



TOWN OF SMOKY LAKE AND SMOKY LAKE COUNTY  
JOINT COUNCIL COMMITTEE MEETING



**A G E N D A:** Town of Smoky Lake and Smoky Lake County Joint Council Meeting

to be held on Tuesday, **June 8, 2021**, at **5:30 p.m.** through Zoom:

<https://us02web.zoom.us/j/86339224791?pwd=ek05VDILdWVuUVcxQjRidDk4cnRPZz09>

Or, by dialing in at 1-877-853-5257, Meeting ID: 863 3922 4791 Passcode: 564513

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**1. Meeting:**

Call to Order.

**2. Agenda:**

Adoption of Agenda: as presented or subject to additions or deletions.

**3. Minutes:**

3.1 Minutes of the Joint Council Meeting held on: January 5, 2021

**Joint Public Hearing**  
**Victoria District Economic Development Strategy:**  
**Municipally Controlled Corporation (MCC) Business Plan**

**A G E N D A:** Public Hearing to be held on

Tuesday, **June 8, 2021**, at **5:30 p.m.** through Zoom:

<https://us02web.zoom.us/j/86339224791?pwd=ek05VDILdWVuUVcxQjRidDk4cnRPZz09>

Or, by dialing in at 1-877-853-5257, Meeting ID: 863 3922 4791 Passcode: 564513

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**1. Opening:**

- Public Hearing is called to order.
- Public wishing to be heard sign in on the sign-in sheet.
- Confirmation is provided that the Public Hearing was advertised, and Notice was provided in accordance with the applicable legislation.
- Purpose of the hearing is summarized:  
**To obtain public input regarding the proposed Victoria District Economic Development Strategy: Municipally Controlled Corporation (MCC) Business Plan.**
- Ground rules of the hearing and order of speaking are reviewed.

**2. Staff Presentation:**

- Town/County Administrative Staff make their presentation(s).
- Council asks questions and/or request points of clarity.

**3. Public Presentations via Written Submissions:**

- Written submissions are read.
- Council asks questions and/or request points of clarity.

**4. Public Presentations at the Public Hearing:**

- Persons are signed in to speak to the proposed bylaw.
- Persons signed in are called upon to speak.
- Council asks questions and/or request points of clarity.

- Anyone else who has not spoken and wishes to speak is signed in and called upon to speak.
- Council asks questions and/or request points of clarity

**5. Questions and Answers:**

- Any Council member having any additional questions of any speaker or of the staff or those who have spoken may speak.

**6. Closing Remarks:**

- Declare the Public Hearing closed.

**4. Issues for Discussion:**

4.1 Victoria District Economic Development Strategy: Municipally Controlled Corporation (MCC)  
Business Plan. ©

**5. Other Business:**

**6. Correspondence:**

**7. Delegations:**

**8. Executive Session:**

**9. Next Meeting:**

**Adjournment.**



**SMOKY LAKE COUNTY AND TOWN OF SMOKY LAKE  
 JOINT COUNCIL MEETING**



Minutes of the **Smoky Lake County** and **Town of Smoky Lake** Joint Council Meeting held on Tuesday, **January 5, 2021** at 2:03 p.m., held virtually online through Electronic Communication Technology: Zoom Meeting.

The meeting was called to Order by the Smoky Lake County Reeve, Craig Lukinuk with the following attendance:

	<u>Position</u>	<u>Name</u>	<u>ATTENDANCE</u> <u>Tuesday, Jan. 5, 2021</u>
Smoky Lake County:	Div.1 Councillor	Dan Gawalko	Present in SLC Chambers
	Div.2 Councillor	Johnny Cherniwchan	Present in SLC Chambers
	Div.3 Councillor	Craig Lukinuk	Present in SLC Chambers
	Div.4 Councillor	Lorne Halisky	Present Virtually
	Div.5 Councillor	Randy Orichowski	Present in SLC Chambers
	C.A.O.	Gene Sobolewski	Present Virtually
	C.A.O.	Lydia Cielin	Present in SLC Chambers
	Finance Manager	Brenda Adamson	Present Virtually
	Recording Secretary	Patti Priest	Present Virtually
	Fire Chief	Scott Franchuk	Present in SLC Chambers
	Deputy Fire Chief	Spencer Kotylak	Present Virtually
	P&D Manager	Jordan Ruegg	Present in SLC Chambers
	P&D Assist. Manager	Kyle Schole	Present Virtually
	Smoky Lake FD	Fire Chief	Juanita Cozicar
Town of Smoky Lake:	Mayor	Hank Holowaychuk	Present Virtually
	Councillor	Melody Morton	Present Virtually
	Councillor	Dan Kotylak	Present Virtually
	Deputy Mayor	Ross Whitelaw	Present Virtually
	Councillor	Terry Makowichuk	Present Virtually
	C.A.O.	Adam Kozakiewicz	Present Virtually
	Assistant C.A.O.	Crystal Letwin	Present Virtually
*****			
Members of the Public:	None		N/A
Members of the Media:	Smoky Lake Signal		N/A
*****			

**2. AGENDA:**

J242-21: Cherniwchan That the **Smoky Lake County** and **Town of Smoky Lake** Joint Council Meeting Agenda for Tuesday, January 5, 2021 be adopted, as presented.

**Town of Smoky Lake:** motion moved by Kotylak.

Carried Unanimously.

### 3. MINUTES:

J243-21: Orichowski

That the **Smoky Lake County and Town of Smoky Lake** Joint Council Meeting Minutes and Action Lists from the November 26, 2020 and December 16, 2020, meetings be distributed for approval at the next scheduled Smoky Lake County and Town of Smoky Lake Joint Council Meeting.

**Town of Smoky Lake:** motion moved by Kotylak.

Carried Unanimously.

### 4. ISSUES FOR DISCUSSION:

#### **Smoky Lake County Bylaw No. 1311-18 and Town of Smoky Lake Bylaw No. 001-18: Joint Operation Agreement for the provision of Fire Protection Services**

Smoky Lake County Council and Town of Smoky Lake Council held discussion to review the content of the current Joint Operation Agreement for the provision of Fire Protection Services as outline in **Smoky Lake County Bylaw No. 1311-18 and Town of Smoky Lake Bylaw No. 001-18** respectively under "Schedule A", and confirmed the changes as listed below:

#### **SECTION 5:**

OK to Remove:

#### **CAPITAL ASSETS**

5.1.1 Unit 320: 1979 GMC Crew Bus

OK to Add:

5.1.8 Unit 421 Polaris Rapid Attack 6x6 2010 with firefighting skid.

OK to Add:

5.3.6 Fire Fighter Rehab Unit 488, 2008 ford E550.

OK to Add:

5.3.7 Alberta First Responder Radio Communication System (AFRRCS) (*add chart of radios including serial numbers and specifying who owns them Town or County*).

#### **SECTION 6:**

Reviewed & OK

#### **OPERATIONAL COST SHARING ALLOCATION**

6.1 All Supplies, Training and Meetings will be cost shared between the County at Sixty (60%) Percent and the Town at Forty (40%) Percent.

OK to Change:

6.4.1 County is responsible for the cell phones issued to Unit 407; Unit 459, ~~as well, the back-up phone line for dispatching; and phone line at the tower.~~

OK to Add:

6.4.3 Alberta First Responder Radio Communication System (AFRRCS) will be paid by the County.

OK to Change:

6.6 The County agrees to pay to Town \$900.00 per month towards **building use and utilities** (natural gas, heat, and power) for the Fire Hall operations.

OK to Change:

6.7.2 Radio Towers, Rental and back-up Phone line will be paid by the County (*insert the new Radio Tower*)

Reviewed & OK

6.11.6 The conditions imposed by VFIS have granted preferential status to RMA Insurance (the County's insurer), therefore the Town of Smoky Lake would not be authorized to write this coverage. The policy would be written by the County on exactly the same basis.  
 6.11.6.1 Smoky Lake County will be the Policy Holder.

**SECTION 7:**

**FIRE DEPARTEMNT**

Reviewed & OK until further review by the SLRF&R

7.1 The Fire Department shall deliver an adequate level of service as established by each Party through the Standard Operations Guidelines.

OK to Remove:

~~7.4 Training and Meeting:~~

~~The County will compensate the Fire Department Members for Informal Training and Meeting at the rate of \$15.00 per hour and Formal Training (includes professional instructor) at the rate of \$15.00 per hour. The Training and Meeting rates will be paid by the County One Hundred (100%) Percent.~~

OK to Change:

7.5 Formal and Informal Training and Meetings:

The County and Town will compensate the Fire Department members for Informal and Formal Training (Certified instructor and Certificate) as well as meetings at the rate of \$20.00 per hour. ~~The Formal Training be~~ paid by the county One Hundred (100%) Percent.

OK to Change:

7.6.2 Years of Service Recognition: As Per Policy will be cost-shared by the Town and County at Fifty (50%) Percent each.

Reviewed & OK

7.9 The County will provide their Safety Officer to the Fire Department and invoice the Town for Forty (40%) Percent of the cost.

Reviewed & OK

7.10 County will provide the Dress Uniform for the Fire Chief and Deputy Fire Chief at One Hundred (100%) Percent cost and the Station Gear Uniform for the Firefighter members (one-time only) on a cost-shared basis of 50/50 as part of the Department's Uniform Incentive Program in accordance with Policy Statement No. *(insert policy number and name)*.

**Joint Operation Agreement for the provision of Fire Protection Services**

J244-21: Orichowski

That the **Smoky Lake County** and **Town of Smoky Lake** Joint Councils recommend each respective Council proceed to repeal and replace Smoky Lake County Bylaw No. 1311-18 and Town of Smoky Lake Bylaw No. 001-18 with new Bylaws incorporating an amended Joint Operation Agreement for the provision of Fire Protection Services, as described as "Schedule A", which incorporates the changes as discussed and agreed upon, at the January 5, 2021 Joint Council Meeting.

**Town of Smoky Lake:** motion moved by Makowichuk.

Carried.

County and Town of Smoky Lake  
Joint Council Meeting  
January 5, 2021

**2021 Supplies Budget for the Smoky Lake Fire Department**

SLC245-21: Halisky

That Smoky Lake County acknowledge the increase in the Smoky Lake Fire Department's Year-2021 Supplies Budget from \$25,000.00 to \$27,000.00, with the County's portion not to exceed Sixty percent in the amount of \$16,200.00; and adopt the Smoky Lake Fire Department's 2021 Operational Budget in the total amount of \$27,000.00 for Personal Protective Equipment, Equipment and Supplies and Occupational Health & Safety (OH&S) Requirements, as adopted by the Town of Smoky Lake Council on December 1, 2020, by Motion No. 891-2020.

Carried.

**2021 Operating Training Budget for the Smoky Lake Fire Department**

SLC246-21: Gawalko

That Smoky Lake County acknowledge the increase in the Smoky Lake Fire Department's Year-2021 Training Budget from \$47,000.00 to \$60,000.00, with the County's portion not to exceed Sixty percent in the amount of \$36,000.00; and adopt the Smoky Lake Fire Department's 2021 Training Budget in the total amount of \$60,000.00, as adopted by the Town of Smoky Lake Council on December 1, 2020, by Motion No. 892-2020.

Carried.

**6. CORRESPONDENCE:**

No Correspondence.

**7. DELEGATIONS:**

No Delegations.

**Next Meeting**

The next **Smoky Lake County and Town of Smoky Lake** Joint Council Meeting will be scheduled at the call of the Reeve or Mayor.

**Adjournment**

J247-21: Lukinuk

That the **Smoky Lake County and Town of Smoky Lake** Joint Council Meeting of January 5, 2021, adjourn, time 3:22 p.m.

<b>NUMBER: 4.1</b>		DATE	<b>Joint Town and County Meeting</b>  <b>June 8, 2021</b>
TOPIC	<b>Victoria District Economic Development Strategy: Municipally Controlled Corporation (MCC) Business Plan</b>		
A g e n d a  I t e m	<b>PROPOSAL</b>		
	<p>That Smoky Lake County Council and Town of Smoky Lake Council respectively adopt a resolution to establish a Municipally Controlled Corporation, for the purposes of creating a regional tourism corporation to execute the Victoria District Economic Development Strategy Business Plan (Smoky Lake County Bylaw #1390-20 &amp; Town of Smoky Lake Bylaw 026-2020).</p>		
	<b>BACKGROUND</b>		
<ul style="list-style-type: none"> <li>• <b><u>June 26, 2020 Joint Virtual Public Hearing &amp; Joint Town/County Councils Meeting</u></b> <ul style="list-style-type: none"> <li>Both Town and County Councils:           <ul style="list-style-type: none"> <li>○ <b>Convened</b> a Joint Virtual Public Hearing for the Victoria District Economic Development Strategy (Town Bylaw 006-2020 and County Bylaw 1372-20), at which presentations and representations were made by delegations and residents, as well as a reading into the record of written submissions.</li> <li>○ <b>Accepted</b> the 'What We Heard Report,' summarizing the public participation and feedback received per the Public Participation Plan</li> <li>○ <b>Adopted</b> the Strategy via County Bylaw 1372-20 and Town Bylaw 006-2020</li> <li>○ <b>Established a Victoria District Economic Development Strategy Implementation Working Group Ad hoc Committee to prepare a Business Plan</b> in accordance with legislation, to be brought forward to a future Meeting of Joint Town/County Councils for consideration.</li> </ul> </li> </ul> </li> <li>• <b><u>September 16, 2020 Joint Town/County Councils Meeting @ National Hall</u></b> <ul style="list-style-type: none"> <li>○ Joint Town/County Councils were presented with the proposed Business Plan, with minor changes having been made at that time.</li> <li>○ Joint Town/County Councils then agreed <b>in principal</b> for each respective municipality to invest Six Hundred Thousand Dollars (\$600,000.00), for a combined total of One Million Two Hundred Thousand Dollars (\$1,200,000.00), as majority shareholders of a municipally owned Joint Venture Tourism Corporation.</li> </ul> </li> <li>• <b><u>September 16, 2020 Joint Town/County Councils Meeting</u></b> <ul style="list-style-type: none"> <li>○ Convening alongside the Metis Crossing Board, the proposed Business Plan was further discussed among the three parties.</li> <li>○ Joint Town/County Councils then adopted a motion to seek public participation in accordance with each municipality's respective Public Participation Policies: County's Policy Statement No. 01-51-01 and Town's Policy Statement No. A18, in order to provide the Public with sufficient access to information, allowing them to be informed, and provide opportunities to participate, be involved, and provide input into the decision-making process in respect to the Victoria District Economic Development Strategy Business Plan.</li> </ul> </li> </ul>			

- **November 26, 2020 Joint Virtual Public Hearing & Joint Town/County Councils Meeting**
  - Five months to the day since adopting the Victoria District Economic Development Strategy itself, another Joint Virtual Public Hearing was held to address the proposed Business Plan.
- **December 16, 2020 Joint Town/County Councils Meeting**
  - **Smoky Lake County Motion SLC252-20:**
    - “That Smoky Lake County Council give **Bylaw No. 1390-20: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining the goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting municipal sustainability, be given **FIRST READING**.”
    - “Moved by Councillor Halisky that Smoky Lake County **Bylaw No. 1390-20: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting municipal sustainability, be given **SECOND READING**.”
    - “Moved by Councillor Cherniwchan that Smoky Lake County **Bylaw No. 1390-20: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting municipal sustainability, be given **PERMISSION for THIRD AND FINAL READING**.”
    - “Moved by Councillor Gawalko that Smoky Lake County **Bylaw No. 1390-20: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting Municipal sustainability, be given **THIRD AND FINAL READING**.”
  - **Town of Smoky Lake Motion TSL253-20:**
    - “That the Town of Smoky Lake Council give **Bylaw No. 026-2020: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting Municipal sustainability, be given **FIRST READING**.”
    - “Moved by Councillor Makowichuk that the Town of Smoky Lake **Bylaw No. 026-2020: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting Municipal sustainability, be given **SECOND READING**.”
    - “Moved by Councillor Morton that the Town of Smoky Lake **Bylaw No. 026-2020: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and

supporting Municipal sustainability, be given PERMISSION for THIRD AND FINAL READING.”

- “Moved by Mayor Holowaychuk that the Town of Smoky Lake **Bylaw No. 026-2020: Victoria District Economic Development Strategy Business Plan**, for the purpose of adopting the said plan dated December 16, 2020, outlining goals of adding to the visitor economy, increasing the visitor audience from Metis Crossing and other attractions, diversifying the Region’s economy, and supporting Municipal sustainability, be given THIRD AND FINAL READING.”
- **Joint Smoky Lake County & Town of Smoky Lake Motion J254-20:**
  - “That the Smoky Lake County and Town of Smoky Lake Joint Councils approve for each respective administration to proceed to prepare the necessary documents associated with establishing a Municipally Controlled Corporation (MCC), to be brought forward to the Joint Town and County Councils.

**LEGISLATION:**

**Municipal Government Act R.S.A 2000, Ch. M-26**

**Division 9 – Controlled Corporations**

**Control of Corporations**

75.1(1) In this Division,

- (a) “controlled corporation” means a corporation controlled by a municipality or a group of municipalities and includes a subsidiary, within the meaning of section 2(4) of the *Business Corporations Act*, of such a corporation;
- (b) “corporation” means a corporation that operates for the purpose of making a profit.

(2) A municipality, by itself or with other municipalities, may establish and control, or obtain control of, a corporation only if the council of the municipality

- (a) passes a resolution authorizing the municipality to control the corporation by itself or with other municipalities, as the case may be, and
- (b) is satisfied that
  - i. the controlled corporation will carry on business solely for one or more of the purposes described in section 3,
  - ii. the controlled corporation will provide a service or benefit to residents of the municipality or group of municipalities that controls it, and
  - iii. the profits and dividends of the controlled corporation will provide a direct benefit to the residents of the municipality or group of municipalities that controls it.

(3) Before a council passes a resolution under subsection (2)(a), the council must

- (a) consider a business plan that addresses the matters referred to in subsection (4), and
- (b) hold a public hearing in accordance with the regulations.

(4) The matters to be addressed in a business plan referred to in subsection (3)(a) include

- (a) the costs related to establishing and controlling or obtaining control of the corporation,

as the case may be,

- (b) the value of any assets of the municipality or group of municipalities that are to be transferred to the corporation.
- (c) a cash flow projection for the next 3 years of the corporation's operation,
- (d) the corporation's financial statements and operating and capital budgets for the most recent 5 years, or if the corporation has existed for less than 5 years, the financial statements and operating and capital budgets for each year it has existed, and
- (e) any other information prescribed by the regulations.

### **Regulations**

75.5(1) The Minister may make regulations

- (a) providing that certain types of corporations may not be controlled by a municipality or a group of municipalities without the Minister's approval;
- (b) respecting terms and conditions that apply when a municipality or a group of municipalities controls a corporation;
- (c) prescribing information to be included in a business plan for the purposes of section 75.1(4)(3);
- (d) respecting public hearings to be held under section 75.1(3)(b), including, without limitation, the form and nature of information that must be made available to the public before a public hearing is held;
- (e) prescribing reports for the purposes of section 75.2(1);
- (f) respecting the manner in which a council must notify residents of the municipality of a material change to a controlled corporation;
- (g) respecting the timing, scope and methods of obtaining public input from residents of a municipality regarding a material change to a controlled corporation;
- (h) defining any term of expression that is used but not defined in this Division;
- (i) specifying or describing by reference the provisions of this or any other enactment that do not apply, or that apply with modifications, to a controlled corporation;
- (j) specifying or describing by reference any provisions that are to be added to or that are to replace the provisions of this Act or any other enactment in respect of a controlled corporation.

(2) Regulations made under subsection (1) may apply in respect of one or more controlled corporations or may apply generally.

### **Part 7 – Public Participation**

#### **When to hold a public hearing**

230(1) When this or another enactment requires council to hold a public hearing on a proposed bylaw or resolution, the public hearing must be held, unless another enactment specifies otherwise,

- (a) before second reading of the bylaw, or

(b) before council votes on the resolution.

(2) When this or another enactment requires a public hearing to be held on a proposed bylaw or resolution, council must

(a) give notice of the public hearing in accordance with section 606, and

(b) conduct the public hearing during a regular or special council meeting.

(3) A council may bylaw establish procedures for public hearings.

(4) In the public hearing, council

(a) must hear any person, group of persons, or person representing them, who claims to be affected by the proposed bylaw or resolution and who has complied with the procedures outlined by the council, and

(b) may hear any other person who wishes to make representations and whom the council agrees to hear.

(5) After considering the representations made to it about a proposed bylaw or resolution at the public hearing and after considering any other matter it considers appropriate, the council may

(a) pass the bylaw or resolution,

(b) make any amendment to the bylaw or resolution it considers necessary and proceed to pass it without further advertisement or hearing, or

(c) defeat the bylaw or resolution.

**Requirements for advertising**

606(1) The requirements of this section apply when this or another enactment requires a bylaw, resolution, meeting, public hearing or something else to be advertised by a municipality, unless this or another enactment specifies otherwise.

(2) Notice of the bylaw, resolution, meeting, public hearing or other thing must be

(a) published at least once a week for 2 consecutive weeks in at least one newspaper or other publication circulating in the area to which the proposed bylaw, resolution or other thing relates, or in which the meeting or hearing is to be held,

(b) mailed or delivered to every residence in the area to which the proposed bylaw, resolution or other thing relates, or in which the meeting or hearing is to be held, or

(c) given by a method provided for in a bylaw under section 606.1.

(3) A notice of a proposed bylaw must be advertised under subsection (2) before second reading.

(4) A notice of a proposed resolution must be advertised under subsection (2) before it is voted on by council.

(5) A notice of a meeting, public hearing or other thing must be advertised under subsection (2) at least 5 days before the meeting, public hearing or thing occurs.

(6) A notice must contain

- (a) a statement of the general purpose of the proposed bylaw, resolution, meeting, public hearing or other thing,
- (b) the address where a copy of the proposed bylaw, resolution or other thing, and any document relating to it or to the meeting or public hearing may be inspected,
- (c) in the case of a bylaw or resolution, an outline of the procedure to be followed by anyone wishing to file a petition in respect of it, and
- (d) in the case of a meeting or public hearing, the date, time and place where it will be held.

(7) A certificate of a designated officer certifying that something has been advertised in accordance with this section is proof, in the absence of evidence to the contrary, of the matters set out in the certificate.

(8) The certificate is admissible in evidence without proof of the appointment or signature of the person who signed the certificate.

### **Municipally Controlled Corporation Regulation AR 112/2018**

#### **Interpretation**

1(1) In this Regulation,

- (a) “Act” means the *Municipal Government Act*;
- (b) “controlled corporation” means a controlled corporation as defined in section 75.1(1)(a) of the Act;
- (c) “corporation” means a corporation as defined in section 75.1(1)(b) of the Act.

(2) For the purposes of section 75.4(1) of the Act, the definition of “public utility” in section 1(1)(y) of the Act is limited to subclause (i) of that definition.

#### **Notification to Minister**

2(1) A municipality must notify the Minister if the council of the municipality passes a resolution under section 75.1(2) of the Act.

(2) The notification must include a copy of the resolution and be sent to the Minister within 60 days of the passing of the resolution.

#### **Public Hearing**

3(1) For the purposes of sections 75.1(3)(b) of the Act, the municipality must disclose

- (a) the services the corporation intends to provide,
- (b) the names of the shareholders of the corporation,
- (c) the geographic locations in and outside Alberta in which the corporation intends to provide services,
- (d) in the case of a corporation that intends to provide utility services, a projected rate structure, and
- (e) the market impact analysis contained in the business plan, if any.

(2) The information described in subsection (1) must be made available for public inspection no less than 30 days prior to the public hearing.

(3) Subject to subsection (2), notice of the public hearing must be given in accordance with section 606 of the Act.

(4) The public hearing must be held pursuant to section 230 of the Act.

#### **Business Plan**

4 For the purposes of section 75.1(4)(e) of the Act, a business plan must include the following information:

- (a) the services the corporation intends to provide;
- (b) the names of the shareholders of the corporation;
- (c) the geographic locations in and outside Alberta in which the corporation intends to provide services;
- (d) any potential environmental, financial, labour or other liability risk in controlling the corporation;
- (e) information demonstrating that the corporation will not be dependent on the shareholders for its ongoing operations;
- (f) the impact of controlling the corporation on each municipality's financial viability;
- (g) in the case of a corporation that intends to provide utility services, a projected rate structure;
- (h) a market impact analysis if municipal control of the corporation would result in competition with similar services provided by the private sector.

#### **Unanimous Shareholder Agreement**

5(1) If one or more municipalities propose to establish or acquire control of a corporation, the councils of the municipalities must, after passing resolutions under section 75.1(2)(a) of the Act adopt, by resolution, a unanimous shareholder agreement.

(2) The unanimous shareholder agreement must address the following matters:

- (a) the matters referred to in section 146(1) of the Business Corporations Act;
- (b) the controlled corporation's service delivery standards and decision-making structure;
- (c) a dispute resolution process in the event of disputes between shareholders;
- (d) a method by which the shareholders must provide direction to the controlled corporation with respect to what action, if any, the controlled corporation is to take regarding a proposed material change in response to one or more reports received under section 7(5).

**REFERENCE INFORMATION:**

**Attachment #1**

Victoria District Economic Development Strategy: Municipally Controlled Corporation Business Plan

**Attachment #2**

Victoria District Economic Development Strategy Business Plan: What We Heard Report

**Attachment #3**

Victoria District Economic Development Strategy Timeline

**Attachment #4**

Resolution to Establish Municipally Controlled Corporation

**ACTIONS/RECCOMENDATIONS**

**Motion #1**

That Smoky Lake County Council accept for information the Victoria District Economic Development Strategy Business Plan: "What We Heard Report".

**Motion #2**

That the Town of Smoky Lake Council accept for information the Victoria District Economic Development Strategy Business Plan: "What We Heard Report".

**Motion #3**

That Smoky Lake County Council adopt a resolution to establish a Municipally Controlled Corporation, as a joint venture with the Town of Smoky Lake, for the purposes of creating a regional tourism corporation to execute the Victoria District Economic Development Strategy Business Plan, in respect to Smoky Lake County Bylaw No. 1390-20 and forward to the Minister of Municipal Affairs as notification that a resolution has been adopted by Smoky Lake County and the Town of Smoky Lake, and that administration work in conjunction with the administration of the Town of Smoky Lake to engage legal counsel to prepare the necessary documents to affect said Municipally Controlled Corporation.

**Motion #4**

That the Town of Smoky Lake Council adopt a resolution to establish a Municipally Controlled Corporation, as a joint venture with the Smoky Lake County, for the purposes of creating a regional tourism corporation to execute the Victoria District Economic Development Strategy Business Plan, in respect to Town of Smoky Lake Bylaw No. 026-2020 and forward to the Minister of Municipal Affairs as notification that a resolution has been adopted by the Town of Smoky Lake and Smoky Lake County, and that administration work in conjunction with the administration of the Smoky Lake County to engage legal counsel to prepare the necessary documents to affect said Municipally Controlled Corporation.

# VICTORIA DISTRICT ECONOMIC DEVELOPMENT STRATEGY

## Municipally Controlled Corporation Business Plan

Excerpted from:  
Victoria District Economic Development Strategy Business Plan,  
Funding Model and Corporate Structure October 21, 2020

June 8, 2021



## The Victoria District Economic Development Strategy Business Plan aligns with our Values:

- We believe in the preservation and promotion of our *cultures*, heritage and ecological assets
- We want to enhance the experiences of our visitors by sharing our assets in an authentic way
- We want to maintain our community identity and lifestyle while sharing our assets

## I. INTRODUCTION

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Smoky Lake Region has been a hub for travellers for centuries. At the crossroads of river, trail and eventually rail and road networks, Indigenous and non-Indigenous peoples populated the area and traded, welcomed and lived in the rich natural beauty of the area.

In recent times, Métis visionaries began to develop a gathering place for their citizens, on the banks of the North Saskatchewan on the original homesteads of the Métis ancestors. There, the Métis are sharing their culture, stories and experiences.

Once established and with further planning underway, Métis Crossing anchored Smoky Lake County's visitor economy aspirations in the National Historic Victoria District and for the rest of the Region. The Town of Smoky Lake provided services as Métis Crossing developed and it too saw the value in growing its visitor economy.

Many conversations with Métis Crossing, Métis Nation of Alberta, Smoky Lake County and Town of Smoky Lake, led to the creation of this plan. We appreciate all the insights and input and look forward to bringing it to life together.

All plans, actions and implementations of the Strategy align to our Values:

- We believe in the preservation and promotion of our heritage and ecological assets
- We want to enhance the experiences of our visitors by sharing our assets in an authentic way
- We want to maintain our community identity and lifestyle while sharing our assets.

In order to accomplish these goals, a Municipally Controlled Corporation is proposed to be created, jointly and equally owned by Smoky Lake County and the Town of Smoky Lake, and whose purpose is to support the delivery of the Victoria District Economic Development Strategy through investment and part ownership of the Smoky Lake Tourism Corporation.

## EXECUTIVE SUMMARY

Two municipal partners, Smoky Lake County and the Town of Smoky Lake, are to be joint partners in a municipally controlled corporation (MCC), contributing \$600K each through loans and share purchasing.

The MCC provides a corporate platform for the Town and County to be able to put money into the local tourist economy and provide a legal and financial buffer for the municipalities, from any operational or financial liabilities

The MCC ensures economic diversification in the Region through lending to and investing in, the Smoky Lake Tourism Corporation. The MCC is not intended to be only a profitable entity but a Regional economic diversification vehicle.

### **Proposed Shareholder Ownership of MCC**

50% Town of Smoky Lake (10,000 \$1 shares)

50% Smoky Lake County (10,000 \$1 shares)

### **Governance**

Board with two members each from Town and County.

Rolling Chair elected by Board Members.

### **Funding**

\$590,000 loan from Town of Smoky Lake

\$590,000 loan from Smoky Lake County

### **Operational Income**

Dividends and fees from investments

### **Additional Roles**

Being a channel for municipally sourced grants, loans and investments

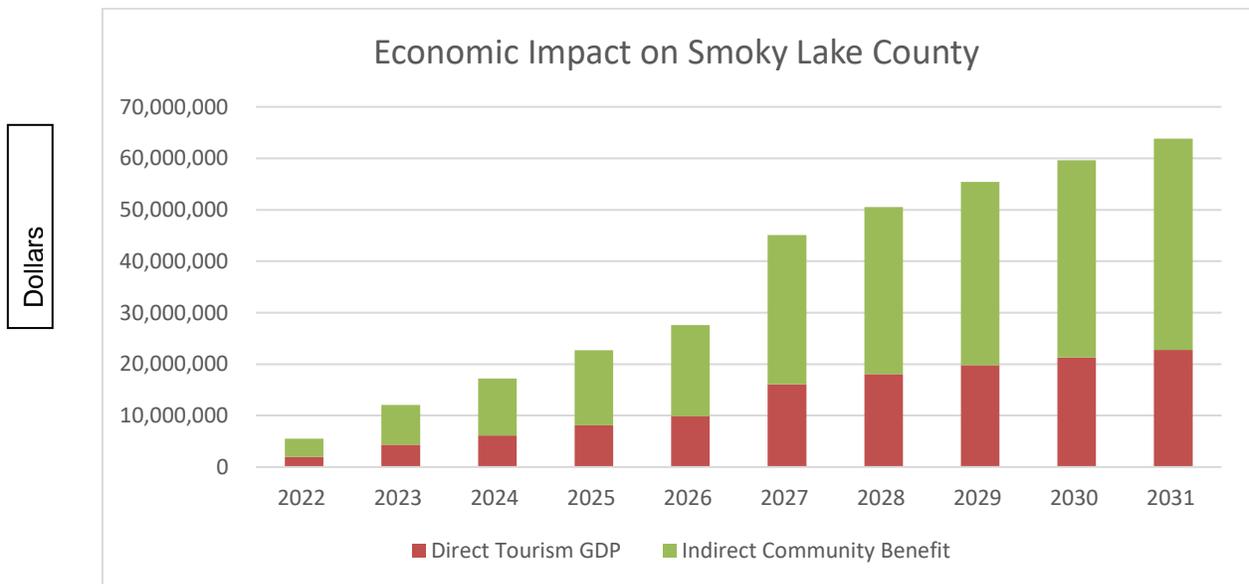
The MCC will invest in and loan to, tourism development in the Smoky Lake Region.

## ECONOMIC BENEFITS

The MCC is to support the tourism economy through its association with the Smoky Lake Tourism Corporation. The economic benefits for this relationship to the tourism economy is summarized in the next sections.

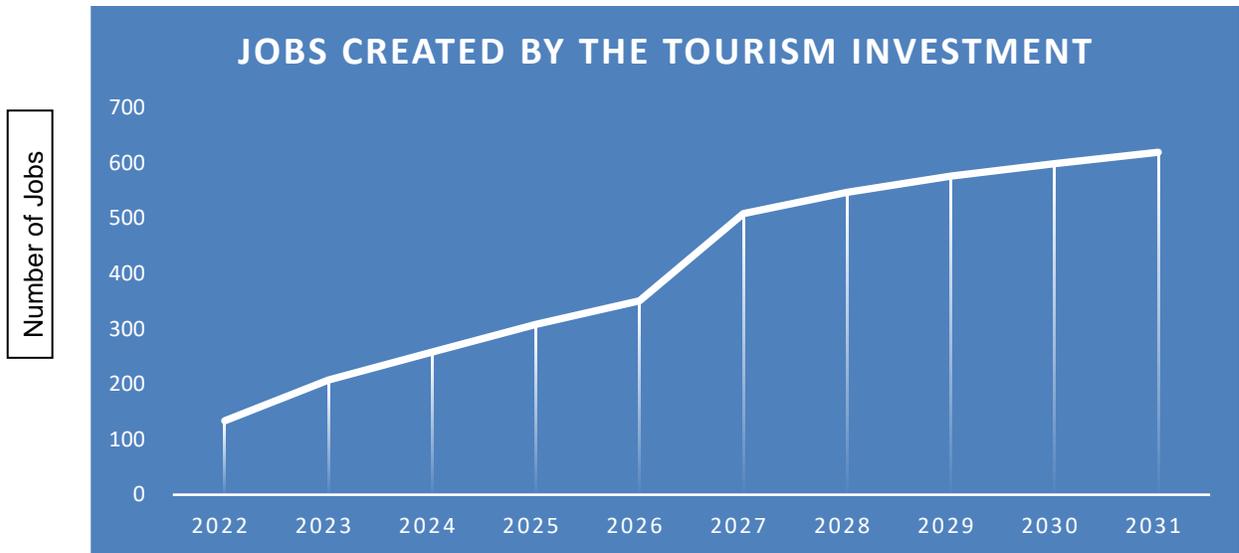
### a. Indirect Benefits, Population and Employment

The overall tourism system adds \$60+ million a year to the local economy by 2031 as shown in the graph below. Indirect benefits to the community account for the greater percentage of economic impact.



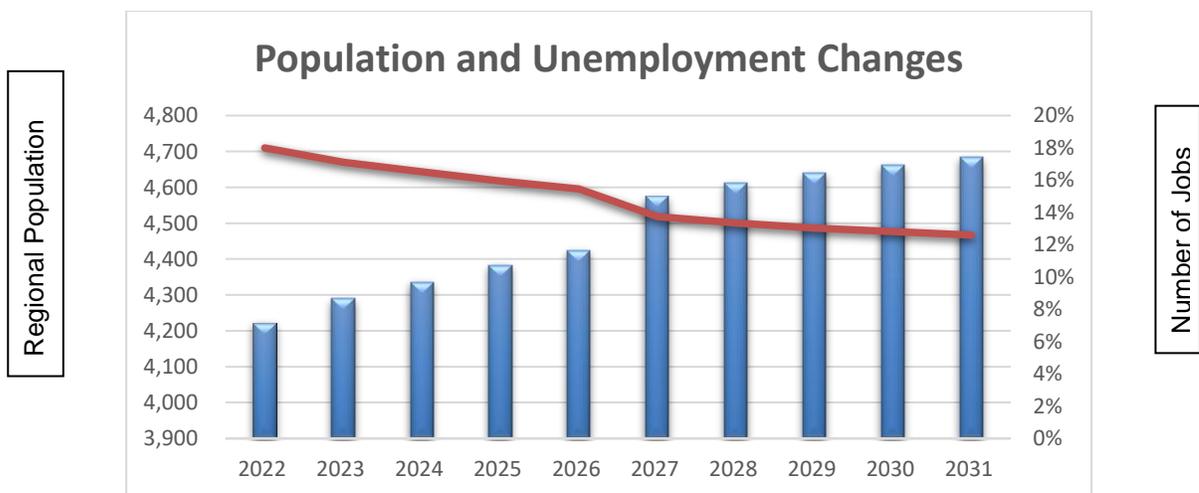
The Alberta government aspires to increase the Alberta tourism economy from \$10 billion to \$20 billion per year. This Strategy contributes \$ 60 million per year, towards meeting this target.

Six hundred new jobs are created by 2031, making tourism one of the Region's largest employment sectors.



Population in the Region is currently declining, and the Strategy reverses the resident losses and grows the population from 4200 residents to over 4700, improving the Region's long term sustainability.

Unemployment is expected to rise in 2020 from March 2020 figures of 15% to 18-20%. The Strategy reduces unemployment to less than 12% by 2031, with other economic development activities also supporting employment creation.



## **b. Performance Measures 2021 - 2026**

The Strategy's purpose, along with other Regional Economic Development, is to:

1. Arrest the declining population to protect the core services
2. Improve property values
3. Reduce unemployment and underemployment
4. Create career opportunities for youth
5. Retain residents
6. Attract investors, entrepreneurs and residents
7. Distribute wealth to equalize services, infrastructure and opportunities

For the Strategy to be successful beyond economics, the Region aspires to achieve:

- Youth employment and retention in Region at 50 % of graduation class per year
- 15% Graduating class employed in tourism
- Property values exceed cost of living indices by 5%
- Smoky Lake County Council is able to meet its operational requirements and does not have a budget deficit
- Town of Smoky Lake Council is able to meet its operational requirements and does not have a budget deficit (insert deficit projections with and without Strategy)
- Métis Crossing revenue uplift achieved
- The delivery of additional arts, sports and leisure facilities for the community
- Provincial or Federal services are expanded or maintained (school, hospital, police, etc)

## a. Municipally Controlled Corporations – Government of Alberta

A Municipally Controlled Corporation (MCC) is regulated by Alberta's *Municipal Government Act* (MGA). An MCC is a For-Profit Corporation established to provide services and benefits to residents of the municipality, where a municipality holds the majority control of appointing directors. As a separate legal entity, an MCC can pursue its goals from a perspective not always available to a municipality, including profit considerations. The MGA requires that the profits of an MCC are either reinvested in the MCC or used to the benefit of the residents of the municipality(ies) which control it. The Victoria District Economic Development Strategy provides dividends from investments to the MCC for use by the Municipalities for services for their residents and for further investments.

### Key requirements from Municipal Government Act:

Before Council passes a resolution to establish an MCC, the Councils must consider a business plan and hold a public hearing. **MGA s.75.1(3)(4)**. This document and the associated Victoria District Economic Development Strategy provide a comprehensive business plan in support of that requirement. Public hearings have been held throughout 2020 and on June 8, 2021, Smoky Lake County and Town of Smoky Lake will hold a joint public hearing specifically on the creation of the MCC.

### **Public Hearing**

For the purpose of a public hearing, the municipality must disclose:

- the services the MCC intends to provide;
- the names of the shareholders;
- the geographic locations in and outside Alberta the MCC intends to provide services;
- a projected rate structure if the MCC intends to provide utility services; and
- the market impact analysis, if any, contained in the business plan.

This information must be made available to the public no less than 30 days prior to the public hearing. The public hearing must be held, and notice given of it, as per **Sections 230 and 606 of the MGA. MGA s.75.1(3) MCCR s.3**

A municipality, by itself or with other municipalities, may establish an MCC provided Council is satisfied that:

- 1) the MCC will carry on business for one of the municipal purposes set out in Section 3 of the MGA (provide good government, provide services, develop and maintain safe and viable communities.);
- 2) the MCC will provide a service or benefit to residents of the municipality; and

3) the profits and dividends of the MCC will provide a direct benefit to the residents of the municipality. **MGA s.75.1(2)**

The Victoria District Economic Development Strategy meets the intents of the prior three requirements in the following way:

1. The tourism asset development in the Strategy will provide services to travelers and residents, and through its economic contributions maintain and sustain our communities.
2. The benefit to the residents are the retention, attraction, and enhancement of services such as restaurants, interpretative venues, cultural preservation projects, maintained infrastructure (funded by tourism incomes) and positive environment for living, working, and playing in the Region.
3. Dividends paid to the MCC are available to fund infrastructure projects and other community needs to the benefit of the residents.

The business plan must address the following matters as shown in Table 1, Column 1 (**MGA s.75.1(4) Alberta Regulation AR 112/2018 MCCR s.4**). Column 2 indicates where in this MCC Business Plan the matter is addressed.

Table 1

4(a) the services the corporation intends to provide;	<b>Lending and Investment in Smoky Lake Tourism Corporation (Pg 4)</b>
4(b) the names of the shareholders of the corporation;	<b>Smoky Lake County and Town of Smoky Lake</b>
4(c) the geographic locations in and outside Alberta in which the corporation intends to provide services	<b>Within the boundaries of Smoky Lake County and including the municipalities of Town of Smoky Lake, Village of Waskatenau and Village of Vilna.</b>
4(d) any potential environment, financial, labour or other liability risk in controlling the corporation	<b>Section III Risk assessment and Contingency Plans and Page 13 Environmental Compliance</b>
4 (e) information demonstrating that the corporation will not be dependent on the shareholders for its ongoing operations	<b>The MCC shareholders will contribute \$600,000 each to the MCC, and no further funds will be required for the MCC's operations (which will be funded by investment income from the Smoky Lake Tourism Corporation)</b>

4(f) the impact of controlling the corporation on each municipality's financial viability	<b>Positive impact on municipalities financial viability through economic diversification and additional income from the MCC's investments</b>
4(g) in the case of a corporation that intends to provide utility services, a project rate structure	<b>N/A</b>
4(h) a market impact analysis if municipal control of the corporation would result in competitions with similar services provided by the private sector	<b>Section IV</b>

## II. THE MARKET

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### a. Market Segment

The MCC operates within the boundaries of Smoky Lake Region, and is controlled by the partner municipalities of Smoky Lake County and Town of Smoky Lake.

### b. Products & Services

The MCC is a supporting entity to the Smoky Lake Tourism Corporation which invests in attractions and accommodations and manages the tourism system in the Smoky Lake Region.

### c. Market Impact Analysis

The MCC provides a unique service to the tourism economy in the Smoky Lake Region through its investments in the Smoky Lake Tourism Corporation.

## III. RISK ASSESSMENT AND CONTINGENCY PLANS

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### a. Strategy Risk

The Strategy is successful with adequate investment in infrastructure and tourism assets and access to credit to deliver the tourism industry economic benefits to the community.

Insufficient infrastructure investment by the municipalities will prevent growth and fail to deliver growth, jobs and private investment in the Region's tourism industry. The MCC's profits can support the delivery of the required infrastructure in the Region.

The creation of the MCC may concern residents and private operators who see the MCC as competing with private investors or lenders, however, this MCC is only supporting the single economic driver of tourism in the Smoky Lake Region through the Smoky Lake Tourism Corporation.

#### **b. Political Risk**

The Strategy overall relies on community support and engagement for entrepreneurship, investment and Regional promotion. As profits grow, the residents may desire more of the MCC profits to be distributed to non-tourism infrastructure or even non-essential services outside of the Municipalities mandate to provide. This risk can be managed by delivering value to residents through the Smoky Lake Tourism Corporation and providing lending and investment opportunities aligned with their needs.

#### **c. Revenue Risk**

The Corporation is dependant on traveller spending to achieve profitability. Pandemics, terrorist attacks, economic recessions would all reduce travelling in the short term.

The investment in tourism is the risk management tactic, as tourism always responds after these events, and stronger than ever. Managing the risk is inherent in the historic performance of tourism, when after each setback the industry comes back and returns more strongly than prior levels after each affecting event.

By committing to the Strategy through economic highs and lows, the expected outcomes are realized.

#### **d. Staffing Risk**

The MCC will be supported by a Board of Directors and administration (part time). No staffing risk is anticipated.

#### **e. Financial Risk**

Our citizens have the right to discourage or encourage this investment, and may choose not to direct the funds to this Strategy. Sustaining the vision in off peak periods requires fortitude of the Board, Municipal leadership and our public.

If the Smoky Lake Tourism Corporation (SLTC) were to fail, the Municipalities could lose their initial investment or assets (loans to SLTC). Corporate governance, regular reporting and

transparency allows for early intervention and changes if the investments are struggling or losing ground.

Municipal funding of the MCC is the only funding required from the municipalities to drive the Strategy execution. The MCC, is a low-cost, regulated entity which can be suspended if financial challenges arise.

#### **f. Regulatory Risk**

The creation of the MCC requires public engagement and municipal review, to meet the regulatory requirements. A solid consultation process with our public and well informed municipal leadership mitigates this risk.

Also in regulatory risk, is the requirement for specialized know-how, licenses, permits, property or locations to develop the tourism assets. A well-rounded, skilled Board of Directors provides risk mitigation in this area, as does access to the expertise of the Town, County, and Métis Nation of Alberta. Additional regulatory process advice is available through Alberta's Jobs, Economy and Innovation department.

## **IV. THE COMPETITION**

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### **a. Strategy Competitors**

Alberta tourism offerings are dominated by the Rocky Mountain National Parks, with second place to the Badlands near Drumheller. Our Strategy is to attract travellers seeking our wide open spaces, natural environments, cultural experiences and food and beverage offerings. Our offerings differ yet complement the experiences of the major Alberta tourist destinations.

Our accommodation, food and beverage and attractions are unique and therefore non-competitive with private operators in the Region or with the rest of the province.

### **b. Competitors' Strengths and Weaknesses**

The unique environment of the Mountain National Parks and Drumheller Badlands are the competitions' greatest strength. Over tourism in those regions is their greatest challenge.

### **c. Competitive Advantage**

We have what our competitors have: natural spaces and stunning landscapes for recreation. Our advantage is our cultural and historical story, told in food, beverage, interpretation and accommodations.

The Strategy's timing is also an advantage. We are investing and building during the COVID19 pandemic for future generations in the Region, while acquisition costs are reasonable. The Alberta Government is strategizing to increase tourism in the province from \$10 billion to \$20 billion in 10 years and we are ready to capitalize on any programs the Government offers in support of that goal.

The industry is struggling and creating current safe experiences to gain market share now and then expanding that market share in alignment with industry re-opening, is a strategic action which creates strong results. We are going **with** the trend of visitors re-entering the environment.

#### **f. Environmental Compliance**

The tourism system is based on values of ecological and heritage preservation and promotion and therefore, each aspect of our operations incorporates environmental stewardship and monitoring.

Capacity studies, ecological inventories, heritage and environmental assessments are required prior to attraction or accommodation developments. The Smoky Lake County Planning and Development department ensures developers are directed to complete the required studies. The Smoky Lake Tourism Corporation is subject to these same processes and requirements.

a. Letters of Support



August 6, 2020

AR 79297

Mr. Kyle Schole  
[kschole@smokylakecounty.ab.ca](mailto:kschole@smokylakecounty.ab.ca)

Dear Mr. Schole,

Thank you for sharing the news about the collaborative work of Smoky Lake County and the Town of Smoky Lake. The intersection of Métis and Ukrainian-Canadian culture and history in the Smoky Lake region is evidence of the rich multicultural nature of our country and our province. Métis Crossing and the Victoria Settlement Provincial Historic Site are significant pieces of the cultural heritage of Alberta.

The stories, education and experiences that visitors will immerse themselves in as they explore the Smoky Lake region will deepen cultural awareness, create lasting memories and encourage return visits from many adventurers. In alignment with Alberta's 10-Year Tourism Strategy, the jobs and new business opportunities this venture will foster promise to be an economic catalyst for Smoky Lake and northeast tourism.

Congratulations on developing an Economic Development Strategy for the Victoria District, your road map for the future. I also wish to extend my congratulations to Smoky Lake County, the Town of Smoky Lake, and all who have contributed to this initiative. With foresight and vision, you have breathed new life into our past.

I look forward to following the growth and success of Victoria District and the Smoky Lake region.

Thank you for taking time to write.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tanya Fir".

Tanya Fir  
Minister of Economic Development, Trade and Tourism



ALBERTA

CULTURE, MULTICULTURALISM AND STATUS OF WOMEN

*Office of the Minister*



**Message from Honourable Leela Sharon Aheer  
Minister of Culture, Multiculturalism and Status of Women**

Stretching back along the north bank of the North Saskatchewan River, the Victoria District National Historic Site captures the spirit of Alberta's settlement, mission, trade, and agricultural heritage.

Rich in history from First Nations, Métis, and Ukrainian-Canadians, the district has become a cornerstone of cultural and economic prosperity within Smoky Lake County. It is full of amazing Alberta stories and is home to several of our treasured Provincial Historic Resources, including buildings at Victoria Settlement Historic Site and the Macdonald Stopping House. The area offers opportunities for people to connect with our past, and facilitates greater intercultural understanding and awareness.

Congratulations to Smoky Lake County for embarking on an Economic Development Strategy for the Victoria District. I applaud the work embodied within this strategy and I look forward to witnessing the results.

A handwritten signature in black ink, appearing to read 'Leela Sharon Aheer'.

Leela Sharon Aheer  
Minister

Minister  
of Canadian Heritage



Ministre  
du Patrimoine canadien

Ottawa, Canada K1A 0M5



The Victoria District represents everything that is great about Canada. This National Historic Site on the North Saskatchewan River has welcomed people of all cultures for hundreds of years and continues to play an important role in the community's future. This area not only holds significance to various First Nations, Métis and Ukrainian Canadians, it also continues to drive the tourist and creative economy in Smoky Lake County.

That is why I am encouraged by the development of the Victoria District Economic Development Strategy. This document will help ensure that this historic district will remain a compelling cultural destination to visitors and an important part of the economy for area residents. I look forward to seeing the results of this strategy, not to mention the opening of the Interpretive Center at Métis Crossing this coming spring.

As Minister of Canadian Heritage, I would like to thank everyone involved for their hard work in crafting this visionary strategy and their dedication to our country's culture and heritage.

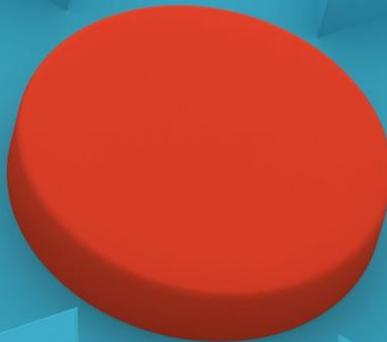
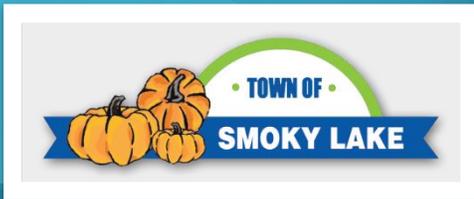
La région de Victoria représente tout ce qu'il y a de merveilleux au Canada. Baigné par la rivière Saskatchewan Nord, ce lieu historique national accueille des gens de toutes les cultures depuis des centaines d'années et joue un rôle important dans l'avenir de la collectivité. Non seulement cette région est-elle importante pour des Premières Nations, des Métis et des Canadiens d'origine ukrainienne, mais elle stimule aussi l'économie touristique et créative dans le comté de Smoky Lake.

C'est pourquoi je suis ravi de l'élaboration de la stratégie de développement économique de la région de Victoria. Cette stratégie permettra à cette région historique de demeurer une destination culturelle attrayante pour les visiteurs et un élément important de l'économie pour les résidents. J'ai hâte de voir les résultats qui découleront de cette stratégie, sans oublier l'ouverture du Centre d'interprétation de Métis Crossing au printemps prochain.

À titre de ministre du Patrimoine canadien, je tiens à remercier tous ceux et celles qui ont contribué à l'élaboration de cette stratégie visionnaire. Merci de votre dévouement envers la culture et le patrimoine du pays.

The Honourable / L'honorable Steven Guilbeault

Canada



# ***'WHAT WE HEARD'* REPORT**

VICTORIA DISTRICT ECONOMIC DEVELOPMENT STRATEGY  
MUNICIPALLY CONTROLLED CORPORATION (MCC)  
BUSINESS PLAN

SMOKY LAKE COUNTY

TOWN OF SMOKY LAKE

MÉTIS CROSSING

**June 2021**

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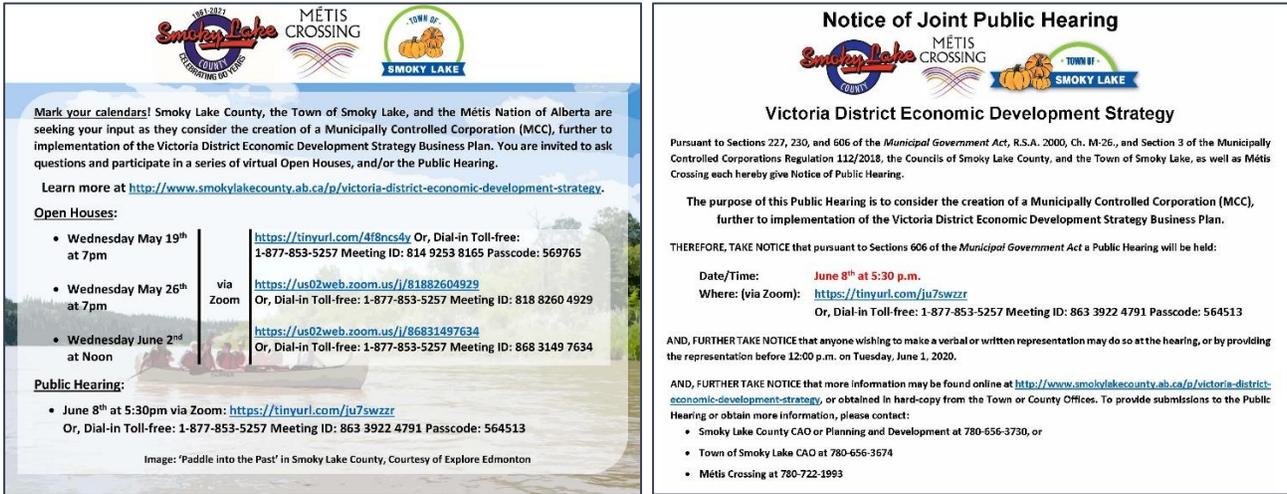
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## CALL TO ACTION

During the months of May and June 2021, the Town of Smoky Lake, Smoky Lake County, and Metis Crossing sought community input on the creation of a partnership of Smoky Lake County and the Town of Smoky Lake in a Municipally Controlled Corporation (MCC), a critical component of the Victoria District Economic Development Strategy. This was done in accordance with the *Alberta Municipal Government Act*, and the Regulations.

# PAID TARGETED AD ON SOCIAL MEDIA

- Reach of +5,429 people. (i.e., who saw the ad and/or the Facebook Event least once.)
- Engagements of +497 (i.e., number of likes, shares, comments, etc.), with 39 RSVPs
- A link click rate of +434 (i.e., number who specifically visited the Facebook Event at least once)



Notice of Public Hearing to occur on June 8<sup>th</sup> at 5:30pm was also placed on the Town/County municipal websites and in newsprint (in the Smoky Lake Signal and the Redwater Review) during the week of May 18<sup>th</sup>. The Smoky Lake Signal also featured a front-page story about the project in its June 1<sup>st</sup> edition.

# PUBLIC PARTICIPATION PLAN: PROCESS

Three (3) virtual Open Houses were held:

- #1 on Wednesday May 19th at 7pm,
- #2 on Wednesday May 26th at 7pm, and
- #3 on Wednesday June 2nd at Noon.



The presentations of Open Houses #2 & #3 have been recorded and posted to YouTube, the County’s Website, and social media for on-demand review.



## Target Audience

Residents of Smoky Lake County and the Town of Smoky Lake area.



## Feedback

Questions and feedback received are encompassed within this report.



## Next Steps

This ‘What We Heard’ Report is to be accepted for information and published online.

# THE STRATEGY IN A NUTSHELL

1. INVESTMENT – loans, preferential shareholdings etc., in tourism assets.
2. CORPORATE OPERATIONS – execution of board approved strategic plan.
3. ACQUISITIONS - accommodation and attraction assets either solely or with additional partners.
4. INFRASTRUCTURE FUNDING - investment needed for tourism developments (roads, trails, signage, amenities).

The above are smoky lake tourism corporation deliverables, which the mcc supports as described in prior slides.

3<sup>rd</sup>-party investment is required to achieve the results forecasted for the Strategy, and the Smoky Lake Tourism Corporation can attract such investment (whereas the MCC cannot).



*Ukrainian Culture, Courtesy of Explore Edmonton*

## PROJECT TIMELINE TO-DATE

**2018** - Smoky Lake County's 3-year Strategic Plan issued: Priority to create economic diversification through tourism

**2019** - Project initiated: consultant engaged (Vision XS), research and economic modelling, community engagement, Joint Town-County Council agree to collaborate on Strategy

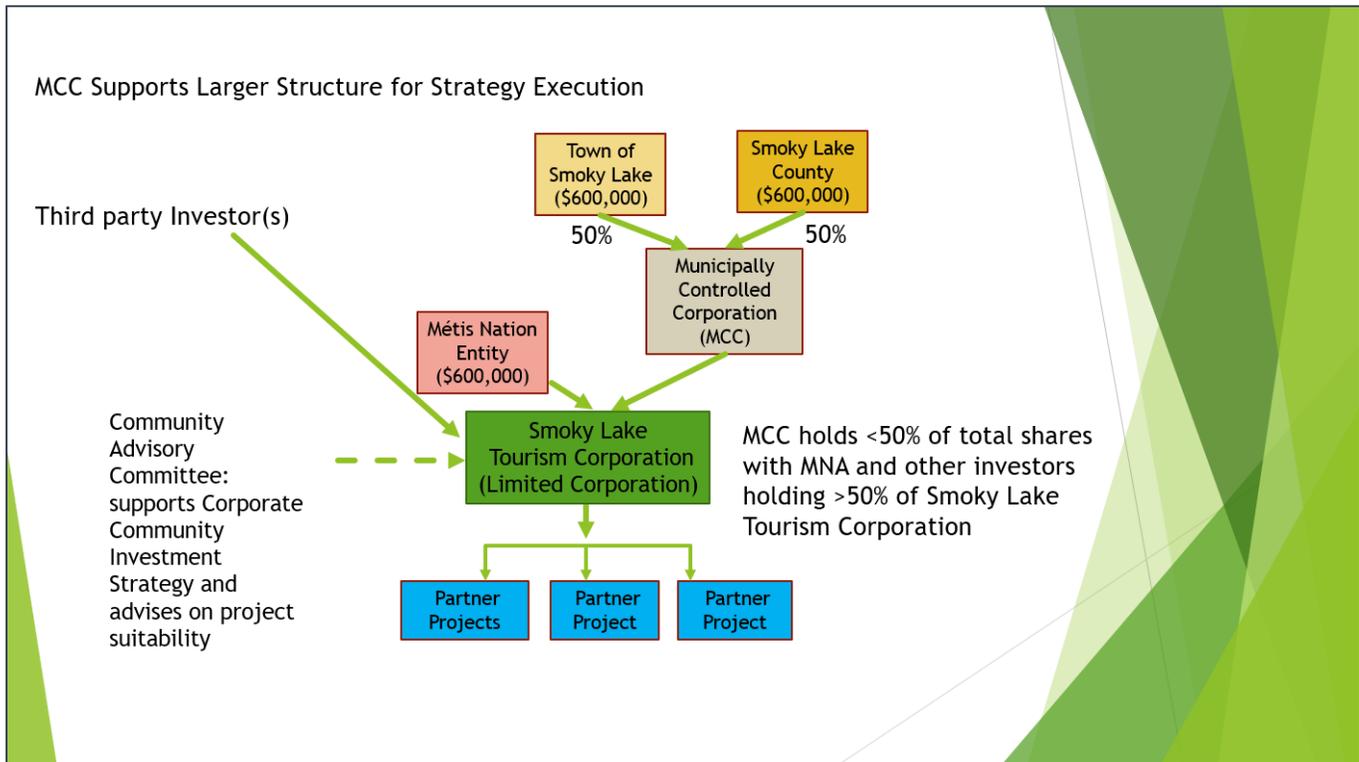
**2020** - Working Group established: funding models, corporate structures and business plan created

**2021 (we are here now)** - Establish Corporations to execute Strategy

# PURPOSE

To provide a corporate platform for the Town and County to be able to put money into the local tourist economy and provide a legal and financial buffer from any operational or financial liabilities.

The MCC ensures economic diversification in the Region through lending to the Limited Corporation, however, is not intended to be a profit-making entity. Its profits will be invested to the benefit of its residents.



# SHAREHOLDING

- 50% Town of Smoky Lake (10,000 \$1 shares)
- 50% Smoky Lake County (10,000 \$1 shares)
- MCC must be a Minority Shareholder in Smoky Lake Tourism Corporation to comply with Municipal Government Act requirements

# GOVERNANCE

- Board with two members each from Town and County with Rolling Chair elected by Board Members.

# FUNDING

- \$590,000 loan from Town of Smoky Lake
- \$590,000 loan from Smoky Lake County
- Loan terms and conditions: as determined in next phase.

## OPERATIONAL INCOME

- Service Charge from the Limited Corporation

## ADDITIONAL ACCOUNTABILITIES

- Being a channel for municipally sourced grants, loans and investments

## RESOURCES

- No full-time officers or staff
- Part time administration function



*Metis Crossing, Courtesy of Explore Edmonton*

## THE VICTORIA DISTRICT ECONOMIC DEVELOPMENT STRATEGY ALIGNS WITH OUR VALUES:

- We believe in the preservation and promotion of our cultures, our heritage, and our ecological assets.
- We want to enhance the experiences of our visitors by sharing our assets in an authentic way.
- We want to maintain our community identity and lifestyle while sharing our assets.

# WHAT WE HEARD - FAQs

## FAQ: How is the municipalities' money used to create the partner projects?

**Answer:** Via loaning money into the Limited Corporation who, along with raising other money through equity, debt and grants, will invest in partner projects. For example the Limited Corporation partners with a local person set up a new B&B. A separate joint venture corporation is set up and the local person provides \$300,000 and the Limited Corporation provides \$300,000 either as a loan, equity or a combination of both.

## FAQ: How are the municipalities repaid their \$600,000 investment?

**Answer:** \$10,000 each is invested in shares in the Tourism Corporation which will pay dividends on those shares when profits allow.

\$590,000 each is lent to Tourism Corporation (through the MCC). Loan agreement terms are to be defined in the next phase agreeable to the parties and at a rate which ensures Limited Corporation viability. As noted, the MCC is not a profit centre to make money from the Tourism Corporation, it is a conduit to support the Tourism Corporation in its execution of the Strategic Plan.

## A Municipally Controlled Corporation (MCC) is:

- Regulated by the *Municipal Government Act* (MGA).
- A For-Profit Corporation established to provide services and benefits to residents of the municipality, where a municipality holds the majority control of appointing directors.
- A separate legal entity, which can pursue its goals from a perspective not always available to a municipality, including profit considerations. The MGA requires that the profits of an MCC are either reinvested in the MCC or used to the benefit of the residents of the municipality which control it.

## FAQ: What are the risks to that investment and loans?

**Answer:** If the Limited Corporation ceases to trade then the MCC and thus the Town and County would be on the creditors list. The money is at risk, but the risks are small as the Limited Corporation will raise much more money to ensure it can be profitable. Any assets the Corporation owns would also be available to fund repayments to creditors.

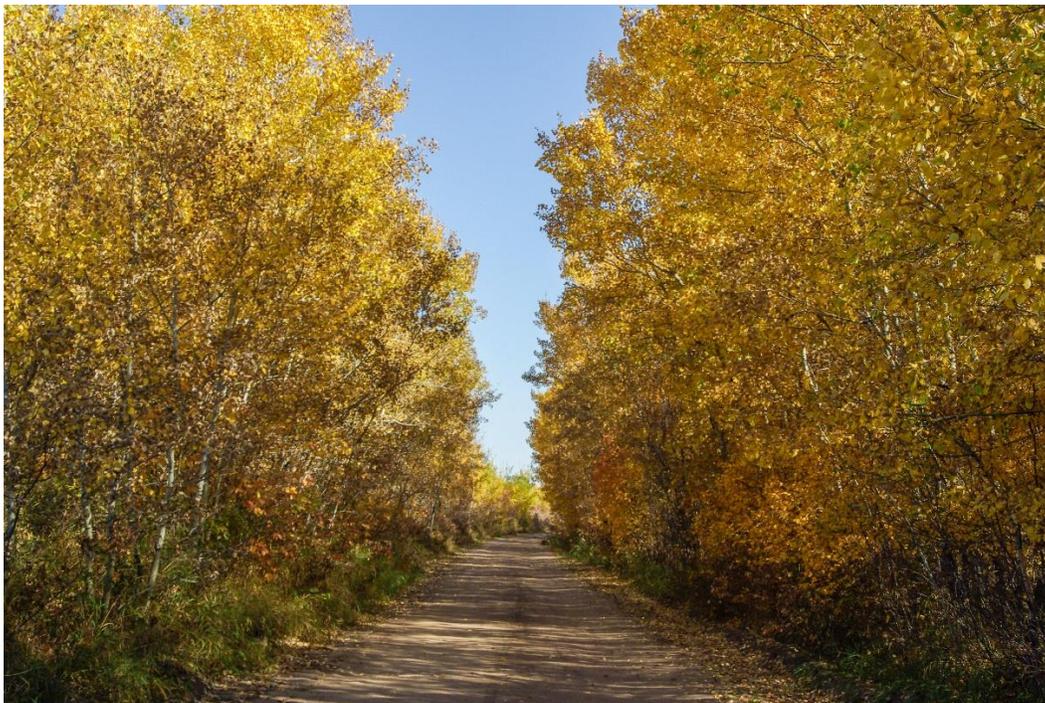
**FAQ: How do we ensure transparency on the flow of money and the municipalities ability to know the status of the investment regularly?**

**Answer:** By setting up the governance such that legally the Limited Corporation has to provide the MCC and shareholders with trading and cost figures regularly and at a minimum at the Annual Shareholders Meeting, which can then be fed back to the Councils and voting public accordingly.

**FAQ: How can the Municipal Councils and MNA influence the assets the Corporation chooses to develop or partner in?**

**Answer:** The Smoky Lake Tourism Company Board members (Appointed by the MNA and MCC) with guidance from the Advisory Committee, will use a Project Assessment Process for all proposed developments. Developments deemed unsuitable to our Region's heritage, natural and cultural tourism foundation would not meet the Project Assessment Process requirements and would not move forward.

Generally, the Board and Advisory Committee will act as the main filter and modifier of the Corporation's plans. Each year the Corporation's Management Team will present their plans for the year ahead and a long-term plan (3+ years) and the Board will adopt, reject or amend the plans based on the Project Assessment Process. Voting rights are determined by the different class of shares, with MNA and MCC shareholders having higher voting rights than other share classes.



*Victoria Trail, Courtesy of Steve Ricketts & North Sask. Watershed Alliance*

**FAQ: Who from the municipality (elected or admin) will be on the Board of the Limited Corporation?**

**Answer:** The Municipalities will recommend Board members with the skills and commitment to the Corporation's vision. The selection may include those at the political level and senior administration or be a recommendation from the wider public to ensure the best Board members are recommended.

## **FAQ: Who else is proposed to be on the Board?**

**Answer:** The MNA, as a founding member, will have a Board seat the same as the MCC. In addition, 4 or 5 Board members will be recruited based on their experience developing tourism product, marketing, or infrastructure, as well as developing and capitalizing on investor relations.

## **FAQ: Do the Municipalities have control of the Tourism Corporation's Board?**

**Answer:** No and neither does the MCC. Voting rights are determined by the different class of shares, with MNA and MCC shareholders having higher voting rights than other share classes, however the Municipal Governance Act requires the MCC to be a minority shareholder in the Limited Corporation. In the next phase, the Tourism Corporation's articles will define voting process and procedures, to ensure decisions are made in the best interest of the Tourism Corporation by Board Members.

Actual developments will, however, continue to meet the planning and development requirements set out by the Town, County or Villages through their Land Use Bylaws and Municipal Development Plans.

## **FAQ: What will the \$600k be used for – operations or projects?**

**Answer:** To be determined by the Board and the Tourism Corporation's Management Team. Annual budgets will be prepared for the Board's approval based on the objectives of the Tourism Corporation's Strategic Plan. Ideally the bulk of the money develops and markets' regional tourism products. Some operational costs may need to be funded from the loan initially, however grants would be sought (by municipalities and flowing through the MCC) to cover as much of the operational costs as possible. In the long term, operational costs will be funded from booking fees, investment returns and other incomes.



*Pumpkin Park, Courtesy of Linda Treleaven & North Sask. Watershed Alliance*

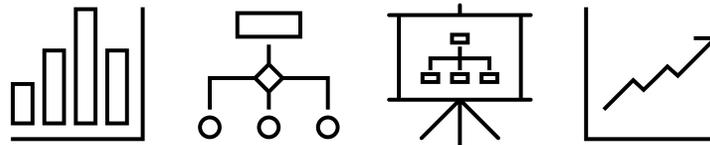
# CONCLUSION

If the Victoria District Economic Development Strategy is to be successful in its vision and goals, it must work for the residents of Smoky Lake County, the Town of Smoky Lake, and the Smoky Lake Region.

The main theme of questions and/or concerns noted during this public participation period centered around risk management. While there is no way any investment can ever be guaranteed, the proposed corporate structure and accountabilities are to be designed in such a way to mitigate risk as much as possible. To this end, the size, scale, and scope of the proposed investment is also right-sized.

This report is to be considered by Town and County Councils and published online to be made publicly available.

Following the statutory Public Hearing scheduled for June 8, 2021, at 5:30, both Councils may then each consider adopting concurrent Resolutions directing that Notice be sent to the Minister in accordance with the Act and Regulations.



*Voyage, Courtesy of Explore Edmonton*

# LET'S TALK!

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Adam Kozakiewicz, Town of Smoky Lake CAO

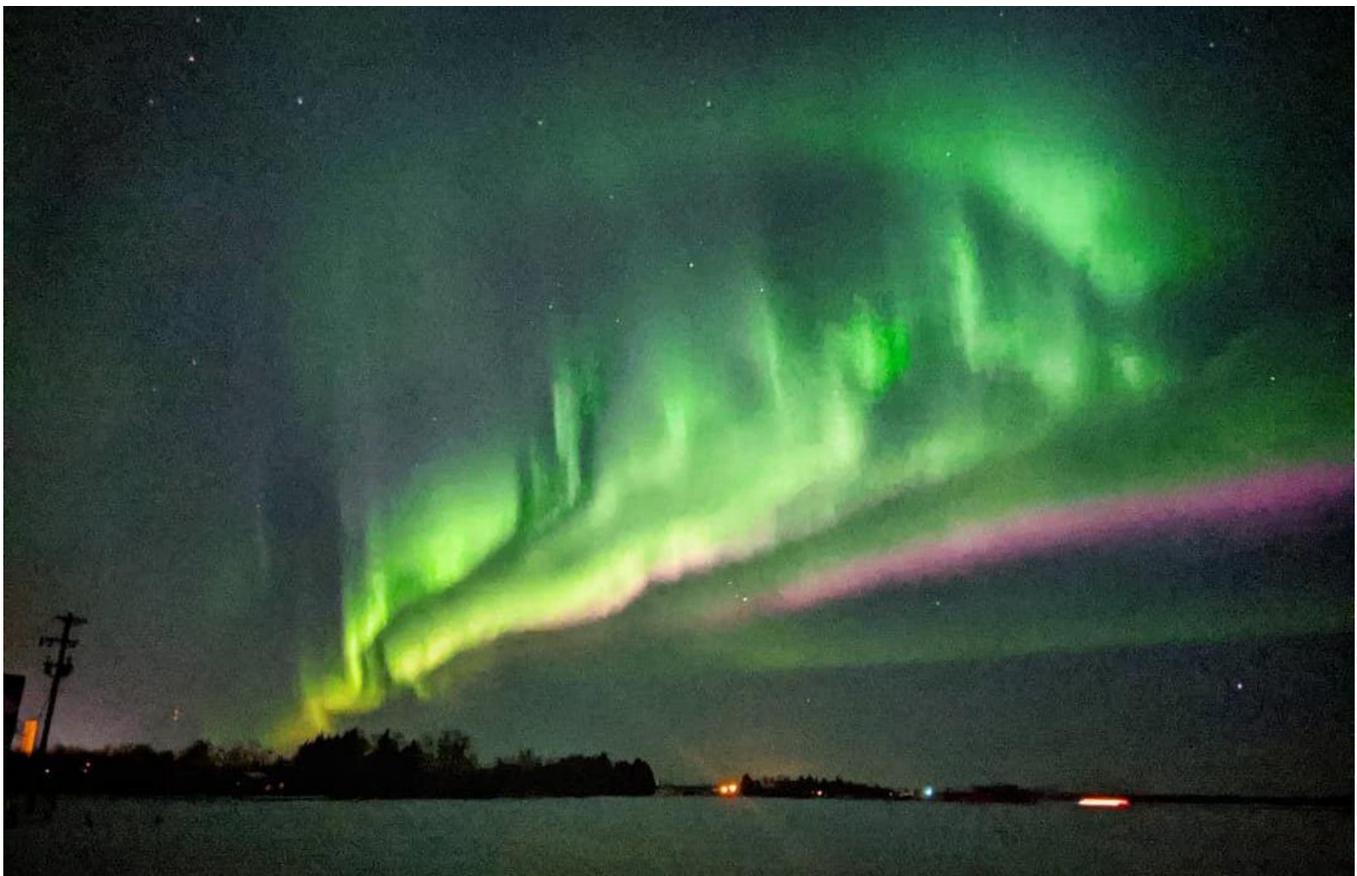
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Juanita Marios, Executive Director, Metis Crossing

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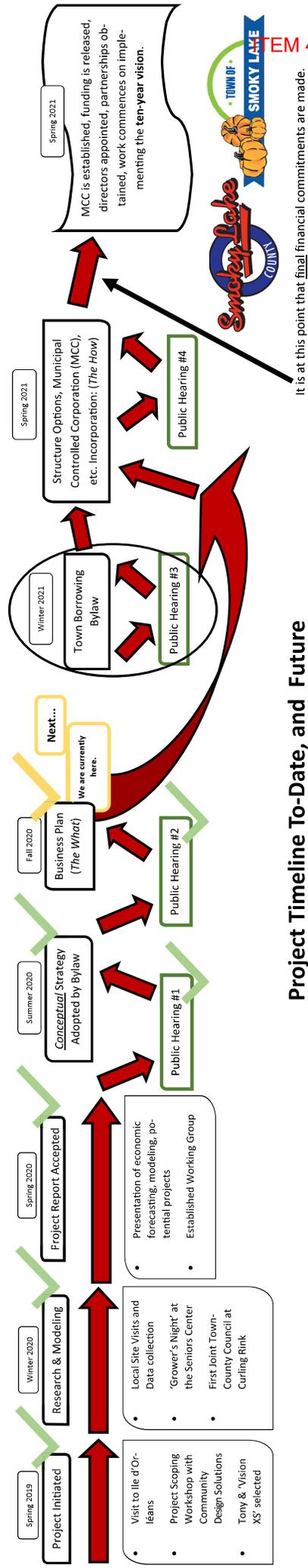
**More information:** [www.smokylakecounty.ab.ca/p/victoria-district-economic-development-strategy](http://www.smokylakecounty.ab.ca/p/victoria-district-economic-development-strategy)



*Dark Skies at Waskatenau, Winter 2021 Courtesy of Kyle Schole*



*Natural Values, Courtesy of Explore Edmonton*



**Project Timeline To-Date, and Future**

Next...  
We are currently here.

Spring 2021  
MCC is established, funding is released, directors appointed, partnerships obtained, work commences on implementing the ten-year vision.

Spring 2021  
Structure Options, Municipal Controlled Corporation (MCC), etc. Incorporation: (The How)

Winter 2021  
Town Borrowing Bylaw

Fall 2020  
Business Plan (The What)

Summer 2020  
Conceptual Strategy Adopted by Bylaw

Spring 2020  
Project Report Accepted

Winter 2020  
Research & Modeling

Spring 2019  
Project Initiated

- Presentation of economic forecasting, modeling, potential projects
- Established Working Group

- Local Site Visits and Data collection
- 'Grower's Night' at the Seniors Center
- First Joint Town-County Council at Curling Rink

- Visit to Ile d'Orléans
- Project Scoping Workshop with Community Design Solutions
- Tony & Vision XS' selected



It is at this point that final financial commitments are made.

## COUNCIL RESOLUTION

### Smoky Lake County

A Resolution of the Council of Smoky Lake County for the purpose of establishing a Municipally Controlled Corporation in accordance with Section 75.1 of the Municipal Government Act, Chapter M26, RSA 2000, and pursuant to Section 2 of the Municipally Controlled Corporation Regulation, AR 112/2018.

**WHEREAS**, the Council of Smoky Lake County has adopted Municipal Development Plan Bylaw No. 1249-12, which promotes and encourages a wide range of tourism and heritage initiatives;

**WHEREAS**, the Council of Smoky Lake County has adopted the Victoria District Economic Development Strategy Bylaw No. 1372-20, a Bylaw which provides an approach to building and developing future tourism development within the Smoky Lake Region;

**WHEREAS**, the Council of Smoky Lake County has adopted the Victoria District Economic Development Strategy Business Plan Bylaw No. 1390-20, a Bylaw which provides further direction for implementing the Victoria District Economic Development Strategy;

**AND WHEREAS**, the Council of Smoky Lake County wishes to establish a Municipally Controlled Corporation as a joint venture with the Town of Smoky Lake, for the purposes of creating a regional tourism corporation for the purposes of executing the Victoria District Economic Development Strategy Business Plan;

**THEREFORE**, be it resolved that the Council of Smoky Lake County does hereby provide notice to the Minister of Municipal Affairs of its intention to establish a Municipally Controlled Corporation.

Date: \_\_\_\_\_, 2021

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Craig Lukinuk,  
Reeve

SEAL

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Gene Sobolewski,  
Chief Administrative Officer

**Approved** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

## COUNCIL RESOLUTION

### Town of Smoky Lake

A Resolution of the Council of the Town of Smoky Lake for the purpose of establishing a Municipally Controlled Corporation in accordance with Section 75.1 of the Municipal Government Act, Chapter M26, RSA 2000, and pursuant to Section 2 of the Municipally Controlled Corporation Regulation, AR 112/2018.

**WHEREAS**, the Council of the Town of Smoky Lake has adopted Municipal Development Plan Bylaw #012-12, which promotes and encourages a wide range of tourism and heritage initiatives;

**WHEREAS**, the Council of the Town of Smoky Lake has adopted the Victoria District Economic Development Strategy Bylaw #006-2020, a Bylaw which provides an approach to building and developing future tourism development within the Smoky Lake Region;

**WHEREAS**, the Council of the Town of Smoky Lake has adopted the Victoria District Economic Development Strategy Business Plan Bylaw #026-2020, a Bylaw which provides further direction for implementing the Victoria District Economic Development Strategy;

**AND WHEREAS**, the Council of the Town of Smoky Lake wishes to establish a Municipally Controlled Corporation as a joint venture with Smoky Lake County, for the purposes of creating a regional tourism corporation for the purposes of executing the Victoria District Economic Development Strategy Business Plan;

**THEREFORE**, be it resolved that the Council of the Town of Smoky Lake does hereby provide notice to the Minister of Municipal Affairs of its intention to establish a Municipally Controlled Corporation.

Date: \_\_\_\_\_, 2021

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Hank Holowaychuk,  
Mayor

SEAL

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Adam Kozakiewicz,  
Chief Administrative Officer

**Approved** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.