

Sustainability Recommendation and Road Map Document

Peace Region Economic Development Alliance

DRAFT February 18, 2025

PREDA Feedback

Timeline

April 17th 2024 GOA sends out scoping document to all REDAs for feedback on consultant qualifications / outcomes REDA's envision. PREDA Board provided feedback in April 2024 as requested.

Two high priority requirements of the consultant (s) were requested by PREDA:

- 1) Visit the region in person; meet PREDA membership; PREDA will coordinate familiarization tour
- 2) Experience & knowledge of the economic challenges and opportunities Peace Region and/or Northern Alberta.

Fast forward 7 months later:

November 18th, 2024 First email contact from **Qatalyst Research** Consultant seeking engagement with PREDA.

- 1) **November 22nd, 2024 (2 hrs)** PREDA Chair, Executive Director, and Administration first introduce and engage with **Qatalyst Research**; Consultant "REQUIRED" answers to pre-created questions sent to PREDA as the Consultant was on a "TIME CRUNCH". At end of session Consultant is invited to introduce self at upcoming Board of Directors (Dec 5th). Consultant declined invitation to be introduced to the Board to explain the purpose and process. Closing comment from Consultant "**REQUIRED**" second meeting before Christmas due to "TIME CRUNCH".
- 2) **Dec 19th, 2024 (2 hrs)** All Board members invited to participate in **Qatalyst Research** Consultant engagement. Consultant provided pre-set questions. End of session PREDA informed Consultant "**REQUIRED**" next steps meeting before January 22, 2025 due to "TIME CRUNCH".
- 3) **January 17th, 2025 (2 hrs)** All Board members invited to participate in **Qatalyst Research** Consultant engagement. Consultant provided pre-set questions. PREDA completed template and provided background information to Consultant.

Report: February 28th, 2025 PREDA received draft report from **Qatalyst Research** Consultant. PREDA invited Consultant to zoom in to review draft report at Board meeting on March 6th. Consultant declined invitation to review draft at Board meeting on March 6th.

Continuation Request: March 25th, 2025 From **Qatalyst Research**: *"we are happy to provide support with the implementation process starting in April. We will work with you over the next several months on the sustainability recommendations based on the initial engagement report submitted earlier for your review".*

PREDA Overall Impression of Qatalyst Research Services

In April 2024, PREDA was willing to participate in the strategic consultant services proposed by the GOA. Having a third eye view to brainstorm with PREDA at the proposed calibre by the GOA was seen as a luxury which PREDA did not have the time or resources to engage in on their own.

At the on-set PREDA identified two priorities for consultant services:

- 1) Visit the region in person; meet PREDA membership; PREDA will coordinate familiarization tour
- 2) Experience & knowledge of the economic challenges and opportunities Peace Region and/or Northern Alberta.

Neither of these requested priorities for PREDA were honored. From the on-set of first contact with **Qatalyst Research** in November PREDA reluctantly accepted a forced process from a consulting service that was not only NOT interested in visiting the PREDA region, developing a relationship with PREDA and its membership but ALSO had never been to Northern Alberta. Qatalyst Research is housed in Vancouver and the consultant assigned to PREDA was located on a computer using AI Script recording in Saskatchewan.

Hence PREDA gives as much credibility and respect to **Qatalyst Research** draft report titled: Sustainability Recommendation and Road Map Document as PREDA was afforded by Qatalyst Research.

In response to **Qatalyst Research** request “*to work with you over the next several months on the sustainability recommendations based on the initial engagement report submitted earlier for your review.*” PREDA appreciates the Government of Alberta’s attempt to assist us with access to the highest calibre of consultants.

PREDA respectfully declines any further engagement with **Qatalyst Research**.

Attached: PREDA Feedback Highlighted Throughout the Draft Report

Sustainability Recommendation and Road Map Document

Peace Region Economic Development Alliance

DRAFT February 18, 2025 Author: Qatalyst Consulting

Executive Summary

The Peace Region Economic Development Alliance (PREDA) has been dedicated to fostering sustainable regional economic growth in Northern Alberta since its inception. Our report outlines a strategic roadmap to ensure financial and operational sustainability, emphasizing collaboration, innovation, and effective advocacy.

PREDA's mission is to promote economic development and self-sufficiency through strategic planning and partnerships. Our efforts are focused on enhancing infrastructure, supporting workforce development, advocating for equitable resource distribution, and encouraging entrepreneurship and innovation. Despite financial challenges, PREDA has maintained its operations and delivered services effectively, demonstrating resilience and adaptability.

Our engagement process involved extensive consultations with key stakeholders to understand current operational capacities and identify barriers and opportunities. Data collected from interviews, focus groups, and ongoing communications provided valuable insights into PREDA's strengths, challenges, and potential areas for growth.

Correction: Qatalyst Research held 3 two-hour on-line sessions with pre-set rote questions and AI script recordings. All crisis management “required” within the span of six weeks; AND across Christmas holidays, AND when numerous holiday events obligated municipal leaders to support internal staff Christmas events & attend within their own communities and other external non-profits expecting their limited time during the Christmas season.

Key findings reveal that PREDA operates with a budget of \$206,500, funded primarily by the Government of Alberta and membership fees. However, the phase-out of REDA funding poses a significant challenge (False - , necessitating the exploration of alternative funding sources. Our analysis identifies various options, including increasing municipal and associate memberships, pursuing grants, organizing fundraising events, and seeking private funding.

The region faces several challenges, including inadequate infrastructure, limited financial resources, and a lack of government support. Nevertheless, opportunities such as the potential establishment of a nuclear power plant and increased investment in transportation corridors present significant growth prospects.

To achieve long-term sustainability, PREDA must diversify its funding sources, implement effective financial management practices, and strengthen partnerships with local municipalities, government agencies, and international entities. Advocacy efforts are crucial to secure government support and address funding disparities.

Fostering innovation and entrepreneurship, engaging with the community, and ensuring robust succession planning are essential components of our strategic roadmap. By adapting to external challenges and maintaining a focus on regional collaboration, PREDA aims to unlock the full economic potential of the Peace River region and contribute to the overall prosperity and well-being of its residents.

Our comprehensive roadmap outlines immediate actions, short-term goals, and long-term objectives, with specific initiatives, timelines, and milestones to guide PREDA's efforts. Through continuous improvement and strategic planning, PREDA will remain a vital force in fostering economic development and sustainability in Northern Alberta.

Introduction

Purpose of the Report

This report is meant to support Peace Region Economic Development Alliance (PREDA) in developing sustainable strategies tailored to the unique needs of the region and organization. It discusses PREDA's current operating structure and capacity, reviews the strengths, challenges, and opportunities facing both the organization and the regional economy and presents options and recommendations for ensuring financial self-sufficiency and operational sustainability.

Overview of PREDA

PREDA was incorporated as a not-for-profit Corporation under The Companies Act of Alberta in October 2000, and it is one of 9 Regional Economic Development Alliances (REDA) in the province of Alberta. PREDA is a coalition of 27 municipalities collaborating on regional economic development in Alberta's northwest, known as the Peace Region. Membership also includes Northern Lakes College, Northwestern Polytech, Community Futures (Peace Country and Grande Prairie), and Chambers of Commerce. These regional members provide data on small businesses, entrepreneurs, and skilled trade and services in the region.

PREDA's mission is dedicated to fostering economic development and self-sufficiency in the northwest region of Alberta. We aim to equip communities with the necessary tools and resources to achieve economic viability through strategic planning, consultations, and mentorship programs. Our commitment extends to providing accessible and affordable services to all member municipalities, ensuring inclusive growth and development.

The vision of PREDA is to create a region where municipalities work collaboratively to maximize their resources, support each other's successes, and collectively address challenges. By fostering a strong regional identity centered around the Peace River, we aspire to create a cohesive and thriving community. Our goal is to drive economic development and enhance the well-being of all residents through proactive government involvement, knowledge sharing, and continuous improvement initiatives.

An overview of PREDA's strategic direction is shown in the following table.

Mission & Objectives	Goals & Priorities	Programs & Services	Impacts & Achievements
- Promote sustainable regional economic development - Advocate for equitable resource allocation - Enhance infrastructure - Support workforce development - Foster collaboration and partnerships - Encourage entrepreneurship and innovation - Advocate for local autonomy over resources - Address social and community needs	- Strengthening regional identity to address common challenges and seize opportunities - Enhancing infrastructure to unlock the economic potential of Northern Alberta - Strengthening organizational capacity to ensure continuity and effectiveness - Building strategic partnerships to access resources and achieve regional goals. - Addressing funding disparities by advocating for government grants and addressing the high administrative costs that hinder economic growth	- Business support and advisory services including market research, workshop and training - Investment attraction such as promotional campaigns to highlight the region's economic potential - Education and workforce development by partnering with educational institutions - Collaboration is key to PREDA. They foster partnership with government departments, regional entities and international organizations. - Looking ahead, PREDA is committed to adapting and evolving to meet the changing needs of Northern Alberta. This includes exploring new areas of opportunity, such as renewable energy projects and digital infrastructure.	- Preda has been pivotal in advocating for and securing funding for crucial infrastructure projects across Northern Alberta leading to significant improvements in transportation networks. - Through various programs and partnerships, PREDA has been instrumental in fostering a vibrant entrepreneurial ecosystem in Northern Alberta. - Collaboration has been a cornerstone of PREDA'S strategy, enabling the organization to address complex regional challenges effectively. - PREDA has played a crucial role in raising awareness about the unique needs and opportunities of Northern Alberta.

Methodology

Engagement Process Overview

The engagement plan was designed to guide interactions with PREDA, ensuring a structured approach to gathering insights and supporting the development of tailored sustainability strategies.

The engagement process involved interviews, focus groups, consultations and data collection aimed at building a clear understanding of the organization and operating context.

The objectives of engagement were as follows:

- Understand current operational capacity, structure, and projects
- Understand organizational needs
- Facilitate collaborative problem-solving
- Identify barriers and opportunities
- Develop tailored recommendations

Data Collection Methods

Data was collected in four steps, as follows:

- Initial outreach consisted of an online meeting with the Board Chair and the Executive Director to learn about PREDA's organizational structure, strategic direction, services, issues and challenges, and to gather baseline on operations and financing.
- Initial meeting and interview was conducted on November 22, 2024, with the executive director and manager.
- Stakeholder engagement and focus group discussion was held on December 19, 2024, with the executive director and members of the board.
- Analysis and strategy co-creation was held on January 17, 2025.
- Ongoing emails and telephone calls with the Executive Director and the manager were held throughout the course of the project.

Interview and focus group guides, data collection templates and SWOT analysis templates were used to guide data collection and analysis.

Stakeholders Consulted

A total of 10 persons contributed to the process of the REDA Consulting Services provided through the GOA. Eight Board members, and 2 PREDA Executives as listed below:

- Carolyn Kolebaba – Northern Sunrise County
- Deanne Wendland – Birch Hills County
- Nick vanRootselaar – MD of Spirit River #133
- Kenneth Hildebrand – Town of Sexsmith
- Brain Peterson – County of Grande Prairie #1
- Gary These – County of Northern Lights
- Sandra Eastman – MD of Peace #135
- Bob Willing– MD of Peace #135
- Dan Dibbelt / Mary Joan Aylward – PREDA Executives

Supporting Research

Research on economic development planning, organizational development, financing at the local level and in relation to regional service delivery was undertaken to identify best practices and lessons learned that provided insights and potential options for PREDA financial sustainability.

Findings and Analysis

Current Operational Capacity

PREDA currently operates with a budget of \$206,500 (261,000) which can be considered a suitable economic development budget for an average sized REDA organization. In 2024/25 this was funded by the Government of Alberta (\$125,000), membership fees (\$82,000) and other income sources (\$54,000). This budget enables PREDA to maintain its operations and deliver services without the need to accumulate large reserves. Funds are strategically allocated to various projects, and a municipal project fund is utilized for collaborative efforts across the region.

The organization has managed to sustain its activities effectively even when faced with financial challenges. For example, staff members have previously accepted lower wages to ensure the organization's financial stability. The board plays a crucial role in supporting and finding solutions to these challenges, fostering a collaborative and adaptable environment. This spirit of collaboration extends to the broader regional network, where joint ventures and shared initiatives help maximize limited resources.

Despite these efforts, PREDA faces potential scenarios that could necessitate additional funding. For instance, the introduction of a nuclear power plant in the region would significantly alter the organization's funding requirements by increasing demands on the economic development site. Such changes would require additional resources to accommodate these shifts, highlighting the importance of strategic financial planning. Proactive financial strategies, such as seeking grants and partnerships, are essential to navigate these future challenges and capitalize on emerging opportunities.

The organization maintains an operational budget that could be reduced to \$125,000 if necessary, focusing on core operations with fewer projects. This balance between operational costs and project funding is essential for sustainability, ensuring PREDA can continue to deliver its services effectively.

Overall, PREDA's current operational capacity reflects its resilience and strategic planning, enabling it to support economic development across the Peace River region. Through careful financial management and a focus on collaborative efforts, PREDA remains a vital force in fostering regional growth and well-being.

Looking ahead, PREDA is committed to expanding its impact through several strategic initiatives such as enhanced regional collaboration, infrastructure development, entrepreneurship support,

advocacy and policy influence as the organization aims to unlock the full economic potential of the Peace River region and contribute to the overall prosperity and quality of its residents.

Our analysis of PREDA's financial statements shows a standard profit and loss profile, with limited potential for cost recovery aside from reducing the number of programs offered. Currently, PREDA provides approximately four to five programs annually. Capital assets and purchases are minimal and do not significantly impact operations. Given the nature and sources of available funding, PREDA is restricted to offering core services related to regional collaboration, information gathering and dissemination, and marketing/investment attraction.

Despite adequate financial support from the provincial government, the organization maintains an operational budget that could potentially be reduced to \$125,000, focusing on core operations with fewer projects. This balance between operational costs and project funding is essential for sustainability, ensuring that the organization can continue to deliver its services effectively.

Key Challenges and Barriers

Strengths

- The region's entrepreneurial mindset and innovative spirit are significant assets. This mindset is driven by the necessity to adapt and find solutions independently, fostering a culture of creativity and resilience. The proactive approach taken by individuals and organizations alike is crucial in overcoming challenges and seizing opportunities.
- The workforce in the region is characterized by a proactive and entrepreneurial approach. This attitude is seen as a key strength, enabling the region to tackle obstacles head-on and drive sustainable development. Workers are encouraged to think innovatively and take initiative, which enhances productivity and fosters a culture of continuous improvement.
- The organization actively engages its community and members, with passionate individuals contributing to the success of their surroundings. This engagement is reflected in various initiatives that promote local development, encourage participation, and build strong communal ties. The collective efforts of community members play a pivotal role in driving regional progress.
- The unique geographic and regional identity of the area fosters a strong sense of belonging and shared purpose among members. This identity unites them in addressing common challenges and seizing opportunities specific to the region. The deep connection to the land and culture instills pride and motivates collective action, ensuring that regional interests are prioritized.
- The organization thrives on its ability to adapt, collaborate, and leverage its collective expertise. Adaptability ensures that the organization can navigate changing circumstances and remain resilient in the face of adversity. Collaboration, both within the organization and with external partners, amplifies its impact and facilitates the sharing of knowledge and resources.
- A strong commitment to collaboration underpins the organization's efforts to make a positive impact on the region. By working together with various stakeholders, including government entities, businesses, and community groups, the organization enhances its capacity to drive regional development. This collaborative approach ensures that diverse perspectives are considered, and that collective expertise is harnessed to address complex challenges.

- Effective leadership is a cornerstone of the organization's success. Leaders are adept at strategic financial management, ensuring the prudent use of resources to achieve long-term goals. They inspire confidence and guide the organization toward growth, making informed decisions that align with regional priorities and foster a thriving community.

Challenges

- Northern Alberta faces significant challenges due to inadequate funding and resources, which are exacerbated by a lack of government support and policy biases favoring urban centers. This financial disparity limits the region's ability to attract and retain skilled staff, hindering economic development efforts. Without sufficient funding, essential services and infrastructure projects are often delayed or left incomplete, perpetuating a cycle of underdevelopment that stifles the region's growth potential.
- Organizations like PREDA play a vital role in supporting economic development, but their capacity is limited by financial constraints and a small workforce. There is an urgent need for succession planning and knowledge transfer to maintain organizational continuity as key staff near retirement. Strengthening these organizations is crucial for sustaining regional development initiatives and ensuring that they can effectively address local challenges. Providing these organizations with the necessary resources and support will enable them to expand their programs and services, fostering a more resilient and dynamic regional economy.
- The region's infrastructure, including transportation, water quality, and power transmission, is lacking, making it difficult to unlock its economic potential despite its vast land base and resources. Poor transportation infrastructure hinders the efficient movement of goods and people, leading to increased costs and logistical challenges for businesses. Inadequate water quality and power transmission systems further impede industrial activities and quality of life for residents, discouraging investment and settlement in the area.
- There is a critical need for improved communication and advocacy to ensure that Northern Alberta's unique needs and opportunities are recognized at provincial and federal levels. The centralization of services and resources in urban areas has led to regional disparities and feelings of neglect among rural communities. Effective advocacy efforts are essential to highlight the region's contributions and potential, and to secure the necessary support and investment to address its challenges.
- Externally, environmental regulations and global economic factors hinder development efforts. Strict environmental regulations can pose significant obstacles to industrial projects, requiring substantial investments in compliance and limiting operational flexibility. Global economic fluctuations and trade dynamics also impact the region's economic stability, affecting key industries such as energy, agriculture, and manufacturing.
- Additionally, the region lacks adequate mental health support and social services, affecting community well-being and its attractiveness to businesses and residents. The absence of these critical services exacerbates social issues and reduces the overall quality of life, making it harder to attract and retain a skilled workforce.

Opportunities

- A significant opportunity lies in the potential establishment of a nuclear power plant in the region. This project could dramatically transform the local economic landscape, providing a

reliable source of energy and creating numerous jobs. The development of such a facility would necessitate increased funding and support, potentially attracting investment from both governmental and private sectors. This initiative could also spur the development of ancillary industries and services, further boosting the region's economic growth.

- There is a strong call for more investment in infrastructure, particularly in transportation corridors. Improved infrastructure is essential for facilitating the movement of commodities and supporting industrial expansion. The lack of rail infrastructure is seen as a major barrier to economic development, with frustration over the focus on tourism-related projects in the south while northern needs are overlooked. Enhanced infrastructure would not only benefit local businesses but also make the region more attractive to investors and new enterprises, thereby fostering economic diversification.
- Collaboration and partnerships are emphasized as crucial for accessing resources and achieving regional goals. The importance of working with government departments, other regions, and international entities to leverage opportunities cannot be overemphasized. By forming strategic alliances, PREDA can enhance its capacity to advocate for the region's needs and secure the necessary support for development projects. Additionally, partnerships with educational institutions can help in training and retaining a skilled workforce, which is vital for sustaining long-term economic growth.
- The region boasts a highly educated population capable of driving innovation. However, there is a notable lack of financial support for startups, which hinders entrepreneurial efforts. There is a need to foster a business-friendly environment that encourages entrepreneurship and supports the growth of small and medium-sized enterprises (SMEs). This can be achieved through targeted funding programs, business incubators, and mentorship initiatives. Supporting local entrepreneurs not only stimulates economic activity but also helps retain talent within the region, contributing to a vibrant and dynamic business ecosystem.
- There is a desire for greater control over local resources and decision-making processes. Respondents call for more assertive leadership to advocate for the region's needs at provincial and federal levels. By having a stronger voice in policymaking, Northern Alberta can ensure that its unique challenges and opportunities are adequately addressed. This involves promoting a rural lens in policy decisions and striving for a more equitable distribution of resources. The region's strong sense of pride and determination to overcome challenges through strategic development and advocacy is a testament to its potential for growth and success.

Assessment of Funding Options

The Government of Alberta's announced phase out of REDA funding will significantly and adversely impact the financial sustainability of the nine organizations that now operate across Alberta. For most REDAs that government support represents the majority of operating funds while for PREDA it was approximately 61% in 2023/24.

Correction: 47% - Without government funding PREDA generates \$82K in membership direct operational funds and 54,000 in project funds: Northern Transportation Advocacy and the Municipal Project Fund.

PREDA can continue to monitor and advocate to reinstate some form of government REDA support, working with other REDAs, the RMA and Alberta municipalities both of which have demonstrated

continued support for PREDA. Without GOA core funding it will be difficult to support basic operations and make it almost impossible to access project grants because of the additional working capital that has to be reserved.

The following table presents an evaluation of other funding sources that could help offset the loss of provincial government support.

Source	Baseline (2024)	Sustainable Case (2026 and beyond)
REDA Funding	125,000	-
Operating cost savings	-	20,000
Municipal memberships	82,000	82,000
Associate memberships	-	10,000
Fees for funding	-	-
Private funding	-	-
Fundraising events	-	-
Other income sources	54,000	54,000
Total	\$261,000	\$156,000

*Operating cost savings represent a reduction in program costs due to cutting down in the number of programs run in the year.

The options and revenue implications above are purely hypothetical and are not recommendations for implementation. They are presented solely to illustrate the potential for and impact of options.

A description of the options and central assumptions are as follows:

- Decreasing operating costs has limited potential because, as noted above, there are few line items that were out of the ordinary for an economic development function.
- A more modest opportunity for PREDA is business and associate memberships. The region has a significant business base. There is good potential in growing this category, but it would be advisable to evaluate the fee structure to see where the sensitivity is in new recruitment.

Correction: PREDA does accept business memberships, however, they come and go as most business members join to access municipal leaders. For example, members such as CN have joined in the past but do not appreciate the organization lobbying against them for better service. Also; PREDA has collaborative relationship across other organizations that have “business mandates” and provide business services; such as Chambers of Commerce and Community Futures. **PREDA advocates for non-duplication of services and champions & utilizes the content experts within our region.** One of the primary reasons for this under-current of reciprocity is that numerous organizations utilize the leadership and membership fees of municipalities. In the last decade the municipalities have been hit hard with downloading of numerous provincial / federal responsibility & funding demands pushed onto their residents (airports, bridges, roads, health clinics, RCMP, etc ..) . PREDA is very cognizant of its unique role within the region and has no desire to duplicate the role of other organizations. Also: PREDA **HAS** associate members; referred to a **non-municipal flat-fees**; Post-secondary; Community Futures, Chambers of Commerce, GP Airport, Mighty Peace TOURISM; MOVEuP

MAmagazine . These member types bring regional content expertise to PREDA membership and regional issues. **The list of PREDAs Members was provided to Qatalyst Research for background.**

- PREDA does not offer fee for services or event hosting and while other REDAs do so with varying levels of success, the upside potential for PREDA is limited, though worth investigating further. It is noted that focusing on fee for service revenues may require a fundamental restructuring of operations because at present most operational resources are going to member services.

Correction: PREDA was the first REDA (ten years ago) to offer sliding scale & customized “Economic Development related” services for a fee beyond general membership. **The list of Member Fee for Services was provided to Catalyst Research for background.** Also, PREDA has discovered that over the years; due to the severe shortage of Economic Development officers in the PREDA region; the demand for these customized services far out-paced PREDA’s ability to promote & implement. Hence, frequently ended up in PREDA managing external consultants. This evolved into PREDA providing preliminary review for members and then members recruiting their own external contracts.

- Private funding sources, including fundraising and in-kind contributions, also have potential but as with fee for services, they are rarely a major source revenue for economic development organizations. Moreover, there would have to be dedicated resources to raise revenues perhaps at the cost of reduced member services.

Correction: PREDA exists because of **AND** to service its members? PREDA is **NOT** a Hospital Foundation; Ducks Unlimited, or an event management service.

- One of the primary avenues for funding is through government grants. However, the current lack of government grants and the high administrative costs that hinder economic growth is a huge challenge.

Correction: Government grants are available to PREDA members for specific sector / municipal level projects. Also, the Province of Alberta requires all municipalities to create / implement Inter-municipal Collaboration plans which identify cross municipal sharing potential and joint application opportunities for grants such as Small Community, Northern Development; etc.. PREDA is cautious of mission drifting to “ambulance” chase grants that then require non-cost effective administration time to apply / securing/ and implementing/ and then reporting.

- Collaboration with government departments, other regions, and international entities is crucial for accessing resources and achieving regional goals. Establishing partnerships can help leverage additional funding sources and support for infrastructural and economic projects. Working together with these entities can also amplify advocacy efforts and ensure that Northern Alberta's needs are addressed.

Correction: PREDA does this **extensively**. We work with our post secondary, chambers of Commerce, Community Futures, Rural Municipal Association; Urban Municipal Association; MPTA, Northern Alberta Development Council; Northern Alberta Elected Leaders; Community Rail Alliance; Association of Municipal Airport Managers; and numerous others. PREDA **started** the Northern Transportation Advocacy sub-committee for this very reason. Also; PREDA’s

quarterly regional symposiums bring together GOV , Industry, and Local leaders from all levels across agriculture, energy, mining, forestry, health, childcare, broadband; etc .. We have limited work with other REDA's as their primary focus was to work trade shows. **PREDA's 2024 annual activity report was provided to Catalyst Research for background.**

- Encouraging private investment and supporting entrepreneurship are vital for stimulating economic activity. Financial support for startups and fostering a business-friendly environment can help retain talent and promote innovation within the region. Seeking out angel investors, venture capital, and corporate sponsorships can provide additional funding to support businesses and economic development initiatives.

Correction: These are the service mandates of service providers within the PREDA region. Again: PREDA advocates for non-duplication of services and champions & utilizes the content experts within our region.

- Overall, securing diverse funding options is crucial for PREDA to continue its vital role in supporting economic development in Northern Alberta. By advocating for equitable resource distribution, fostering collaborations, encouraging private investment, and focusing on local control and infrastructure development, PREDA can enhance its capacity to drive regional success and growth.
- Selecting options for new revenue will depend on factors other than how much money could be raised. The following table provides a qualitative rating, using a 1-5 numeric scale, and priority ranking based on the following four criteria:
- **Complexity**—how complex would this option be, does it require constitution or bylaw change by PREDA, does it have legal or regulatory interactions of consequences, can it be instituted by the Executive Director with Board direction, or does it require broader membership and partner involvement? The more complex, the lower the score.
- **Level of effort**—what time, financial and other resource commitments are required to implement? The higher the level of effort, the lower the score.
- **Likelihood of success**—on the balance of probabilities, how confident are we that this option can be implemented? The greater the likelihood, the higher the score.
- **Revenue impact**—based on PREDA's experience, the experience of other REDA organizations, and understanding of economic development funding practices in other jurisdictions what is the revenue impact of this option? The higher the revenue, the higher the score.

Options	Complexity	Level of Effort	Likelihood of Success	Revenue Impact	Total Score	Rank
Decrease operating costs	1	2	1	2	6	6
Increase municipal membership	2	2	3	3	10	2
Increase associate/bus membership	2	2	3	2	9	3
Fee for Services	2	2	2	2	8	4
Private funding	1	2	2	2	7	5
Fundraising events	1	1	1	1	4	7
Other income sources	2	2	3	4	11	1

Based on the foregoing discussion, our conclusions about the funding options available to PREDA are as follows:

- It is highly unlikely, if not impossible, that PREDA will be able to replace the REDA funding that was received prior to 2024 (\$125,000) and that is now being withdrawn by the GOA.
- The best options for offsetting this loss will be an increase in other incomes, especially programs run by the organization, and increasing municipal and new associate membership.
Correction: PREDA stretches from Highway 2 to Mackenzie County and from the BC Border to the Municipal District of Opportunity. PREDA members can drive up to six hours to attend a meeting. This of course also requires municipal council approvals for travel & accommodations. PREDA is one of 20+ non-profit organizations supported through municipal leadership & membership. PREDA will never lose sight of that reality and PREDA will never lose focus that we are first & foremost a municipal organization, uniquely supporting economic development initiative and regional advocacy.
- There is some room for operating cost reduction but there is very little overhead that could be targeted for significant savings.
- PREDA could earn some revenue through fee-for-service activities, private funding and fundraising such as event hosting. However, focusing on client services might conflict with member services. Fundraising can be profitable but is resource intensive and unpredictable. Pursuing private funding may reduce member service capacity unless it significantly boosts revenues.
- **Correction:** REPEAT: PREDA advocates for non-duplication of services and champions & utilizes the content experts within our region. PREDA exists because of AND to service its members? PREDA is NOT a Hospital Foundation; Ducks Unlimited, or an event management service.

Sustainability Recommendations

For the Peace Region Economic Development Alliance (PREDA) to achieve long-term sustainability, several key strategies must be implemented. These strategies revolve around financial stability, effective collaboration, innovative approaches, and robust advocacy.

Financial management and operations

1. To reduce reliance on a single revenue stream, PREDA should diversify its funding sources. This can be accomplished by pursuing a variety of grants, including federal, provincial, and private sector grants tailored to economic development projects.
2. Additionally, increasing membership fees strategically, particularly for larger institutional members, can provide a steady income stream. Organizing fundraising events, such as community galas, charity auctions, and crowdfunding campaigns, can also generate significant funds. Expanding industrial and commercial memberships, despite potential challenges, could attract more support from the business community, thereby enhancing financial stability.
3. Effective financial management is crucial for PREDA's sustainability. Implementing cost-cutting measures, such as reducing the number of physical meetings by leveraging virtual platforms and eliminating unnecessary expenses, can help maintain financial health.

Correction: PREDA reduced its meetings from 12 Administrative non-purposed meetings per year to 4 focused, researched, followed-up regional advocacy symposiums. Board of Director meetings are four per year through e-conference. PREDA advocates in-person when possible. This is because we **KNOW** in-person group discussions are wholly more effective than 30 people on zoom.

4. Moreover, allocating funds wisely to priority projects and maintaining a balanced operational budget that supports both core services and project funding is essential. Regular financial audits and transparent reporting practices will also bolster stakeholder confidence.
5. **Correction:** PREDA provides quarterly YTD finance to the Board of Directors; year end profit & loss summary at the AGM.; submits year end finances to external accounting services, posts the annual Financials to the membership section of the website; along with required Annual Corporate Registry; Canada Revenue Assessments, and GST Non-Profit Filings.

Partnerships, advocacy and government relations

6. Building and maintaining robust partnerships with local municipalities, government agencies, and international entities is vital. These collaborations can provide valuable resources, expertise, and support. For instance, partnerships with educational institutions like Fairview College and Northwest Polytech can enhance workforce development programs, offering training and resources that meet the region's needs.
7. **Correction:** Fairview College is Northwest Polytech, additionally Both Northwest Polytech and Northern Lakes College are PREDA members. Both colleges regularly attend PREDA meetings and provide enrollments; graduates; new programs, labour market demands; etc.. Both of these Colleges also turn to PREDA and its membership for advocacy issues. As an example Northwest Polytech turned to PREDA for leadership when they had an issue with the local Fairview Campus demolition and overall degradation of the campus & programs offered. PREDA's Chair mediated the local resident uproar, the College board of governors; the Minister of Advanced Education, and worked with them and the member municipalities to resolve to solutions to move the local campus forward. **PREDA's 2024 annual activity report was provided to Catalyst Research which highlighted PREDA's leadership in the local advocacy issue.**
8. Collaborations with industry leaders and research organizations can drive innovation and bring cutting-edge technologies to the region.
Correction: PREDA does all of this. For example: we work with JET and Agriculture regularly, We have toured investors from India and China. We are in constant contact with MLAs, Ministers and MPs as well as their departments.

Effective advocacy is critical for securing government support and addressing funding challenges. By actively engaging with Members of the Legislative Assembly (MLAs), Members of Parliament (MPs), and relevant government departments, PREDA can ensure that Northern Alberta's unique needs are recognized and addressed. This includes advocating for equitable resource distribution, policy changes that benefit the region, and infrastructure investments.

9. **Correction:** (MLAs and MPS regularly attend our meetings and we are in constant contact. When AHS was planning to terminate fixed wing medivac services from our smaller airports, PREDA worked with our municipalities and Minister Sigursen to restore this. When NWP was planning changes with their Fairview campus, we worked with NWP, Minister Lagrange and municipalities to resolve the issue. We meet with Minister Loewen on the Forestry file regularly and we have met with MLA Tany Yao on several occasions.)
10. Developing a strong government relations strategy and participating in policy forums can amplify PREDA's voice.
11. **Correction:** PREDA is way ahead of the curve on this.

Funding and Membership Development

12. Seek in-kind contributions to cover administrative expenses such as website hosting, media, printing, office rent, and professional services. While this may not have major impacts for PREDA, even a few thousand dollars can contribute to sustainability. It is advisable to involve Board members in identifying and securing contributions.
13. Implement a recruitment program targeting municipal and associate/business members to increase the membership base. New municipal memberships are a priority due to their potential impact on revenue.
14. Private sector memberships are also beneficial as they tend to be less price sensitive than municipalities and require fewer services and time. Consider hiring a contract salesperson to recruit private sector members, while the Executive Director focuses on recruiting local government. (PREDA can not grow any larger – we already cover 30 per cent of the province. And a contract salesperson? Most of our member municipalities have trouble finding a janitor.)

STOP: We can not comment any further. In essence the GOA hired a company not familiar with the PREDA, was not willing to visit the PREDA region, a company that did not review documents sent; declined engagement with the Board and membership on-line, and then wrote an AI report. Seriously? And now this company wants another year contract to implement ideas with PREDA? **Seriously?**

Fostering innovation and community support

15. Encouraging innovation and entrepreneurship within the region is key to economic growth. PREDA should continue to support startups and small businesses through comprehensive mentorship programs, providing access to critical resources such as funding, office space, and business development services.
16. Creating networking opportunities and fostering a business-friendly environment will help attract and retain talented individuals. Leveraging local expertise and promoting tech incubators can drive the development of new technologies and innovative business models.
17. Community engagement is essential for long-term sustainability. PREDA should focus on initiatives that improve the quality of life for residents, such as infrastructure development,

healthcare enhancements, and social services improvements. By addressing these needs, PREDA can build a strong, supportive community that contributes to regional growth.

18. Programs that promote community well-being, such as recreational facilities, educational workshops, and cultural events, can also foster a sense of unity and pride among residents.

Succession planning and knowledge transfer

19. To maintain organizational continuity, PREDA must invest in succession planning and knowledge transfer. This involves identifying potential leaders within the organization and providing them with the necessary training and mentorship to assume key roles in the future.
20. Establishing comprehensive documentation practices and creating a knowledge repository can ensure that valuable institutional knowledge is preserved. Regular workshops and training sessions for staff will facilitate the continuous transfer of knowledge.

Adapting to external challenges

21. PREDA must remain adaptable and responsive to external challenges such as environmental regulations and global economic trends. Staying informed about changes in the regulatory landscape and proactively addressing potential impacts can mitigate risks.
22. By developing strategies to diversify the regional economy and investing in sustainable practices, PREDA can enhance resilience. Engaging with global markets and fostering international trade relations can also open new opportunities for growth.

Implementation

This roadmap outlines a comprehensive plan for PREDA to ensure long-term sustainability and continued economic development in Northern Alberta. It includes specific initiatives, timelines, and milestones to guide PREDA's efforts in securing government support, fostering innovation, engaging with the community, planning for succession, and adapting to external challenges.

PHASE 1: IMMEDIATE ACTIONS (0-6 MONTHS)

- Develop a comprehensive government relations strategy. Identify and map key stakeholders, including MLA's, MPs, and relevant government departments.
- Schedule and conduct initial meetings with stakeholders to present Northern Alberta's needs and advocate for equitable resource distribution and favourable policies.
- Begin diversifying funding sources by pursuing various grants and organizing fundraising events.

PHASE 2: SHORT-TERM GOALS (6-12 MONTHS)

- Actively participate in policy forums, discussions, and collaborations with government officials to influence favourable policy changes. Begin fostering innovation by supporting startups and small businesses with mentorship programs, funding access, and business development services.

- Promote and create networking opportunities for entrepreneurs to attract and retain talent in the region. Continue policy advocacy efforts and strengthen partnerships with local municipalities, educational institutions, and industry leaders.
- Focus on initiatives that improve the quality of life for residents, such as infrastructure development, and social services improvements. Launch community programs that promote well-being and foster a sense of unity.
- Continue to engage with the community through regular town hall meetings and feedback sessions. Invest in succession planning and knowledge transfer to ensure organizational continuity and resilience.

PHASE 3: LONG-TERM OBJECTIVES (1-3 YEARS)

- Develop strategies to adapt to external challenges such as environmental regulations and global economic trends. Implement sustainable practices and diversify the regional economy to enhance resilience.
- Engage with global markets and foster international trade relations to open new opportunities for growth. Conduct regular reviews of the strategic plan and adjust as necessary to respond to changing circumstances.
- Conduct a comprehensive evaluation of the roadmap implementation to assess progress and identify areas for improvement. Gather feedback from stakeholders and the community to inform future strategies.
- Maintain a cycle of continuous improvement by regularly updating the strategic plan, incorporating feedback, and adapting to new challenges and opportunities. Ensure that PREDA remains a driving force for economic development and sustainability in Northern Alberta.