

Business Plan Submission for Acquiring a Surplus Lighthouse

Submission: Original Amendment

Petition to Seek Heritage Designation Attached: Yes No

Date of Submission (DD-MM-YYYY): _____

LIGHTHOUSE:

Name of Lighthouse: _____

Location: _____

Municipality: _____

Province: _____

To be completed if the above-noted lighthouse is located in:

Quebec, Newfoundland and Labrador, or British Columbia

Letter from province forgoing reversionary rights: Yes No

If no, please provide explanation: _____

Mode of access to lighthouse (by road, water, or air): _____

ORGANIZATION:

Legal Name of Acquiring Organization: _____

Address of Organization: _____

NOTE: If the acquiring organization is a non-profit corporation, please attach written proof of the organization's non-profit status.

CONTACT INFORMATION:

Name (please print): _____

Title: _____

Address: _____

Telephone: _____

Fax: _____

E-mail: _____

Submission Prepared by (please print): _____

Contact Telephone Number: _____

Business plans may be sent to:

Andrew Anderson

Long-Term Capital Management Branch, Department of Fisheries and Oceans

200 Kent Street

Ottawa, Ontario K1A 0E6

Telephone: 613-990-8886 E-mail: Andrew.Anderson@dfp-mpo.gc.ca

Guide to Preparing a Business Plan Acquiring a Surplus Lighthouse

Introduction

The new *Heritage Lighthouse Protection Act* allows for the designation of lighthouses as heritage properties. The Act facilitates the sale or transfer of heritage lighthouses so that they may be available for public purposes.

Fisheries and Oceans Canada has declared a number of lighthouses across Canada to be surplus to its operational requirements. The Department has prepared this guide to help private organizations applying for heritage designation to put forward business plans that would facilitate acquisition of surplus lighthouse properties for public use.

Organizations wishing to acquire a lighthouse property for an alternate use need to submit a business plan demonstrating the long-term economic viability of their proposed use and their property management capacity. The purpose of this document is to assist organizations in preparing their business plans.

The Business Plan

A good business plan would identify the challenges the organization expects to face in establishing a new use for the property, as well as the opportunities to be realized.

DFO will provide interested parties with all information relevant to future ownership so that they are able to make an informed decision. This may include:

- financial information,
- reports on environmental conditions and the state of the assets,
- the operational status of the aid to navigation located at the heritage property, and/or
- information regarding property ownership and jurisdictional issues.

Each business plan should contain the elements set out below.

Executive Summary

The Executive Summary should provide a brief overview of the main points in the business plan, in the same order as they appear in the main body of the plan. It should contain enough information for a reader to understand what the organization intends to do and why it expects to succeed. The summary should not introduce any idea or information that is not addressed in the plan itself.

The Organization

This section should illustrate why the organization is well positioned to manage a lighthouse property, who will be involved and in what capacity, and how ongoing management needs will be addressed.

- **History:** include when the organization was formed and for what purpose.
- **Structure:** include a list of employees and their positions, and members of the Board of Directors, if applicable; an organizational chart may be included to illustrate the organizational structure.
- **Roles and Responsibilities:** explain the roles and responsibilities of members of the organization (for example, those of the president, directors and operational staff).
- **Professional Advisors:** include the names of lawyers, accountants, building consultants, etc. who assist the organization.
- **Succession Planning:** describe how the organization plans to carry out its operations and meet its goals in the future.

The Opportunity

In this section, the organization should describe how it intends to use the property it wishes to acquire and demonstrate why they believe the use they propose has long-term potential.

Current Status

Although DFO has deemed properties to be surplus, there may be an ongoing need to maintain an active aid to navigation at some sites.

- The organization should indicate its willingness to enter into an agreement with the Canadian Coast Guard (CCG) in the event an aid is needed.
- If the property has been used by third parties, include details as they may contribute to a better understanding of the property's future potential.

Plan of Action

Provide a detailed description of the organization's property use plans once it has assumed ownership. Explain how the site will be financially self-sustaining over the long term.

- If the plan involves conversion to an alternate use or enhancement of an existing use to generate greater revenue, please include:
 - evidence that the intended use complies with zoning by-laws and has the support of the appropriate municipal authority;
 - sketches and/or floor plans;
 - an assessment of how CCG personnel, should they require access, would impact the business or proposed use; and
 - an outline of the arrangements that would be made with the CCG should it require access to a navigational aid.
- Comparative cost estimates from one or more licensed contractors should be obtained in support of stated costs of conversion or improvements to the property.
- An outline of potential risks and challenges that may arise and the strategies the organization would adopt to reduce and manage them.

Marketing Strategy

In this section, the organization should explain why it believes its proposed use of the property will work and what it will do to market it to its intended audience.

- **Market Analysis:** Include any information that will demonstrate the site's potential to generate enough revenue to offset operating costs. Provide relevant information on the local economy including principal industries. Include information on current and/or potential related tourist activities that already draw visitors to the vicinity. Provide any available details about expected visitors (where they might come from, why, would the site have particular appeal to certain age groups, etc.)
- **Location:** Provide information about the property's proximity to nearby towns and cities and the overall population base within a defined radius of the site. Indicate how visitors or clients may have access to the site – by water, land or air.
- **Other Considerations:** Include other factors that may have an impact on the organization's marketing strategy such as local competition (from other venues, businesses), tourism industry outlook and trends, and related seasonal factors.
- **Promotional Strategy:** Outline how the organization will attract visitors or clients to the site. Include information about possible tie-ins to provincial and community marketing campaigns aimed at tourists and residents.

Operations and Maintenance

Explain how the organization will ensure that the property is maintained at an acceptable standard and how designated buildings will be conserved in a manner consistent with the *Heritage Lighthouse Protection Act* conservation standards. This should address:

- structural and operational maintenance for the light tower and related buildings;
- maintaining environmental standards and/or managing environmental liabilities; and
- how the required maintenance personnel will be engaged and at what estimated cost.

Risks and Challenges

Identify all significant risks or challenges the organization may face if its proposal is realized. These should include:

- **Market risks:** such as the impact of fluctuating interest and exchange rates on cash flow, and the possible impacts of changes in economic conditions.
- **Health and Safety Risks:** explain environmental or structural concerns relating to the property and building(s).
- **Financial Risks:** provide an assessment of operational cash flow certainty and stability.
- **Other perceived barriers:** such as inadequacy of the existing infrastructure (roads or wharves) serving the site, insufficient resources in place to operate the site or finance the proposal, local human resource shortages, access restrictions due to jurisdictional issues, etc.

Financial Assistance from Government and Third Party Sources

- List all funding that has been requested, indicating whether or not approval has been received. Possible funding sources include federal departments or agencies (for example, Atlantic Canada Opportunities Agency), provincial and municipal governments, and other non-governmental organizations.

Financial Information

Five-year financial estimates should be submitted with the proposal, detailing revenue and expense projections, and demonstrating the proposal's viability. The organization may wish to include a start-up budget, projected net income, projected annual cash flow and a pro-forma balance sheet.

The following revenue and expense categories may be applicable to operation of a site:

Potential Sources of Revenue

Site admissions
Charitable donations
Government funding
Funding from non-governmental organizations
Leases to third party service providers
Site rental for private functions

Potential Expenses

Taxes
Heating/cooling
Electricity
Water/sewer
Cleaning
Landscaping/site maintenance
Insurance
Security
Maintenance and repairs
Capital Improvement Sinking Fund
Marketing/advertising
Accounting/professional services
Management/salaries

Contact Information

Business plans may be sent to:

Andrew Anderson
Long-Term Capital Management Branch
Department of Fisheries and Oceans
200 Kent Street
Ottawa, Ontario
K1A 0E6
Telephone: 613-990-8886
E-mail: Andrew.Anderson@dfo-mpo.gc.ca

Requests for information related to specific sites may be directed to:

<p>Noel Taylor Department of Fisheries and Oceans, Pacific Region Suite 200-410 Burrard Street Vancouver, British Columbia V6C 3S4 Telephone: 604-775-8813 E-mail: Noel.Taylor@dfo-mpo.gc.ca</p>	<p>George Fenn Department of Fisheries and Oceans, Central and Arctic Region 3027 Harvester Road, Unit 506 PO Box 85120 Burlington, Ontario L7R 4K3 Telephone: 905-639-6139 E-mail: George.Fenn@dfo-mpo.gc.ca</p>
<p>Donald Moffet Department of Fisheries and Oceans, Quebec Region 104 Dalhousie Street Québec, Quebec G1K 7Y7 Telephone: 418-648-7497 E-mail: Donald.Moffet@dfo-mpo.gc.ca</p>	<p>Julie Leblanc Department of Fisheries and Oceans, Gulf Region Gulf Fisheries Centre, 343 University Avenue PO Box 5030 Moncton, New Brunswick E1C 9B6 Telephone: 506-851-4934 E-mail: Julie.Leblanc@dfo-mpo.gc.ca</p>
<p>Perry Rideout Department of Fisheries and Oceans, Maritimes Region PO Box 1000 Dartmouth, Nova Scotia B2Y 3Z8 Telephone: 902-426-6223 E-mail: Perry.Rideout@dfo-mpo.gc.ca</p>	<p>Taryn Dutton Department of Fisheries and Oceans, Newfoundland and Labrador Region PO Box 5667 St. John's, Newfoundland and Labrador A1C 5X1 Telephone: 709-772-0621 E-mail: Taryn.Dutton@dfo-mpo.gc.ca</p>

Related Links

The following is a partial list of information sources which may assist in the preparation of a business plan:

Federal Government

Atlantic Canada Opportunities Agency (ACOA)

<http://www.acoa.ca/English/ImLookingFor/BusinessTools/Pages/Home.aspx>

<http://www.acoa.ca/English/ImLookingFor/ProgramInformation/Pages/Home.aspx>

ACOA Community Business Development Corporations

<http://www.cbdc.ca/programs.php>

Government of Canada: Business Canada – Service for Entrepreneurs

<http://www.canadabusiness.ca/eng/>

Canadian Coast Guard

http://www.ccg-gcc.gc.ca/eng/CCG/ATN_Home

Parks Canada

Heritage Lighthouses of Canada

<http://www.pc.gc.ca/eng/progs/lhn-nhs/pp-hl/index.aspx>

Industry Canada

Business Tools and Resources

http://www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00068.html

Financing

http://www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00073.html

Not-For-Profit Organizations

http://www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00076.html

Tourism

http://www.ic.gc.ca/eic/site/dsib-tour.nsf/eng/h_qq00000.html

Treasury Board of Canada Secretariat

Directory of federal Real Property

<http://www.tbs-sct.gc.ca/dfrp-rbif/home-accueil-eng.aspx>

Provincial Governments

Tourism Departments

Industry Departments

Social Service Departments

Economic Development Departments

Municipal Governments

Economic Affairs

Tourism Departments

Grants in Lieu of Taxes

Non-Government

Heritage Preservation Foundations

Heritage Preservation Associations

Chambers of Commerce

Historical Societies

Local Business Development Associations Lighthouse Preservation Societies