

## Message from the Chair

It is my pleasure to share with you the 2019-2020 Cornwall and the Counties Community Futures Development Corporation annual report. Every year, the opportunity to write this message offers an opportunity to reflect on the accomplishments of the small but mighty team at our local CFDC.

Our loan portfolio indicates that we have offered assistance to 60 small/medium sized enterprises (SME) with 22 receiving loans. The staff continue to refine the delivery process for our loan program, including making the application process more streamlined allowing for quicker turnaround times in dispersing loans to our local entrepreneurs.

This year, we worked with 126 partners in delivering our programs including community planning, economic development, support for community-based projects, business information and planning services, access to capital for small and medium sized businesses and social enterprises within the United Counties of SD&G, City of Cornwall, and Akwesasne. As you can see, our small organization has a broad and impactful reach.

This year's annual report needs to have commentary about the COVID-19 pandemic that we currently find ourselves in. Very early when the State of Emergency was declared by the Ontario Government, the staff of our CFDC immediately reached out to current clients offering programs in the form of interest and payment deferral, business support, on-line sales support all the while pivoting to a work from home model. During these first days of the State of Emergency the CFDC released \$500,000 for loans specifically targeting SME's with support due to COVID related issues impacting their business. This offering was over-subscribed within 72 hours of being released. The CFDC team was brave and pivoted quickly to ensure that our clients were supported during these unprecedented times.

After our fiscal year end, the CFDC has received close to \$1,000,000 in capitalization funding through the Regional Development Agencies to support small business with a focus on assisting "main street" businesses, such as retail shops, restaurants and corner stores, etc., and businesses of strategic importance to their communities, with loans up to \$40,000. The success of this program will be felt for many years to come as these support programs make their way to support local entrepreneurs.

As this year comes to an end, I'd like to extend a thank you to the Board and Committee members who volunteer their time to help the community prosper. Through their thoughtful guidance and steady hand, the CFDC continues to execute on all programs. Finally thank you to our primary funding partner FedDev Ontario for their continued confidence in our organization in delivering programming in SD&G, Cornwall, and Akwesasne.

Dale Allen  
Chair of the Board

## Message from the Executive Director

The end of fiscal 2019 marked the beginning of a worldwide health pandemic. It is difficult to talk about this past fiscal year without having this challenge out front and centre. It is fortunate however, that the CFDC Board and staff had already prepared the organization to be able to operate effectively, remotely. Certainly, there were tweaks to our system, but we quickly got ourselves in order so that we could focus all our energy on supporting our clients and our business community through the economic aftershocks of the pandemic.

The CFDC's importance as a pillar of the community was perhaps never so well understood. As a community-minded, nimble and mighty organization, we were able to react quickly to issue COVID-19 Emergency Loans, interest forgiveness, and principal postponements to business owners before many other government measures were in place. We were later entrusted with additional funding through FedDev to deliver additional funds to struggling businesses. We were there with advice, key referrals, and an understanding ear for business owners who needed help navigating the complex and ever-growing system of emergency measures and supports put in place by federal, provincial and municipal governments.

It also became apparent when dealing with the economic ripples of the pandemic that those businesses who had embraced and adopted technology were faring better than those who had not. As sales went online and people relied on technologies that would support contactless payment processing and delivery of goods, some businesses were ill prepared and sought out additional support and advice.

It is timely that in early fiscal 2019, the Board and staff at the CFDC had sought out to fill a recognized gap in the business services market. With a changing global and national economic landscape, Canada's rural communities have been increasingly vulnerable to demographic, economic, technological and infrastructure challenges. Lack of broadband connectivity and affordable advice has hampered technology adaption and limited competitiveness in our Region. With the objective of helping to bridge this gap, the CFDC developed a plan to launch a Technology Innovation Program (TIP). This program was created to provide business with the expertise and support needed to identify and adopt the right technology solutions to boost sales and profit margins. TIP received funding through the Rural Economic Development program and the Rural Innovation Initiative of Eastern Ontario (RIIEO) and was launched spring of 2020, just in time to support businesses through COVID.

In addition to advice, the CFDC supported businesses with 22 loans and 19 non-repayable funding contributions. All of the grants and many of the loans were to help businesses adopt innovative technologies to grow their businesses and remain competitive. We also supported companies through transitions, expansions and unfortunate and difficult life events which impacted their businesses. When no one else would support their business with funding, CFDC was there. The people behind the business that CFDC funding programs have the ability to impact are real. The entrepreneurs, the visionaries and the fighters are the ones who inspire us every day. We are indebted to them for being the economic engine of this economy and we will do everything we can to support them.

## Cornwall & The Counties Community Futures Development Corporation

Another way we have been able to impact people is through the Cross Border-Partnership. The impact the CBPP had on fostering economic prosperity of neighbouring municipalities and Akwesasne was highlighted in the Canada-wide Horizontal Review of the Community Future Program completed in June 2019. The report identified the CBPP as instrumental in increasing the understanding of the complex barriers to community economic development in the area. It further identified its successes in building capacity for joint community economic development planning and projects. Impacting Truth and Reconciliation through the CBPP continues to be the highest priority Community Economic Development initiative that the CFDC has endeavored upon. Significant work was done in 2019 in order to breath life into monumental community opportunities like the Port Lands Project. In July of 2020, much of that work was rewarded when the Akwesasne Harbourfront Development Corp. and the Cornwall Harborfront Development Corp. trusted the CBPP to act as Project Manager for the Development of the jointly owned Port Lands.

The Horizontal Review confirmed much of what we have already experienced, in that in our rural community, “economic development is complex and depends on a number of factors.” We are “diverse and face a range of challenges.” The Report found that “there is a strong need for continued federal economic development programming for the communities served by [CFDC’s]” and that “the [Community Futures Program] has contributed to the achievement of many of its intended outcomes...The achievement of these outcomes is facilitated by the program’s design, principally its flexibility, which allows [CFDC’s] to adapt their activities to best meet the needs of their communities.”

We are committed to remaining flexible and building customized programs and services so that we can meet the ever-changing needs of our local communities and entrepreneurs within Akwesasne, Cornwall and SD&G. In the face of challenges, never experienced before in our lifetime, The Board and staff, along with our communities and its residents have banded together in inspiring ways. We have supported one another, shopped local, and acted inventively to help one another navigate these uncharted waters, and to build a more resilient future together. We are committed to this too and we stand with you.

Thank you to the Board, our funders, our partners, our community, our clients and of course the stalwart staff for their ongoing support and dedication to creating a better world here in our part of Eastern Ontario.

Lesley Thompson  
Executive Director

## The CFDC Framework

Created in 1987, the Cornwall & The Counties Community Futures Development Corporation (CFDC) is a not-for-profit, independent organization, governed by a Board of Directors composed of volunteers from the community representing a cross-section of the makeup of the community. The CFDC's main programming is around the delivery of the Community Futures Program.

The Community Futures Program (CFP) supports economic development in primarily rural areas across Canada through a network of 256 Community Futures Organizations (CFOs). Through the CFP, CFDC provides direct support to local communities via four pillars: business financing, business support services, community economic development, and strategic planning.

The CFP is part of the ministerial portfolio of Innovation, Science and Economic Development Canada (ISED). It is administered by four Regional Development Agencies (RDAs). The RDA which CFDC reports to is named the Federal Economic Development Agency for Southern Ontario (FedDev).

### Mission:

Cornwall & The Counties CFDC delivers financing, collaborative SME support, strategic community planning & economic development solutions to Akwesasne, Cornwall & the SDG Counties.

### Vision:

Cornwall & the Counties CFDC is a catalyst, leader, and partner, working toward a sustainable, diversified and growing economy that builds on the assets of Akwesasne, Cornwall & the SDG Counties.

### Values:

Integrity, Collaboration, Client focus, Community focus, and Teamwork

### Strategic Goals:

Across the four pillars in which the CFDC operates, the Board has further defined overarching strategic goals within each:

#### 1. Strategic Planning

- a) C&C CFDC plans are 100% aligned & integrated with all key stakeholder plans
- b) C&C CFDC is a key & trusted partner either leading or collaborating in regional strategic community planning work
- c) C&C CFDC's Board & staff reputation & credibility is strong everywhere in the region

#### 2. Community Economic Development

- a) C&C CFDC is 100% aware &/or involved in the regions' highest priority economic development projects
- b) The Region has a fully functional Entrepreneur Innovation Centre established, growing & self-sustaining

**3. Business Support Services**

- a) Business information is relevant, timely, helpful and accurate
- b) Key Stakeholders are fully awareness of C&C CFDC's goals & programming and refer clients frequently
- c) C&C CFDC is recognized in the community as a reputable and helpful organization and is frequently visited by business owners wanting to start, grow or transition a business.

**4. Business Financing**

- a) C&C's CFDC lending activities have measurable impact on regional economic development
- b) C&C's CFDC is capable to meet all requests for financing from qualified applicants directly or through strategic funding partnerships
- c) Loan losses at an acceptable level ranging from 5-8% of portfolio balance
- d) 85-95% of funds are invested 5-15% are available to lend at any given time
- e) Bankable Clients graduate to other mainstream lenders to free up cash to lend

## Investment Fund Activity - Lending

The purpose of the Investment Fund is to provide repayable financial assistance in the form of loans to small and medium-sized businesses and social enterprises. Typically, available to those experiencing difficulty in securing tradition bank financing, eligibility for CFDC borrowing is essentially confined to activity relating to the creation, development, stabilization, expansion or restructuring of business operations.

Subject to a structured examination of information and documentation requested of a client, the CFDC will favour funding applications which:

- Promote the creation and/or retention of jobs and opportunities;
- Demonstrate that the CFDC's involvement will lead to economic benefits or net gain within the community;
- Attract capital investment to the community;
- Afford the prospect of involving multiple funding partners (granting and lending) towards effective leveraging and optimization; and,
- Reveal a reasonable expectation of profitability and debt servicing capacity.

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<b>Lending Activity – Investment Fund</b>	
<b>April 1, 2019 to March 31, 2020</b>	
<b>No. of Completed Applications Received</b>	60
<b>No. of Loans Disbursed</b>	22
<b>Dollar Value of Disbursements</b>	\$969,231
<b>Dollars Leveraged</b>	\$4,114,620
<b>No. of Jobs Created/Maintained</b>	84
<b>No. of New Businesses Started</b>	8
<b>No. of Businesses Maintained/Expanded</b>	14
<b>Total Active Loans</b>	74
<b>Total Dollar Value of Portfolio</b>	\$4,410,474.52
<b>Business Counselling</b>	
<b>No. of businesses assisted</b>	235
<b>No. of Jobs Created/Maintained</b>	138

Cornwall & The Counties CFDC has seen many business ideas come to fruition through responsible funding to local businesses. One great example amongst the many comes in the form of an Equity Investment made in Fieldless Farms located in Cornwall, ON.

### **2019/2020 Success Story**

Like their name suggests, Fieldless Farms is a new kind of farm. Known as Controlled Environment Agriculture (CEA), they grow all of their produce indoors, which allows them to create an ideal climate all year 'round (pretty handy for our Canadian weather). They use renewable energy and automated systems to make the perfect growing and harvesting environments for their crops.

Canada imported \$48 billion of food last year. But there are rising issues challenging foreign food supply. In order to feed growing global populations, in less than 30 years, food production will have to increase by 70% in developed countries and by 100% in developing ones. On top of that, commercial agriculture is a major cause of greenhouse gas emissions, yet extreme weather events are increasingly disrupting agriculture. In short, Canadians rely on other countries to feed us the folks at Fieldless believe that needs to change.

All of Fieldless produce is safe to eat right out of the box, no washing needed. Controlled environment means no herbicides, no pesticides and no chemical baths. It means they also don't have to worry about environmental contaminants (like runoff from livestock farms). Fieldless is a certified Canada GAP facility, but they also go well beyond compliance to ensure all our products are safe.

The group was originally planning for their first farm to be located in Gatineau, with Cornwall being the future of the business. After discussions with local community leaders and discovering the potential for strategic partnerships and financial support, the group has since opted to make Cornwall the inaugural Farm location. Primary interest in the Cornwall area is also due to its geographical proximity to major metropolitan sectors and the substantially lower costs of energy, and land acquisition.

The CFDC participated in an equity round and supported the company with a \$100,000 investment to launch its first Farm. The company's establishment in our area also created 10 FTE positions and with a projected expansion, it will create 1 FT position for every 2 containers.

The company closed a first round of funding for \$3M in 2019 from local investors and Farm Credit Canada. In 2020 they announced that they landed a deal with Farm Boy who will be carrying its ready-to-eat, no-need-to wash 'Northern Crunch' and 'Ontario Sweet' lettuce mixes, starting with 15 stores in Ottawa, Kingston, and Cornwall. They are also located in Massine's Your Independent Grocer and at the Burrow Shop in Ottawa.

The CFDC is proud to have had the opportunity to assist this dynamic group of entrepreneurs make a difference in this community and in the Canadian Food System as a whole.

## The Rural Innovation Initiative of Eastern Ontario (RIIEO)

In 2019, Community Futures across Ontario East were successful in their application to FedDev to deliver was named as The Rural Innovation Initiative of Eastern Ontario (RIIEO). This 2-year program was built to support the transition and growth of traditional SMEs, manufacturers and communities into the new rural economy, driving direct investments by private companies in innovation capital producing aggregate local and regional effects.

Supported projects will strengthen competitiveness, productivity, business growth, process innovation, new market access, creation and retention of employment opportunities, the re-skilling of the industrial workforce, incremental sales and increased profitability, and as a result, diversify and transform our local communities and economy.

**In 2019-2020 the Cornwall & The Counties CFDC received and reviewed 29 applications.**

<b>Total Contribution amount for 2019-2020</b>	<b>\$ 450,000</b>
<b>Total Number of projects funded</b>	<b>19</b>
<b>Total Number of jobs created</b>	<b>27</b>
<b>Total Number of jobs maintained</b>	<b>51</b>

There are two categories of RIIEO. For Profit organizations, and Non-Profit, or known as, Fourth Pillar projects.

<b>Contribution amount for 2019-2020 in “For Profit”</b>	<b>\$ 375,000</b>
<b>Number of projects funded</b>	<b>16</b>

<b>Contribution amount for 2019-2020 in “Fourth Pillar”</b>	<b>\$ 75,000</b>
<b>Number of projects funded</b>	<b>3</b>



## Cornwall & The Counties Community Futures Development Corporation

The Cornwall & The Counties CFDC has witnessed significant success of RIIEO. One such example is represented through a joint press release, outlined below.

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### News Release

For Immediate Release

Two local companies to increase productivity, client service and efficiency and make their businesses greener

March 6<sup>th</sup>, 2020

Alexandria, ON

Formax Plastics Inc. and Papeterie Alexandria Stationery / Glengarry Printing will benefit from an investment announced today by [Cornwall & the Counties Community Futures Development Corporation](#) (Cornwall & the Counties CFDC) and Francis Drouin Member of Parliament for Glengarry, Prescott, and Russell.

Formax Plastics Inc. will receive \$25,000 under the [Rural Innovation Initiative Eastern Ontario \(RIIEO\)](#). This funding will support the purchase of injection-molding equipment that will enable them to be more efficient in terms of energy use, production costs and competitive advantage. This equipment will help to maintain their current clients and acquire significantly more. This new focus will assist the organization in moving away from single-use plastic products that had been a past revenue stream, which will benefit the environment, the community of Alexandria, and Eastern Ontario.

Papeterie Alexandria Stationery / Glengarry Printing will also receive \$25,000 under the RIIEO. The funding will support the purchase of new equipment, which will allow the organization to do more jobs in-house and provide more consistent print quality to clients. This maximizes productivity, resulting in shorter wait times, and with shorter more manageable turnaround times they can focus on improving quality, cutting back on waste and saving energy.

Recognizing the vital role rural communities play in the region's economy, the [Federal Economic Development Agency for Southern Ontario \(FedDev Ontario\)](#) is providing a total of \$15 million over two years for the CFDCs in Eastern Ontario to deliver the RIIEO.

### Quotes

“These projects will position these two Alexandria companies to increase productivity and serve their clients better, all while finding environmental benefits. Through investments like this, we are proud to support our local communities and boost rural businesses. We’ve got your back.”

**The Honourable Mélanie Joly, Minister of Economic Development and Official Languages**

“On behalf of the CFDC staff and the Board of Directors, I would like to commend Formax Plastics Inc. and Papeterie Alexandria Stationery/Glengarry Printing on the addition of this equipment and the expansions of their businesses. Supporting the transition of traditionally ran

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business into industry 4.0 was one of the overarching goals of this program. We recognize that this type of innovation is critical to increasing the economic growth of the region. Their continued investment in their business benefits the community greatly and we are proud to have the opportunity to support their growth.” **Lesley Thompson, Executive Director Cornwall & The Counties Community Futures Development Corporation**

“Maintaining a competitive edge and keeping ahead of technological innovation can be challenging for small and medium-sized businesses. Today we are happy to report that the Rural Innovation Initiative will be helping two Alexandria businesses invest in new technology. This will help Formax Plastics Inc. and Papeterie Alexandria Stationary to expand their business growth, while adopting advanced business innovation processes. Formax Plastics will be investing in new injection-molding machines that will enable them to be more efficient. These more energy-efficient machines will be “greener”, more cost effective and will afford them a competitive edge.

At Papeterie Alexandria Stationary, innovation remains key to better-serving existing and expanding clients, by offering a wider-array of print products. With the purchase of a new commercial printer, their aim is to make themselves a one-stop shop for all of your business needs. We congratulate both of these businesses and wish them all the best in continuing to grow in North Glengarry,” **Jamie MacDonald, Mayor North Glengarry**

### Quick Facts

The Cornwall & the Counties CFDC is one of the 15 Community Futures Development Corporations (CFDCs) in Eastern Ontario that received funding through FedDev Ontario’s Rural Innovation Initiative of Eastern Ontario (RIIEO)

- CFDCs deliver a wide variety of programs and services to support community economic development and small business growth. They employ local staff and are each governed by a volunteer board of directors, made up of local residents representing the community.

### Associated Links

- [FedDev Ontario](#)
- [Rural Innovation Initiative of Eastern Ontario](#)
- [My Community Futures](#)

### Contacts

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Cornwall & The Counties CFDC

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## Cornwall & The Counties Community Futures Development Corporation



Representatives from Formax Inc., Papeterie Alexandria Stationery / Glengarry Printing, North Glengarry Council, Mayor Jamie MacDonald, CFDC Executive Director Lesley Thompson, and MP Francis Drouin.

## The Cross Border Partnership Program (CBPP)



**CROSS BORDER**  
PARTNERSHIP PROGRAM  
Stronger Together

The Cross-Border Partnership Program continued its success in 2019. Our motto is “Stronger Together” and we continue to remain the conduit for economic development projects between Akwesasne and the surrounding municipalities. A large focus of 2019 has been researching and developing a strategic plan toward self-sustainability. We have been planting a lot of seeds in 2019 for some large-scale projects in 2020 which we are very confident will come to fruition, taking the CBPP to the next level as not only an asset to our communities but as a revenue generator for the CFDC as an organization.

This year once again solidified our position as the “connector” between communities. We have engaged in multiple projects around workforce and economic development. Helping Akwesasne agencies liaise with other organizations such as the Eastern Ontario Training board and local employers with a vision to continue to maximize agencies ability to place members of the Akwesasne workforce into positions off-reserve. We also provided various training sessions to these organizations to help facilitate long-term success. The CBPP has helped facilitate the first ever jointly supported tourism funding application in the region between the Mohawk Council of Akwesasne (MCA), The City of Cornwall, the United Counties of Stormont Dundas and Glengarry and the Seaway International Bridge Corporation. This marks a significant step forward in these relationships.

2019 also saw us assist various federal agencies on tours and facilitated introductions to key stakeholders in Akwesasne. Executives from Fed Dev and Innovation Canada utilized the CBPP as the connector to elected and non-elected leaders in the community with a long-term goal to bring significant investment into Akwesasne that previously may not have been available. We also helped align Akwesasne with Bizpal Canada and a community member is now on the national steering committee for the project. Our goal is to create more opportunities for Akwesasne with regional and national organizations so more doors can open where they may not have in the past.

In 2019 the CBPP was selected as an evaluation metric for the Ministry of Innovation, Science and Economic Development’s Horizontal Evaluation of the Community Futures Program. Further signifying the importance of the program to Fed Dev’s Economic Development project portfolio. The review was favourable and a great honour for us to be considered in the company of so many other great projects across Canada. “The CBPP Demonstrates the importance of partnership, how the CFP can meet the needs of different target groups (in this case, Indigenous people) and of surrounding counties, and the skill of CFOs in fostering collaboration”.

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2019 also saw a long-term project come together and we proudly announced we will be managing a disbursement of funding from Fed Dev Ontario to assist Mohawk Council of Akwesasne with the associated costs of starting an economic development corporation. This will assist MCA with their future plans to increase on reserve business development and potential future capacity for on reserve lending. This project will be ongoing into and past 2020.

As we move from 2019 into 2020 we are thrilled with some of the longer-term projects on the horizon while continuing to offer our services to better the joint collaborative efforts of our key local stakeholders. Once again, this success wouldn't be possible without the support of our Board and funders, so our thanks again are extended to them and the communities we serve.

### *More about The Cross Border Partnership Program:*

The Cross Border Partnership Program is dedicated to building stronger relationships between Akwesasne and the municipalities that surround it.

### Objectives:

1. A stronger unified voice for engaging with business and other levels of government.
2. Stronger regional identity, relationships and sense of place.
3. Cost savings when providing services due to higher efficiencies and less duplication.
4. More opportunities for local business development and jobs.
5. Ability to leverage the unique financial, human and physical capabilities of each partner
6. Coordinated planning efforts to improve land use and land management (making room for growing populations and to attract new investors and citizens.)
7. Coordinated planning efforts to aid in protecting resources and natural environments that are important to partner communities.
8. A stronger knowledge of our communities through a coordinated educational effort and through community workshops.

## Composition of the Board of Directors

### Executive Committee:

Dale Allen - Chair

Martin Zimmer- Vice Chair

Lila Romanko– Secretary/Treasurer

### Current Board Members:

Nikki Dignard

Patricia Remillard

Sean Helmkey

Dale Allen

Christina Russell

Beatrice Johnson Tarbell

Martin Zimmer

Lila Romanko

Vanessa Metcalfe

Garrett VanderBurg

Tim Mills

### Community Advisors:

Bill Madden

Allan Bell

## Governance

Consistent with generally accepted principles of good governance and provisions of the Cornwall & The Counties CFDC's agreements with its funders, a concerted commitment has been made to deliver Board governance and development opportunities with the intent of strengthening Board performance and accountability.

## The CFDC Staff

Lesley Thompson, Executive Director

Binal Bhavsar, Account Manager

Brittany MacDonald, Project Officer

Simon McLinden, Project Manager

Louise Pilon, Office Administrator

## FedDev Liaison

The Cornwall & The Counties Community Futures Development Corporation continued to benefit from the support and interaction of Grace Hodder, Community Economic Development Officer of the Federal Economic Development Agency for Southern Ontario.

*Insert Audited Financial Statements*