



**RAINY RIVER FUTURE
DEVELOPMENT CORPORATION**
A Community Futures Development Corporation

April 25, 2014



Mr. Mark McCaig, CAO
Town of Fort Frances
320 Portage Avenue
Fort Frances, Ontario
P9A 3P9

Dear Mark:

Please find attached the Rainy River Future Development Corporation's (RRFDC) invoice for services for the period January 1/14 – March 31/14. The Activity Report for the enhanced services is also attached.

We look forward to presenting our activities to Council on a date to be determined.

If you have any questions at all, please do not hesitate to ask.

Yours truly,

Geoff Gillon
Regional Economic Developer





**RAINY RIVER FUTURE
DEVELOPMENT CORPORATION**
A Community Futures Development Corporation

31-Mar-14

Invoice # 010-03-2014

INVOICE

To: Town of Fort Frances
Attn: Mark McCaig

From: Rainy River Future Development Corporation

For: Fort Frances Economic Development
For the period of January 1, 2014 to March 31, 2014

Amount: \$20,543.18



Description:

Forest Industry Re-Positioning	
Consultants	\$3,496.22
Travel/Meetings	\$0.00
Diversification Activities	\$2,658.99
Mining Supply and Services	
Consultants	\$2,169.72
Travel/Meetings	\$822.69
Diversification Activities	\$0.00
Tourism Product Development	
Consultants	\$15,629.26
Travel/Meetings	\$141.66
Diversification Activities	\$2,698.68
Existing SME Support	
Consultants	\$2,308.96
Travel/Meetings	\$51.42
Diversification Activities	\$0.00
Value Added Products	
Consultants	\$0.00
Travel/Meetings	\$18.00
Diversification Activities	\$0.00
Enhanced Services Economic Development	
Travel/Meetings	\$20.10
Advertising/Distribution	\$0.00
Consultant	\$5,308.79
Economic Development Intern	\$11,551.21
Ancillary Health Care NCIR	\$8,867.38
Total Project Expenses	\$55,743.08
Less Diversification Project Claim Jan 1/14 to Mar 31/14 And Other Support	-\$35,199.90
AMOUNT DUE	\$20,543.18

Any questions, please give us a call.
Thank you!

Due Upon Receipt





RRFDC ACTIVITY REPORT

to April 2014

RAINY RIVER FUTURE DEVELOPMENT CORPORATION
601 MOWAT AVENUE, FORT FRANCES, ONTARIO P9A 1Z2
PH: 807-274-3276***FAX: 807-274-6989

Since our last report, Resolute Forest Products has announced the shutdown and idling of the Fort Frances mill. This constitutes a serious challenge for the affected employees, suppliers and community. The RRFDC, with the assistance of FedNor and NOHFC, has put forward and is working on a diversification plan to strengthen and expand the region's economy. In addition, the RRFDC is working with Fort Frances Council to identify projects that will support the community in the short and long terms.

Direct Municipal Support:

Over the past year the RRFDC continues to work with area municipalities on a project by project basis. We have assisted:

Chapple:

New Gold - Rainy River Project

- Reviewed Environmental Assessment
- Met with Council to discuss action strategies.

Emo:

Municipal Infrastructure Program III

- Assisted in the development of a proposal to this program which was SUCCESSFUL

Discussed potential Trillium Fund application for walking trail.

Discussed an NOHFC application for sewer and water along Highway 11 and highway access.

Fort Frances:

Continued to move forward with the enhanced economic development project

- Supported the Fort Frances Economic Development Office (FFEDO) with Economic Development Advisory Committee (EDAC) meetings and numerous projects

Worked with the Fort Frances Community Clinic in planning the expansion of services to the old library

- Northern Community Investment Readiness (NCIR) - Ancillary health care and personal services assessment

This project has been completed and we are reviewing next steps.

Lake of the Woods

Worked with the Women's Institute to replace the old Morson signs on Highway 11.

- The tender for this project has been let; signs should be erected by the end of May.

Rainy River:

Northern Community Investment Readiness (NCIR) - Agri-business Industrial Park

- Developed the application and worked with the consultant.
- Had numerous meetings.

Economic Development Activities for 2013/2014

1) Forestry

We are continuing to work with the Fort Frances Economic Development Office and EDAC on tenure reform having presentations from Marathon Local Forest Group, MNR, MNDRM, Ainsworth Inc., Temiskaming Forest, and Resolute Forest Products to better understand forest tenure. The RRFDC has contracted a forest resource specialist, and former MNR District Manager, to assist the region in moving forward with the forest tenure process.

In addition, we have applied to FedNor in support of area Timber Harvesters. The project is to assist them in adjusting to the new Resolute Forest Product's timber harvesting system.

2) Mining – Industrial and Residential Preparedness

The RRFDC has reviewed the final Environmental Assessment for New Gold – Rainy River Project and submitted a positive response to the project. We requested that the company provide incentives and assistance that encouraged local procurement. In addition, we attended the company's open houses this past winter and continued to

encourage the company to do as much business in Fort Frances and the District as possible.

In light of this mining opportunity, the RRFDC hosted a mining procurement session for local businesses on April 24th which featured John Mason of the Thunder Bay Economic Development Commission.

We also continue to advertise the future opportunities related to the New Gold – Rainy River Project by highlighting industrial park lots and electricity prices. We believe that both Fort Frances and the District will benefit from the new mine in two ways:

- We will be the location of choice for some smaller auxiliary industries who service this mine and perhaps some Iron Range mines.
- By becoming residence of choice for the workforce. Largely all the work that has been done over the past few years on social media and internet presence promotes us as the great place to live that we are, is to set the stage to inform these potential new residents.

Fort Frances Industrial Park and Property

We continue to distribute the Fort Frances new industrial park promo piece when appropriate.

We are working with three potential new (or expanding from another location) business start-ups in a variety of fields. One is a small scale manufacturer that is growing and looking at Fort Frances as a potential home.

The RRFDC and the Fort Frances Economic Development Office met with a company interested in locating a small scale manufacturing business in Fort Frances. This company continues to talk to us and has asked the RRFDC to assist them in the development of their business plan in regards to community incentives and senior government support.

We have received the okay for access to funding, to create a "Fort Frances" private sector fund and are seeking legal and accounting advice on how to best structure the fund.

Infill

After revising the brochure and sending it to contractors and home building centers and the streamlined program resulted in 5 successful building grant applications in 2013. It is of particular note that the program's current success is largely due to the efforts of the Town's building Inspector in promoting and facilitating the applications to the program.

Condominium Development

Another condominium developer has been found and is working with Fort Frances Council.

3) Tourism

We continue to plan a new summer festival for 2014 and are in the process of assembling a committee and applying for funds. To date, three grant applications totaling about \$150,000 have been submitted. We do not expect to receive all of these funds – but are hopeful that a portion will come our way. The Festival was successful in receiving \$73,000 in support from Celebrate Ontario.

The **Harmony of Nations Music Festival** will bring together Canadian, American, First Nations, and Métis performers and instructors. The event will take place on the Fort Frances waterfront (July 18th and 19th). The event will feature two nights and one afternoon of entertainment for visitors under the RRFDC event's tent.

Events

The RRFDC and the FFEDO already applied for summer students and an additional intern to assist the Town with this summer's events such as the Canada Day parade, the music festival, the Bass Championship, Pulling for Peace, and the Dragon Boat races.

Fort Frances Border Crossing and Ontario Tourist Information Center (OTIC)

The students will also be stationed at the border 50 or more hours each week all summer long to greet tourists and provide information. We also kept the Sorting Gap and Museum brochures stocked.

The RRFDC is awaiting terms from the Province on the OTIC and will work with Council to be sure that it is occupied.

Other Tourism Projects

We have applied on behalf of the museum to create a walking tour. This tour will link the downtown and the waterfront area and create a new tourism product.

We have joined Heart of the Continent and will also be creating a geo-caching tourism product. We are also exploring possibilities with charter services for summer tours.

We continue to remain active on all the Town's social media platforms.

Branding

Twist Marketing has completed the brand project and the new Brand has been launched. The Brand will be presented at the NOMA conference in April.

To date we have applied to FedNor for two projects in support of the recent re-branding of Fort Frances. If successful the funds will be used to update the Town's marketing through digital media and tourism signage.

Rainy Lake Market Square

The Rainy Lake Market Square will occupy the former site of the Rainy Lake Hotel which has been vacant for many years. The Market Square will house a market building that will be open most of the year with interior and exterior spaces for vendors. The site will offer a community space that could be used for concerts, events and downtown celebrations. The market square will offer additional access to the downtown that will include pull-through parking stalls and will dramatically increase the access to Scott Street for the 400,000 US visitors who cross at the Fort Frances border each year. The RRFDC/FFEDO completed the concept plan and NOHFC applications for the \$1.9 million project.

4) Value Added Products

The RRFDC's second NCIR study is an evaluation of the ancillary healthcare and personal services sector in Fort Frances and area. This study is intended to assist the RRFDC and the Fort Frances Clinic in determining new private sector opportunities within the sector. The study was completed in March and we are now planning next steps.

5) **Agricultural Product Development**

The RRFDC has also recently applied to the NOHFC for significant tile drainage (\$1.9 million) and land clearing (\$1.7 million) projects for area producers which will bring much needed investment into the region. The increased economic activity created by these projects will benefit both the District and Fort Frances as well. They will increase local spending as producers adjust to tilling, seeding, fertilizing and harvesting the increased acreage.

Historically, the Rainy River District has been able to produce good yields of cash crops such as wheat, barley, corn etc. In recent years, most producers moved away from these crops as it was uneconomical to ship their crops due to the cancelling of the Crows Nest Pass rates in 1993. While this has not changed, recent changes to the Canadian Wheat Board have opened up new markets for Rainy River District crops. Area producers can now ship directly to companies in the U.S. Midwest, such as General Mills in southern Minnesota. Given our location, they are strategically located to access this opportunity. In order to make the best of this market additional acreage of tiled fields is essential

The major reason for installing subsurface drainage is to improve the productivity of the farmland. Higher yields translate into more returns. This is especially true in recent years due to higher grain prices. So the investment decision is based on whether the higher crop returns will justify the investment in subsurface drainage. A secondary benefit is that fields will dry out quicker, allowing planting and harvesting to be completed earlier in the spring and fall. It also provides a larger window of time for a farmer to plant and harvest the crop allowing it to be done in a more efficient manner in terms of time and money. This is especially advantageous for farmers who have large acreages to cover.

Example:

A 10 bushel per acre yield from corn or a 4 bushel per acre yield from soybeans will provide an average annual return of \$35 for corn at a price of \$3.50 ($\$3.50 \times 10 \text{ bu.} = \35) and \$36 for soybeans at a price of \$9 ($\$9 \times 4 \text{ bu.} = \36). If the yields increased due to tile drainage are 20 bushels for corn and 8 bushels for soybeans, the returns are doubled.

Another major advantage of tile drainage is the increase in sale value of the land. If the land will be sold in the future, the advantages listed above will be capitalized into the value of the land.

6) Small and Medium Enterprise (SME) Support

The RRFDC has held business start up sessions and social media presentations.

7) Regional Strategic Planning

The RRFDC has been working with the Rainy River District Municipal Association and the Fort Frances Chief's Secretariat in holding two meetings between the community leaders. A third meeting is expected to occur in May.

8) Telecommunications

The RRFDC also initiated a Northern Community Investment Readiness (NCIR) telecommunications baseline study to determine what service is available today in Fort Frances and the District. This study has been completed and we are developing an Expression of Interest to be sent out to telecommunications companies to gauge the appetite for upgrading the region's services.

9) Go Local

Over the course of its first year, Go Local Fort Frances has witnessed a positive shift towards local shopping within the community.

- Awareness of the Go Local Rewards Program is very high (82%) in Fort Frances.
- ½ of households surveyed in Fort Frances have at least one membership in the household.
- High agreement (73%) that encouraging residents to shop at locally owned and operated businesses helps to build a stronger community.
- There was a net increase (+20%) in local spending by Go Local Reward Program member households compared to non-member households.

We have distributed Loyalty Rewards Cards to half the households in Fort Frances and re-invested over \$15,000 into the community. The recent enrollment of more local merchants has brought our business membership to over 35 businesses.

The RRFDC assists this project by marketing the advantages of the program to Fort Frances and area businesses, encouraging them to sign on. We also do all the project reporting, bookkeeping and statements.

10) Community Foundation

The RRFDC made a public appeal at the Community Chest Benefit Dinners for persons interested in working to create the Community Foundation. To date, we have two individuals interested in moving the Foundation ahead and we will expand that circle in the weeks to come.

11) Fort Frances Library Assistance

The RRFDC also loaned video conferencing equipment to the Library for the winter so they could continue operations while their equipment was being repaired.

Short Overview of RRFDC Activities to April 15, 2014

1. Three (3) proposals to FedNor, both Phase I and Phase II have been submitted.
 - a. Marketing – \$50K
 - b. Signage - \$50K
 - c. Harvesters - \$50K
2. NOHFC/FedNor (approximately \$1.9M)
 - a. Rainy Lake Market Square
3. Communities in Transition – Marketing (\$85,000)
4. NCIR (Northern Community Investment Readiness)
 - a. Ancillary Health Care and Personal Services Study - Almost completed – Fort Frances Clinic
5. NCIR #2
 - a. Baseline Telecommunications Study - (completed) Next steps in process.
6. New Gold Mining Opportunity
 - a. Discussion on housing opportunities both during construction and operation.
 - b. On site visit to Kamloops and the Afton Mine in B.C.
 - c. A meeting has been arranged for May 1st with potential developers.
 - d. Procurement session for mining in the works for April 24th
7. Condominium Land Sale – Offer at Council
8. The "Harmony of Nations Music Festival" (\$73,000) – on July 18 & 19th, prior to the Fort Frances Canadian Bass Championship, working on artists. (Fort Frances, First Nations, Métis, USA & others).
 - a. Celebrate Ontario - \$73,000 (Approved)
 - b. Aboriginal Arts Council - \$3,000 (Approved)

9. Tile Drainage/Land Clearing for Agriculture
 - a. Five (5) Phase I consortium projects submitted for \$10M in projects
 - b. Two Phase II Heritage proposals submitted last week.
 - i. Tile Drainage \$1.9 M
 - ii. Land Clearing \$1.7 M
10. Heart of the Continent – Fort Frances has joined, the RRFDC will be the lead for the Town of Fort Frances, and our new intern will work on it (\$2500)
11. Walking Tour Trillium Foundation – in the works
12. Border – RRFDC will welcome US visitors again this year via students. Ontario Tourism Information Center (OTIC) – lease is being secured with Ontario and support from Sunset Country has been received.
13. A new Brand has been developed and launched for the Town of Fort Frances. (Boundless)
14. We have been successful for a second NOHFC intern and are in the hiring process. Will work on regional economic development projects.