Development. Research and analysis of Dawson real estate market*
  - *Klondike World Heritage Site Feasibility Assessment – Interim Strategic Plan*
  - *Pre-Feasibility Study - Mining and Environmental Services Business*
  - *Feasibility Study – Employee Incentive Policy with commercial partner*
  - *Feasibility Study – Direct Mail Marketing Program with commercial partner*



- Yukon Government Department of Community Services
  - *Teslin Municipal Services Financial Analysis*
  - *Development of Business Requirements in Relation to Asset Management in Yukon Communities*
  - *Our Towns, Our Future – Municipal Sustainability Indicators Pilot Project*
  - *Our Towns, Our Future - Analysis of Municipal Indicators*
  - *Our Towns, Our Future - Work Plan: First Discussion Draft*
- Yukon Government Department of Economic Development
  - *Village of Carmacks – Economic Development Status Review*
  - *Tr'ondëk Hwëch'in Regional Economic Development Plan: Community Based Implementation*
  - *Municipal Options in Economic Development: Development Corporation Creation*
- Village of Carmacks
  - *Official Community Plan and Zoning Bylaw Update*
  - *Economic Development Strategy including housing strategy and development feasibility analysis*
- Yukon Government Department of Tourism and Culture
  - *Dawson City World Heritage Site – Preliminary Community Survey*
- Dawson Firefighters Association
  - *Planning and project management of new Firefighter museum building*
- Dawson Ski Association
  - *Planning and project management of new ski hill workshop and garage building*
- Klondike Visitors Association
  - *Feasibility Study and Strategic Plan – Tourism Destination Central Point of Sales*
  - *Dawson Central Reservation System – Implementation Project Management*
- Klondike Placer Miners Association
  - *Feasibility Study – Klondike Paleontology Centre*
- Conservation Klondike Society
  - *Dawson Community Food Survey and Market Expansion Strategy*
- Tourism Industry Association of Yukon
  - *Tourism Nodal Development Framework and Gap Identification in conjunction with Amuse*
  - *Land Asset Identification and Analysis in conjunction with Mammoth Mapping*
- Yukon College (Northern Climate Exchange)
  - *Feasibility Study – Climate Change and Science Centre in Dawson City*