

TOWN OF FORT FRANCES

Economic Development Executive Committee

AGENDA - July 7, 2021, 12:00 PM

MEETING - Civic Centre

Session #6

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[+1 807-701-5975,,193841388#](#) Canada, Thunder Bay

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Page

1. **Call to Order / Roll Call**
2. **Disclosure of pecuniary interest and the general nature thereof**
3. **Approval of Previous Committee Minutes**
 - 3.1 Session no 5 - 09 June 2021 3 - 4
4. **Items Referred from Council**
 - 4.1 International Bridge 5 - 9
5. **New Business - None**
6. **Outstanding Items**
 - 6.1 **Standing items for updating:**

Rainier Bridge - *Letters to Stauber and Klobuchar - Concerns re rail bridge. C. Vangel to communicate with CN Public Affairs group and bring further information back to next meeting. Working group to be created and consist of C. Vangel, J. Caul, J. McTaggart and D. Cridland. 2021/06/09: Working group to meet within next two weeks.*

Orea White Paper Small Towns Big Opportunities - *Further information re action plan/seeking organizations that can assist in lobbying to be sought. Item identified at RRDMA - on radar, may assist in lobbying going forward. Query pilot project. 2021/06/09: Item to proceed to NOMA in January with CAO involvement.*

Winnipeg to Thunder Bay tourism route initiative - *Work in progress. NOMA tourism panel aware - possible intent to draw people*

*to Hwy 11 and onto 71 corridor. 2021/06/09: No updates.
2021/06/29: Heart of Canada Touring Route*

Cross Border Fishing Activity - *Status of reciprocal agreement re walleye report to be determined. 2021/06/09: Correspondence forwarded. No further updates.*

7. **Information**

7.1 TOFF 2 year workplan - Report to EDEC

10 - 12

8. **In-Camera - none**

9. **Adjourn / Next Meeting Date - 04 August 2021**

TOWN OF FORT FRANCES

MINUTES

SESSION NO. #5

June 9, 2021

The meeting of Economic Development Executive Committee of the Town of Fort Frances was held virtually in the Civic Centre on June 9, 2021 from 1200 hrs to 1334 hrs

PRESENT: Chairperson D. Judson, Councillors M. Behan and J. McTaggart, Mayor J. Caul (ex-officio)

ALSO PRESENT: D. Cridland, T. Ryll, C. Vangel, CBO / Municipal Planner, T. Drysdale, Economic Development Consultant, J. Forbes, Human Resources Manager, K. Haney, Deputy Clerk, E. Slomke, Clerk, Joerg Ruppenstein, FFPC, J. Pryde (1216 hrs) R. Thoms, B93 Guests: Mike Willick, Gerry Cariou, David Kircher

REGRETS:

1. Call to Order @ 1200 hrs / Roll Call

2. Disclosure of pecuniary interest and the general nature thereof - none

3. Approval of Previous Committee Minutes - Approved as presented

3.1 Session no 4 - 05 May 2021

4. Items Referred from Council - None

5. New Business

5.1 Mike Willick - Presentation - Boundary Waters Forest Corp and Ontario Forest Strategy (1200 hrs) - Presentation accepted as brought forward by Mr. Willick.

5.2 Gerry Cariou - Norwestario Travel Association Inc, Sunset Country (12:20). Discussion held. Committee thanked Mr. Cariou for his presentation.

5.3 2005-11-18 Ltr from Ken Boshcoff, MP - Legislative Analysis - International Bridge - Letter to be drafted re proposed recommendation to be forwarded to Council for consideration at next meeting.

6. Outstanding Items

6.1 Standing items for updating:

Rainier Bridge - Letters to Stauber and Klobuchar - Concerns re rail bridge. C. Vangel to communicate with CN Public Affairs group and bring further information back to next meeting. Working group to be created and consist of C. Vangel, J. Caul, J. McTaggart and D. Cridland. 2021/06/09: Working group to meet within next two weeks.

Orea White Paper Small Towns Big Opportunities - Further information re action plan/seeking organizations that can assist in lobbying to be sought. Item identified at RRDMA - on radar, may assist in lobbying going forward. Query pilot project. 2021/06/09: Item to proceed to NOMA in January with CAO involvement.

Winnipeg to Thunder Bay tourism route initiative - Work in progress. NOMA tourism panel aware - possible intent to draw people to Hwy 11 and onto 71 corridor. 2021/06/09: No updates

Cross Border Fishing Activity - Status of reciprocal agreement re walleye report to be determined. 2021/06/09: Correspondence forwarded. No further updates.

7. Information

7.1 May - TOFF 2 year workplan REPORT to EDEC - Accepted as presented

8. In-Camera - 1323 hrs to 1334 hrs

- 8.1 A trade secret or scientific, technical, commercial or financial information that belongs to the municipality or local board and has monetary value or potential monetary value;
Funding Application

9. Adjourn @ 1334 hrs / Next Meeting Date - 07 July 2021

Executive Committee Chair

, Acting CAO

Administration & Finance Division
Planning & Development Division
Phone: 807-274-5323
Fax: 807-274-8479

Mailing Address for All Divisions:
Civic Centre
320 Portage Avenue
Fort Frances, ON
P9A 3P9



Operations & Facilities Division
Phone: 807-274-9893
Fax: 807-274-7360

Community Services Division
Phone: 807-274-4561
Fax: 807-274-3799

email: town@fortfrances.com
www.fort-frances.com

July 5, 2021

JOINT LETTER TO:

Hon. Omar Alghabra
Minister of Transport
House of Commons
Ottawa, ON K1A 0A6
Via email: mintc@tc.gc.ca

Hon. Caroline Mulroney
Minister of Transportation
5th Floor, 777 Bay Street
Toronto, ON M7A 1Z8
Via email: minister.mto@ontario.ca

Dear Minister Alghabra and Minister Mulroney:

Re: International Bridge Update

At the recent meeting of Council held on Monday, June 28, 2021, Council received a memo (attached) from Councillor Douglas Judson, which provided an update on the concerns expressed to Canada and Ontario leaders in a previous letter. We ask that you please take the time necessary to consider all the options available in order to make the International Bridge a public asset. In the least, ensure that any approvals for its sale include terms and conditions which will protect the interest of Fort Frances and Northwestern Ontario. Further, we request that no ownership changes be approved until we have been provided the opportunity to meet with representatives from Canada and Ontario.

We look forward to receiving notification of a meeting with both Canada and Ontario to discuss your plan to protect this vital economic and community link.

Yours very truly,

ADMINISTRATION & FINANCE DIVISION

Elizabeth (Lisa) Slomke, AOMC
Municipal Clerk

/es

c.c. Hon. M. Powlowski, MP Thunder Bay-Rainy River (Marcus.Powlowski@parl.gc.ca)
E. Melillo, MP Kenora (Eric.Melillo@parl.gc.ca)
Hon. G. Rickford, MPP Kenora-Rainy River (greg.rickford@pc.ola.org)
S. Mamakwa, MPP Kiiwetinoong (SMamakwa-QP@ndp.on.ca)
J. Monteith-Farrell, MPP Thunder Bay-Atikokan (JMonteith-Farrell-QP@ndp.on.ca)
Hon. D. Ford, Premier of Ontario (premier@ontario.ca)
Municipal Councils of Municipalities in Rainy River District: Alberton, LaVallee, Emo, Chapple, Morley, Dawson, Lake of the Woods, Rainy River and Atikokan (various e-mails)
Municipal Councils of Municipalities in Kenora District: Dryden, Ear Falls, Ignace, Kenora, Machin, Pickle Lake, Red Lake, Sioux Lookout and Sioux Narrows-Nestor Falls (various e-mails)
First Nation Councils located in the Rainy River and Kenora districts (various)
Rainy River District Municipal Association (RRDMA) (chapple@tbaytel.net)
Northwestern Ontario Municipal Association (NOMA) (admin@noma.on.ca)
Chamber of Commerce – Fort Frances District (thefort@fortfranceschamber.com)
Chamber of Commerce – Kenora District (info@kenorachamber.com)
Grand Council Treaty #3 (reception@treaty3.ca)
Sunset Country Metis Community (metisofsunsetcountry@gmail.com)
Sunset Country Travel Association (info@visitsunsetcountry.com)
Mayor and Council – City of International Falls (various)
Mayor and Council – City of Ranier (cityofrainier@frontiernet.net)

Memorandum

To: Mayor and Council
From: Councillor Douglas W. Judson
Date: June 24, 2021
Re: **Update on International Bridge Concerns**

1. Overview

This memorandum is intended to summarize new information which has come to light surrounding the Fort Frances—International Falls International Bridge [**“International Bridge”**] and to recommend and focus further advocacy by the Town of Fort Frances related to this priority file for our community and the region. It is intended for discussion at Council’s meeting of June 28, 2021.

2. Background

Earlier this spring, it was reported in the media that the owner of the Canadian side of the International Bridge was looking to sell-off their ownership interest. The current owner of the Canadian side of the bridge is understood to be Resolute Forest Products, through a subsidiary corporation [together, **“Resolute”**].

At Council’s meeting of June 14, 2021, it adopted a detailed resolution setting out the history and some of the legal instruments governing the bridge. The resolution called for the Government of Canada and the Government of Ontario to work with their U.S. counterparts and intervene in any sale of the International Bridge. Our resolution called on these levels of government to ensure that the interests of Fort Frances and the surrounding region were protected in any sale of the bridge, and ideally, that they take action to make the International Bridge a public asset, without tolls.

The legislation governing the International Bridge includes the following key provisions:¹

- Section 6 of the *Customs Act*, under which the federal government requires the owner of the bridge to provide a facility for the Canada Border Services Agency on the Canadian side of the border;
- Section 23 of the *International Bridges and Tunnels Act* [**“IBTA”**], under which the federal government prohibits the purchase, acquisition, or change in the operator of an international bridge without its approval;

¹ Of note, in the early 1970s, Parliament enacted the *Fort-Falls Bridge Authority Act*, which contemplated the construction of a new international bridge between Fort Frances and International Falls. The legislation remains in place, but required that construction begin before December 31, 1979 in order to take effect.

- Section 5 of the *Toll Bridges Act*, under which the provincial government may enter into agreements with any Canadian or foreign entity for the financing or operation of an international bridge; and
- Section 4 of the *Toll Bridges Act*, under which the provincial government may regulate the tolls charged on bridges.

3. **New Information**

The office of Marcus Powlowski, MP for Thunder Bay—Rainy River, has engaged with officials at Transport Canada about our concerns. Their inquiries resulted in the following new information:

- Transport Canada acknowledged that under the *IBTA*, an application must be submitted to the Minister of Transport to request approval of a change of operator or ownership of an international bridge. Transport Canada stated that “on the recommendation of the Minister, the Governor in Council may approve the application subject to any conditions that the Governor in Council considers appropriate.”
- In May 2021, following media reports concerning the potential sale of the Canadian side of the International Bridge, Transport Canada notified Resolute of the *IBTA* requirement to seek federal approval of any change of ownership or operation. Resolute was also provided with guidelines for making such an application. Transport Canada indicated to Mr. Powlowski’s office that Resolute has not replied to acknowledge this direction.
- Transport Canada indicates that it was only recently informed that the U.S. side of the International Bridge has been sold by the Minnesota, Dakota and Western Railway [“**MDWR**”] to Aazhogan US LP [“**Aazhogan**”]. Aazhogan is assumed to be a business entity associated with Rainy River First Nations, given that its Canadian joint venture related to former Resolute properties bears the same name. The ownership structure of Aazhogan should be confirmed.
- Transport Canada learned that the sale of the U.S. side of the International Bridge was completed effective as of May 13, 2021, apparently without notice to the Government of Canada. Transport Canada also learned that Aazhogan subsequently assumed all of MDWR’s responsibilities for the inspection and maintenance of the *Canadian* portion of the International Bridge as well.
- Transport Canada is now in the process of determining whether Aazhogan is considered to be the “operator” of the International Bridge, within the meaning of the *IBTA*. If so, MDWR, Resolute, and/or Aazhogan are delinquent in securing the necessary approvals from the federal government under section 23 of the legislation. If they are determined to be non-compliant, Aazhogan will be required to submit an application to the Minister of Transport requesting a change of operator as soon as possible. Transport Canada advised Mr. Powlowski’s office that letters have been sent to Resolute and Aazhogan about this concern.

Mr. Powlowski’s office also confirmed that Transport Canada is in receipt of Council’s request to meet to discuss the creation of an international bridge authority to take over the ownership and

operation of the International Bridge. Federal officials are gathering information and will update Mr. Powlowski's office.²

4. Key Takeaways

The takeaways from the above information which should inform Council's next steps are as follows:

- First, it is apparent that the sale of the American side of the bridge may trigger legal obligations for the new U.S.-side owner in Canada which have not been met. This is presumed to be a result of the operating responsibilities of the U.S. owner in Canada.
- Second, even if the U.S.-side sale did not trigger obligations under the *IBTA*, it appears that the looming sale of the Canadian side of the International Bridge will.
- Third, it is apparent that even if the Minister of Transport recommends federal approval of the change of ownership or operation of the International Bridge, the approval can be made subject to appropriate conditions. In that case (i.e., a scenario where the bridge continues to be privately operated), Council should insist upon conditions which control or eliminate tolls and secure the necessary ongoing investments in facilities, maintenance, and capital improvement. Mr. Powlowski (and other Northwestern Ontario MPs) could be called on to assist us in bringing our concerns to the Minister of Transport's attention.
- Fourth, in the absence of federal support (or in addition to federal support), there remain levers available to the province for investment in international bridges and the regulation of tolls. These levers could be used to support the interests of Fort Frances and the region. Of concern, the bridge owners may have strategically placed their toll collection on the U.S. side of the bridge to evade Ontario's jurisdiction over bridge tolls.

5. Recommendation

My recommendation is that municipal administration prepare an open letter to the federal Minister of Transport (Hon. Omar Alghabra) and the provincial Minister of Transportation (Hon. Caroline Mulroney). This letter should be copied to the region's MPs and MPPs listed in paragraph 15 of our June 14, 2021 resolution and shared with the other stakeholders so listed.

The letter should outline the above considerations and insist that federal and provincial officials consider the full suite of options available to make this International Bridge a public asset, or to ensure that any approvals of its sale to private hands includes conditions and terms which protect the interests of Fort Frances and Northwestern Ontario. The letter should demand a meeting as soon as possible and that no approvals of any change in ownership or operation of the International Bridge be granted prior to a meeting with our region's federal and provincial representatives and Council.

END OF DOCUMENT

² As per the previous footnote, the existing bridge authority legislation could be a useful vehicle for this purpose.



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



Dated: July 2, 2021

Period: JUNE 2021

RRFDC 2 Year Action Plan:

	KPI and (Completion Date)	Actions
Mill Site: Planning and collaboration Work with Riversedge/Aazhogan Seek opportunities for development.	Complete study (Q1 2022) Create collaborative plan with partners (Ongoing) Assist with marketing efforts and support (Ongoing)	<ul style="list-style-type: none">• Industrial Rate Study Completed approved by committee and sent to A and F• Application to NOHFC pending announcement• RFP Closed – soon to hiring planning firm
MAT Committee: (Tourism) Implement Marketing Plan with FedNor and NOHFC funding Experiential Tourism New product development	Website development (Q2 2021) Host workshops on experiential tourism (Q4 2021) Initialize a digital marketing program (Q3 2021) Return occupancy to pre-COVID-19 19 levels (Q4 2022) Preparation for growth (2023)	<ul style="list-style-type: none">• New Website phase one up for July 8• Signs beginning installed• Soliciting experiences – workshops fall 2021• Fishing Derby Virtually Confirmed for AUGUST
Downtown Re-vitalization and SME Retention: Promote increased use of market square. Support (loans etc.) - Digital Support (Training)	Market the square to micro and home businesses startups (Ongoing) Maintain GL percentage usage (Ongoing- Q4 2022) Add net 2 new merchant members. (Q4 2021)	<ul style="list-style-type: none">• New Gold Go Local re-launch

- GOLocal		
Woodyard and Gateway: RFI for “Attraction Land” Promote woodyard to hotel developers. Promote site to multi-residential developers.	Issue RFI (Q2 2021) Market property to 40 hotel developers (Q1 2022) Market to housing developers (Q1 2022) Create marketing materials (Ongoing to Q1 2021)	<ul style="list-style-type: none"> • Hotel investment groups list creation is ongoing. • Two presentations to developers • Package to be mailed in design.
Industrial Lots: Promote the industrial lot sites.	Provide recommendations to Council on economic value (Ongoing)	<ul style="list-style-type: none"> • Potential sale in development for multiple acres
Mining Supply and Service: Market Fort Frances as a location	Two meetings with New Gold (Annually)	<ul style="list-style-type: none"> • Meeting – Welcome Packages sent • Re Booking Vendor Presentation • NG has now hired in the position to do outreach
Rainy Lake Square Activities/Project Petunia/Canada Day: Assist in the transition to museum staff.	Ensure a smooth transition (Q1 2021) Monitor activities and assist were needed (Q3 2021)	<ul style="list-style-type: none"> • Transferring assets and files, providing assistance as required
Boundary Waters Forest Management/Wood Products: Participate in BWFMC Seek users for available fiber.	Attend BW meetings (Ongoing) Communicate opportunities (Q2/3 2021 start) Market fiber available with BWFMC (Q3 2021) Execute fiber study Q2 2021 (based on NOHFC) Share fiber information with potential users (Ongoing) Meet with 4 possible users (Q4 2022)	<ul style="list-style-type: none"> • Attended BWFMC Meetings • CRIBE Study participation • Early stage opportunity • Application to NOHFC • Presentations to EDEC and information package request to Mayor being actioned.
Partnerships and Relationships	Attend BIA and Chamber Meetings RRDMA linkages	<ul style="list-style-type: none"> • Meeting set with 3rd Ec Dev Corp.

	Meetings with all Ind Ec Dev Agencies	<ul style="list-style-type: none"> • Written to all requesting
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Additional Activities:

- Inbound inquires
- Requests for information
- Support to community groups when requested
- Fort Frances Social Media