



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



May 6, 2013

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 1/13 – March 31/13. The Activity Report for the enhanced services is also attached.

I look forward to presenting our activities to Council on Monday, May 13, 2013.

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

Yours truly,

Geoff Gillon
Regional Economic Developer



Report to Council

For the Period Jan/Feb/Mar 2013

Investment Attraction and Inward Investment:

Mining

We attended both the Prospectors meeting in Toronto and in Thunder Bay. We spoke with mining suppliers and mining companies. We have mailed out packages to about 60 companies in the last three months. In 2014 as the mine in Chapple will be nearing opening we will escalate these mail outs. We will also be offering local small businesses the opportunity to attend these forums to sell their services and assist with costs.

Industrial Park and Property

We had aerial shots married with lot lines and promotional materials designed for both the website and print. A consulting company reviewed materials and made recommendations and we are addressing deficiencies (see attached).

We had one inquiry for a large industrial building that may be promising and a few inquiries about retail rental buildings. Both resulted in occupancy.

We are investigating the potential to develop an in-house investment opportunity and use that financial backing to purchase and bring a new medium sized industry to Fort Frances.

The RRFDC initiated the writing of letters of support for the Rainy River Resources Terms of Reference by area municipalities.

Forestry

We continue to offer any and all help we can to Resolute. This included writing the company directly.

We have been working with EDAC on evaluating municipal representation in Tenure Reform. We have seen representatives from Ainsworth, the MNR, Resolute Forest Products, and Mr. Lone Morrow of the Centre for Research & Innovation in the Bio-economy (CRIBE). We will also meet with area sawmills and the Rainy River Loggers Association to discuss the process. EDAC will then make a recommendation to Council.

The RRFDC submitted an application for a three year economic diversification plan to both NOHFC and FedNor that is targeted at helping the community with the potential transition, supporting a new product at the mill or encouraging a new development strategy. It is our belief that these will be looked on favourably. As part of this project the RRFDC has made application under the Northern Communities Investment Readiness Program for funds to move forward with a sector analysis of the personal services and ancillary health care industries. We will also be submitting NCIR applications for sector analysis for Warehousing.

Infill

The CIP program that Council revised to encourage residential upgrades was promoted. We revised the brochure and provided it to contractors and home building centres.

Sustainability Committee

The RRFDC is working with the Sustainability Committee in order to determine the appropriate mechanism to use to gage the public's views on the community.



FORT FRANCES

INDUSTRIAL PARK



THE PERFECT SPACE

- ✓ READY TO DEVELOP
- ✓ STARTING AT \$3,500 PER ACRE
- ✓ 1 TO 10.2 ACRE LOTS

**"YOUR BUSINESS, OUR
LIFESTYLE, A BETTER WAY
TO SUCCESS"**

INVEST WITH US

INDUSTRIAL PROPERTIES

Your industrial property needs? Our listed options. We can combine them or divide them, don't hesitate to ask.

EXPAND YOUR BUSINESS

Situated with access to rail. These lots are ideal for various zoning usages.

ecdev@fort-frances.com

Contact: Tannis Drysdale
1 (877) 887-9621





FORT FRANCES INDUSTRIAL PARK



PROPERTY DETAILS

PROPERTY	FRONTAGE (metres)	DEPTH (metres)	AREA (metres)	PRICE PER ACRE	
Lots 26 to 29	129.94	1.96	1.96	\$3,500.00	
Lots 41 to 46	276.49	6.56	6.56	\$3,500.00	
Lot 22	32.31	0.58	0.58	\$3,500.00	
Lot 23	32.31	0.58	0.58	\$3,500.00	
Fifth Street	810.88	10.19	10.19	\$3,500.00	

 Fully Serviceable, Excavated and Backfilled  Fully Serviceable, Not Excavated

TERMS OF SALE



- Price is \$3,500 an acre.
- In addition to the \$3,500 an acre at the time of sale a Development Guarantee of \$10,000 an acre will be added to the purchase price to be assured that the property is developed.
- The purchaser will pay all legal fees associated with the sale of the property up to an agreed upon amount.
- All lots sold as is.

Recommendations For Fort Frances Marketing Materials

Prepared by Crupi Consulting
March 1, 2013

Recommendations

After evaluating the marketing materials for Fort Frances and examining marketing materials from other similar municipalities we recommend the following:

Branding

- There does not seem to be a consistent brand for Fort Frances.
- The pocket folder, the materials inside and the website all have an inconsistent look.
- Moving forward, it is recommended that Fort Frances consider re-branding the municipality.
- There isn't a logo for the Town of Fort Frances. The Town of Fort Frances uses a crest, however this isn't an actual logo.
- Fort Frances should consider having a logo created to demonstrate to potential stakeholders and tourists what Fort Frances has to offer and re-enforces the brand.

Pocket Folder

With the understanding that there is a large quantity of pocket folders remaining, and it is wasteful to not utilize these, we recommend that once this supply is complete, Fort Frances adapt the following:

- A consistent and cohesive look for the pocket folder and the marketing materials within. Currently there is the use of different colours and different fonts throughout the presentation package.
- The pocket folder should have similar colours to the materials inside the folder.
- There is also no printing on the inside of the folder and in future, this space can be used to further market and promote the municipality and the economic development opportunities.
- The stock of the pocket folder is a gloss cover stock and there is a movement to producing pocket folders with more of a matte finish with a higher recycled content. Even though this stock would be preferable we recommend that the cover and paper stock be that produced by the local paper mill. On this note we would also recommend that that on the back of the cover attach a tag line along the lines "Supporting Local Industry" referencing the mill.
- The web site has to be on the front of the pocket folder and on all the inserts.

Inserts

- As with the pocket folders, the inserts should be updated accordingly.
- Currently the inserts within the pocket folder are also inconsistent. Some are full page and some are smaller.
- The original layout could have been a tiered presentation; however it seems that this has changed over time.
- The inserts were once properly printed and cut to full bleed, however to save time and/or money, they are now being printed improperly and not cut to bleed. The stock is a 20lb bond stock and a presentation package of this type should never have materials printed on 20lb bond. A heavier weight stock, properly cut and trimmed is recommended.

Content

- There is a letter to potential investors in the front of the package. If this is a generic letter which it appears to be. This letter should not be dated. These packages could be in offices for long periods of time so no date is required. the same applies for signatures of elected officials on these types of documents, as there is often change and turnover, you may not want to print large volumes or reprint every time there is a change.
- There are some wording and punctuation errors that should be corrected.
- The "Closer to Your Markets" Handout needs to be redesigned.
- The map needs to be recreated and the information is specific to only certain markets.
- There is considerable information missing from the package that should be included and would be informative for potential investors or industry stakeholders. Information in the "Strategic Directions Economic Development" Document should be part of the package in the form of inserts.
- Some other information that could be relevant is information on housing prices, recreation, and better materials on transportation and logistics.
- There is an "Internal Application Process Record" in the package. This isn't required in the package. On an insert a link can be provided directing them to download the application from a website.

Go Local Brief for Council, March 2013



Program Research and Sales

Go Local research began in the summer of 2012 reviewing various programs that included Sonoma, Edmonton, Vancouver and a variety in Southern Ontario. The Fort Frances Go Local Program was designed from the best of each of these programs.

Preparing for the launch, the value of other loyalty programs was explored. The initial point to value proposition was set by the merchant members at 300 points to a \$25.00 gift card. It was determined that each gift card had to be spent in full and the value back to the merchant member would be \$23 returned. Swipes (transactions) would be free up to 1000 and then .25 cents each. Points are charged at .10 cents each.

A sales package was created and approximately 60 businesses were visited. At launch, **33 businesses had enrolled with another 10 businesses being enrolled later this spring, building to the goal of 50.**

Several public presentations were completed to various groups, including the Fort Frances Chamber of Commerce, BIA, Town of Fort Frances, RRFDC Board, Kiwansis Club, the Town Economic Development Advisory Committee and Business Women's Network. Go Local pledges were requested.

Program Hardware

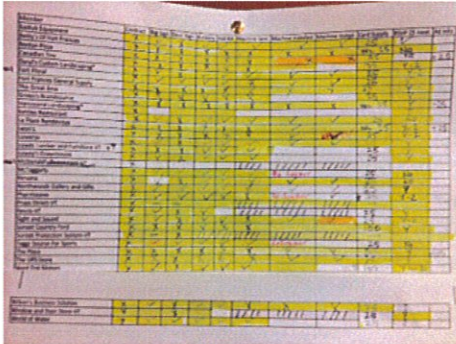
A 'Portal' was designed that will allow for online card activation, registration, point data and will send notices of capture consumer emails and names.

The purchase of 30 terminals took place, as well as ordering 5,000 loyalty reward cards, and 2,000 gift cards.

We programmed and installed 30 terminals, and 4 virtual terminals, which will allow merchants to give points/ accept gift cards and assisted with trouble-shooting any technical issues. We registered terminals to each merchant and created training materials for each business.

Training sessions were held at the retail locations and at the Go Local office for merchant members.

We then ran a 'beta test' program with 4 merchants and the first 75 Loyalty card holders as "testers" to train staff and owners. This allowed us to learn if any technical errors were occurring with the software and the level of information that would be required to train staff on the machines.



Planning Chart for 33 retailers hardware testing, marketing materials and training.



Programmed Givex machines.

Points Launch

A launch was planned for Wednesday March 6th to Saturday March 9th. We held two meetings with merchants to organize the launch and share information. We booked additional special advertising including a morning of live remotes and full page ads



Card Mock Up



Registration Forms

The portal sign up section was not fully functional as anticipated so manual registrations were required for launch. This allowed more access to information on participants and a more clear idea of where and who was signing up for the program.

Meetings and Presentations

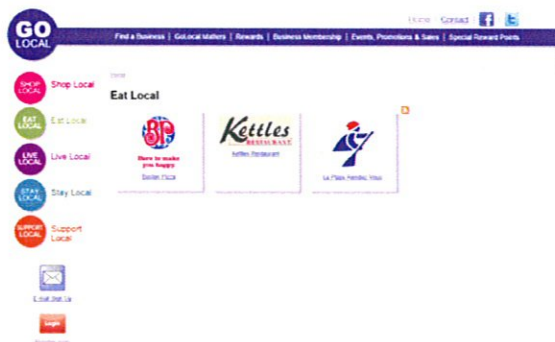
Additional public information sessions were held including a meeting with Kiwanis's Club and Town Council. Two membership meetings were held to train and agree on terms. At that meeting, Go Local members shared their marketing plans.



Geoff Gillon and Mayor Roy Avis with Loyalty and Gift Cards

Marketing Materials

A webpage was designed and is being populated with member information. The website will also have the capacity to allow members to check balances and order golocal cards. The website which is updated regularly from the Go Local offices includes a list of members, specials, events and information on the program.



The radio and newsprint campaign continued building interest to a March launch date. Bag stuffers were offered to be handed out by members. We have negotiated print and radio advertising that would be worth about \$100,000 if paid for by individual members. We purchased Facebook ads in December and built our membership - 240 likes with reach of 700. These Ads were targeted specifically to the Fort Frances area using the targeting programs of Facebook. **By launch week that reach was nearly 5,000. We are now tracking to average a 1,000 a week.**

Each unique large Go Local, Shop Local, Eat Local sign were ordered and delivered.



A Twitter account was started and regular tweets were sent promoting the program and specials. We still only have 86 Twitter followers

We purchased a constant contact system and input the email addresses of members. Eventually, this system will hold all 2,000 member emails and will be the main way that we communicate with members. **The system now has just over 1,000 active email subscribers.** Weekly updates are being sent out.

Accounting

Billing reports are being deciphered, corrected and the first set of merchant bills will go out later this month. An accounting system was set up and investigated auto billing system. Eventually, it was decided that this system was costly and would be abandoned. RRFDC is providing accounting services at this time.

Launch of Gift Cards

In mid May, we will launch the Gift Cards. An Ad campaign is encouraging card members to get their cards to 300 points in time. Currently, we have about 30 loyalty card members who have their 300 or more points. During the first three weeks of March about 40,000 points were issued.

Merchant members voted to have the gift cards sold at members who requested the ability to do this. This feature will happen in the fall.

Feedback from the public and merchant members has indicated that some members need encouragement to train staff and promote the program. We have ordered and developed some point of sale materials. We will soon be awarding "staff" at Go Local members for excellence in promotion.

We are investigating a permanent fix for members without email addresses, however remain committed to obtaining emails from members.

We now need to return our attention to the educational component of the program.

Report to Council

From RRDFC, Tannis Drysdale EDAC

A Strategy for Tourism in Transition...EDAC Recommendations

ONTARIO TOURISM CENTER:

It remains unlikely that the Ontario Tourism Center will be made available for sale in time for the Town to occupy the building for the 2013 season. The Government of Ontario has set a price of \$390,000 but awaits the sign off from Cabinet and is still working on ``Duty to Consult`` requirements.

EDAC has recommended that Council pursue the purchase when it becomes available and enter into a private –public partnership to support the cost of purchase.

We have advertised for partners and have had some early interested organizations both private and public.



The RRDFC presented EDAC with potential budgets for various types of operation of the center and the cost varied from about \$20,000 to \$120,000 based on the type of model selected. No model will be revenue neutral but the capital asset of the building will retain its value regardless.

For the 2013 season, EDAC recommends that the 2012 plan continue. This cost is the cost of two summer students at the border and a supply of brochures at the Museum and Sorting Gap. As occurred in 2013, the RRDFC will employ the students for the border and train the summer students at the Marina and Museum. In 2012, most of the cost for these students was defrayed by grants and the same grants have been applied for this year. The cost *without* Provincial or Federal support will be about \$10,000.

SPECIAL EVENTS AND FESTIVALS:

The RRFDC has applied for an Intern who will assist with the Go Local Program, Marketing, and Events promotions. The Intern may work for the RRFDC for a period of two years, and at the end of that trial period Council can evaluate the value of the position.

They will begin work this summer. With a new person on staff we will be able to offer to assume the Canada Day Parade Celebrations. The successful applicant must be a recent graduate of a college or University. This staff person may also assist with developing other tourism activities under the FedNor/NOHFC Economic Diversification Project.

BRANDING:

The Town of Fort Frances requires a focussed branding effort.

Given:

- The need to replace all of our signage at the entrances that are dated and worn.
- The lack of consistent message
- The need to create a plan around the purchase of the OTIC

EDAC has recommended that the Town undertake a branding exercise. This will require the purchase of service from a marketing expert and a process of community consultation. After a unique and authentic brand is agreed upon, the Town will change over assets to support that brand.

Understanding that this process will cost anywhere from \$30,000 to \$50,000, EDAC is proposing to cut its budget for promotion to accommodate. This includes memberships and most advertising for the 2013 season. The largest tourism budget item is a grant to the Fort Frances Chamber to assist with mailing and sending of brochures, etc. EDAC proposes that mailing costs continue to be paid on a fee for service basis, but AD subsidies be invested in branding. Reducing memberships, scaling back grants and pulling out magazines like Bearskin and Sunset Country or paid TV Commercials for one season only will result in about \$18,000 in savings. RRFDC can leverage Federal and Provincial funds to pay for the remainder.

We will retain:

Billboards in International Falls (paid for by the Province), Students at the Border, Escape to Ontario Campaign (see below), Signage at Thunder Bay Airport and Social Media information.

ESCAPE TO ONTARIO

We have been able to negotiate with the Province a campaign into Minnesota and Manitoba promoting Fort Frances and Sunset Country at no cost. This includes a print campaign, radio and web. We will continue to have and grow our social media marketing. When we return to full marketing in January of 2014 our message will be focussed and every dollar we spend will be invested in a wiser way and yield greater results.

