9
GTMA PROPOSED 2012 SERVICE AGREEMENT

The Planning and Economic Development Committee recommends:

1. **Receipt of the deputation by Gerald Pisarzowski, Vice-President, Business Development, Greater Toronto Marketing Alliance (GTMA); and**

2. **Adoption of the recommendations contained in the following report dated September 21, 2011, from the Acting Commissioner of Planning and Development Services.**

1. RECOMMENDATIONS

It is recommended that:

1. Regional staff continue to work with the municipal funding partners of the Greater Toronto Marketing Alliance to secure an acceptable 2012 International Marketing Services Agreement that addresses Regional issues, to be brought forward for Council consideration.

2. Regional staff be authorized to participate in discussions on a proposed new Toronto Region International Business Development Agency resulting from the Toronto Region Research Alliance study initiative and report back to Council.

2. PURPOSE

The purpose of the report is twofold:

i) To advise Committee of the status of negotiations with the Greater Toronto Marketing Alliance regarding a new 2012 International Marketing Services Agreement; and

ii) To seek Committee endorsement for staff involvement in discussions on a proposed new Toronto Region International Business Development Agency.

3. BACKGROUND

GREATER TORONTO MARKETING ALLIANCE (GTMA) INTERNATIONAL MARKETING SERVICES AGREEMENT

The GTMA provides international investment attraction services on behalf of the municipalities in the Greater Toronto Area

The GTMA is a public/private partnership founded in 1998 to promote the GTA as a place for international investment and to provide services to companies interested in investing in the GTA. The organization is funded from a variety of sources including GTA municipalities, other government agencies, and private sector partners, in addition to funds raised through the delivery of GTMA events and activities. The five Regions in the GTA contribute a total of $500,000 each annually to GTMA core funding, with the Regions of York, Durham, Halton, and the City of Toronto contributing $100,000 each, and the City of Mississauga, City of Brampton, and Town of Caledon sharing the remaining $100,000 cost on a per capita basis.

The GTA municipalities have a formalized funding agreement, International Marketing Services Agreement, with the GTMA

In 2009, the municipalities formalized the funding relationship with the GTMA through the adoption of an International Marketing Services Agreement. This agreement spells out the services that the GTMA will provide and the support that the municipalities will provide, including funding. This agreement is approved annually by Regional Council. A copy of the approved 2011 agreement is attached to this report, *see Attachment 1*.

The terms of the agreement call for the negotiation of any changes to the agreement beginning in August of each year, with a commitment to fund confirmed by September 30th each year.

The municipal funders have raised issues with the current agreement

In discussions with the seven municipal funding partners in August, there was a consensus that they wish to introduce key changes to the International Marketing Services Agreement going forward. Areas that have been identified by some or all of the partners include:

- Ownership of investment leads and how they are shared and handled with municipalities.
- A shift in focus by the GTMA away from GTA-focused marketing to a larger Southern Ontario geographic focus in partnership with the Province and various other regional economic agencies to take advantage of Provincial and Federal program funding.

- Use of GTMA resources to undertake other fundraising activities which may take away from the core foreign direct investment attraction focus.
- The diminishing role of the GTMA in undertaking sector-based research that supports all municipal investment attraction efforts.

In addition, the uneven distribution across the GTA of direct job creation results from GTMA efforts has been identified by some regions as an issue outside of the terms of the International Marketing Services Agreement itself.

The municipal funders have advised the GTMA that a list of issues is forthcoming

The GTMA was advised in August by Invest Toronto staff on behalf of the municipal funders that the issues would be summarized in writing and forwarded to the GTMA for further discussion. In this regard, Region of York staff has sent a letter, *see Attachment 2*, to the GTMA advising that the Region wishes to renegotiate the terms of the International Marketing Sales Agreement for 2012. A meeting between the funding partners and the GTMA is to be arranged.

NEW PROPOSED TORONTO REGION INTERNATIONAL BUSINESS DEVELOPMENT AGENCY

The GTMA municipal funding partners have received notice of a study proposal to examine a new economic development agency

On August 23rd, 2011 Toronto Region Research Alliance (TRRA) President and CEO Patrick Draper advised in writing of a TRRA proposal, *see Attachment 3*, to create a new large scale regional economic development agency that would bring together international business development activities of TRRA, GTMA, Invest Toronto and regional municipalities.

TRRA is proposing to lead a feasibility study that will evaluate the merits of creating an International Business Development Agency for the Toronto Region and recommended course of action for consideration by relevant Federal, Provincial, Municipal and key business associations. TRRA also proposes that the study project team and taskforce lead any resulting implementation phase following government leadership approval. A copy of the study proposal terms of reference is attached to this report.

TRRA will be submitting a request to the Federal Development Agency for Southern Ontario (FedDev Ontario) to fund the study. The study is expected to take four months to complete from October 2011 to January 2012, subject to finalization of project funding from FedDev Ontario.

The GTMA Board of Directors is reviewing the TRRA proposal

At its meeting on August 25, 2011, the GTMA Board of Directors struck a sub-committee to examine the TRRA study proposal and its impact on the GTMA. Mayor Dave Ryan from the City of Pickering has been appointed to chair this sub-committee. Mayor Pellegrini from the Township of King represents the Region of York on the GTMA Board of Directors.

4. ANALYSIS AND OPTIONS

THE GTMA PROVIDES VALUE TO REGIONAL INVESTMENT ATTRACTION EFFORTS, BUT A NEW AGREEMENT IS NEEDED

The GTMA provides real value to Regional investment attraction efforts

The GTMA has served to market the Toronto Region brand internationally, which is important to the entire investment attraction effort across the GTA. The Toronto brand is recognized world-wide, and it makes sense to continue international investment efforts under a common recognized brand.

The GTMA has been successful in extending the reach of GTA municipalities to connect into international markets beyond what could have been accomplished individually. The GTMA programs have resulted in significant direct contacts with qualified potential investment leads from many different countries. The GTMA has assisted in the attraction of over 80 new investments to the GTA over the past 12 years, representing between 3,000 and 4,000 new jobs and in excess of $300,000,000 in GDP growth in the broader region.

York Region has benefitted from GTMA promotion and outreach efforts, but received limited job creation and investment

York Region has supported the GTMA through core funding and direct program participation that includes additional funding for specific activities. Regional staff has participated in joint activities on investment missions, including most recently the Brazil market exploratory mission in October of 2010. As a municipality within the GTA, York Region benefits from the exposure created by the GTMA’s Toronto-branded marketing and outreach efforts.

It is also understood that new investment anywhere in the GTA has an economic benefit to all municipalities by providing employment opportunities for local workers and new customers for existing businesses selling goods and services. There is also the potential for new investors to expand and relocate within the GTA once they are established, creating additional growth opportunities for all.

To date, York Region has seen limited direct investment as a result of GTMA activities. Of the 80 plus investments secured to date, York Region municipalities have received and retained 7 investments. A number of these investments are the result of expanding into York Region from other GTA locations.

York Region could benefit from a revised agreement

Staff from York Region, and the other municipal funders believe that addressing the issues noted previously through a revised agreement could lead to greater success in investment attraction through the GTMA, and a more equitable distribution of the investments that are secured. Staff will continue to work with the GTMA to develop a revised International Marketing Services Agreement for 2012 that serves the needs of all parties and promotes success. Council will be updated in November, 2011.

GTMA staff has indicated they intend to appear as a delegation at the October 5, 2011 Planning and Development Committee to speak on this matter.

YORK REGION NEEDS TO MONITOR THE NEW PROPOSED TORONTO REGION BUSINESS DEVELOPMENT AGENCY DISCUSSION

The Proposed Terms of Reference contain a review of agencies including the GTMA

As a funding partner in the GTMA, it is in the Region of York's best interest to participate in any discussions on a new agency that would clearly have an impact on the GTMA and its operations. The GTMA Board of Directors has struck a sub-committee to review this matter and it would be appropriate to work with this sub-committee and Mayor Pellegrini as the Region's GTMA Board representative to ensure the Region's interests are considered in any study.

The Proposed Terms of Reference for a new agency are very broad and could impact directly on Regional services

The Terms of Reference in the Proposed Feasibility Study for an International Business Development Agency identify regional economic development services relating to international investment attraction and export development as being included in the review. The Economic Strategy Branch of the Region has a very successful Investment and Marketing group that undertakes these kinds of services to directly support York Region business growth and investment attraction.

The introduction of a new agency could result in additional funding to support economic development

According to the correspondence from the TRRA, the concept of introducing a new agency could result in significant funding from both the provincial and federal governments to support Toronto Region investment attraction efforts. In addition, a significant proposal is being prepared by TRRA to secure FedDev funding to fund the study itself.

Relationship to Vision 2026

Initiatives around investment attraction and job creation relate directly to Vision 2026 goals regarding sustaining a Vibrant Economy.

5. FINANCIAL IMPLICATIONS

The Region of York funds the GTMA in the amount of $100,000 annually, as well as additional program funding for specific GTMA-led initiatives. These funds are included in the annual Economic Strategy Branch budget. Staff are not recommending any increase in core funding for the GTMA for 2012 at this time.

It is not clear at this stage whether the new proposed agency would have any potential additional impact on Regional budgets or resources.

6. LOCAL MUNICIPAL IMPACT

The Region of York funds the GTMA on behalf of the nine municipalities within the Region. The Region also partners with various local municipalities on GTMA initiatives and programs.

It is not clear at this stage whether the new proposed agency would have any impact on local municipal economic development activities.

7. CONCLUSION

The GTMA provides international investment attraction services on behalf of the municipalities in the Greater Toronto Area. The GTA municipalities have a formalized funding agreement with the GTMA, and are in negotiation with the GTMA on changes that staff believes could result in additional investments and a more equitable distribution of results across the GTA.

The GTMA municipal funding partners have received notice of a study proposal to examine a new International Business Development Agency with potential for significant provincial and federal funding support. The draft Terms of Reference for the study suggest there could be impacts on the Region of York and its economic development partners, and this initiative should be followed closely to ensure the Region’s interests are considered.

For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy at (905) 830-4444, Ext.1503.

The Senior Management Group has reviewed this report.

(The three attachments referred to in this clause are attached to this report.)

2011 International Marketing Services Agreement

This Agreement made this 20 day of June 2011

Between:

The Regional Municipality of York

- And -

Greater Toronto Marketing Alliance
(the "**GTMA**")

This Agreement outlines the key understandings the GTMA has with The Regional Municipality of York to promote the Greater Toronto Area (the "**GTA**") as a location of choice for foreign direct investment.

WHEREAS:

The GTMA was incorporated in 1997 as a not-for-profit corporation and established as a public-private partnership. The GTMA was founded for the purpose of enhancing the international marketing of the geographic area of the GTA as a location of choice for foreign direct investment.

In order to attract new or expanding companies with operations headquartered elsewhere in Canada, the United States and internationally to invest in the GTA, a positive international value proposition for the GTA region as a whole is required to compete with the marketing efforts of other regions around the world

The Regional Municipality of York recognizes and supports that the marketing of the GTA region by the GTMA internationally supports economic growth and is beneficial to all residents and businesses in the GTA.

The GTMA's Board of Directors seek to implement an annual program of initiatives guided by the GTMA 2007-2010 Corporate Strategic Plan which includes the:

> Vision:
> "To contribute to the growth of the economy as a leader in facilitating foreign, direct investment into the Greater Toronto Area"

Mission:
"The GTMA acts as an investment gateway, working collaboratively with its public and private sector partners across the GTA to connect them with international investors"

Value Proposition:
"The GTMA provides value to its partners and stakeholders by showcasing business opportunities and providing the information and support necessary to successfully attract foreign direct investment into the GTA more efficiently and effectively than the partners are able to on their own"

The GTMA's efforts are not meant to replace the marketing efforts of individual municipalities, but to leverage and help coordinate international aspects of those activities. The GTMA's cooperative marketing effort is designed to attract potential foreign direct investors and showcase the business advantages of the GTA region.

The involvement of private sector partner business leaders is encouraged as it offers the GTMA additional expertise, new business networks and additional funding.

1.0 DEFINITIONS

GTMA Board of Directors – means at least 21 (and up to 24) persons including;

- a position for the Chair & Chief Executive Officer of the GTMA
- a position for the President & Chief Operating Officer of the GTMA
- a position elected official (mayor, deputy mayor, or councillor) nominated from each of the: The City of Toronto or Invest Toronto, The Regional Municipality of Durham, The Regional Municipality of Halton, The Regional Municipality of York
- one position elected official (mayor, deputy mayor, or councillor) nominated for the 3 municipalities of: The City of Brampton, The City of Mississauga, and The Town of Caledon
- two positions nominated from the GTAEDP
- up to fifteen (15) positions nominated by the GTMA Board of Directors

The Municipal Partners or Municipal Funding Partners- mean the municipalities and/or regions as follows:
The Regional Municipality of Halton, The Regional Municipality of Durham, The City of Toronto or Invest Toronto, The Regional Municipality of York, The City of Brampton, The City of Mississauga, The Corporation of the Town of Caledon.
The Municipal Partners shall/may provide annual funding for international investment attraction to the GTA and shall/may engage in cooperative activities with the GTMA as described herein. The term "Municipal Partners" is **not** intended to imply any legal commitment among the municipalities regarding the formation of a legal "partnership" and does not imply that each municipality is a partner pursuant to the *Limited Partnerships Act,* R.S.O. 1990, c. L.16, and/or the *Partnerships Act,* R.S.O. 1990, c. P.5, or its regulations, as amended. Further, the term is not intended to imply that any municipality has a legal liability for any other municipalitys' actions or omissions. The use of the terms "partners" and "partnership" throughout the Agreement is intended to be descriptive only of the relationship.

The GTA - means the full geographic area comprising the municipalities that comprise the Municipal Partners. The Municipal Partners agree that this geographic area is to be referred to as Greater Toronto, the Greater Toronto Area or the initials GTA all with the same meaning, and to be represented by the GTMA as such and to work collaboratively with the GTMA on international marketing initiatives of benefit for this GTA geographic area. The parties hereto agree that if any other municipality becomes a Municipal Partner hereunder or withdraws from this Agreement, the GTA may be adjusted accordingly.

Greater Toronto Economic Development Partnership (the "GTAEDP") - means the group of municipal staff providing economic development services in the GTA from the 25 local municipalities and 4 regional municipalities who meet regularly to discuss common issues.

Private Sector Partner(s) - means any for profit business person, partnership or corporation contributing funding or unpaid services to the GTMA.

Investment Lead – is a business person, partnership or corporation operating for profit, not currently in the GTA, that has indicated to the GTMA that they may undertake site selection for a new location in the GTA and they may visit the GTA in the future.

Investment Prospect – is an investment lead with no current site selection or GTA visiting plans.

Investment Intermediaries – are persons and organizations that have the potential to refer investment leads and prospects to the GTMA, including officials in government and real estate site selection involved with foreign direct investment.

Contact(s) – is an individual persons name(s), with addresses, corporate or organizational affiliation, and contact phone or e mail, for any investment lead, prospect, or intermediary.

2.0 ROLES

2.1 The parties to this Agreement commit to a partnership characterized by ongoing reciprocal communication and a mutual commitment to work together to ensure plans and activities are complementary and focused on the mutual benefit of attracting investments and jobs to the GTA for the betterment of all its citizens.

3.0 COMMITMENTS OF THE GTMA

3.1 The GTMA commits to applying The Regional Municipality of York's funding with anticipated funding from and collaboration with other Municipal Partners to international investment attraction activities including:

WEBSITE

a) To develop and maintain a GTMA website providing up to date, comprehensive information and contacts for potential investors with links to the websites of The Regional Municipality of York, the websites of the other Municipal Partners and the local municipalities in the GTA (the "Web-site"). The GTMA will also maintain, on a password-protected section of the Web-site, a catalogue of non confidential GTA marketing initiatives in accordance with a protocol agreed upon by The Regional Municipality of York. Provincial and federal partners may join this password protected area so activities can be coordinated. Content of the Web-site will be updated by the GTMA as needed, but at a minimum comprehensively at least once each calendar year.

b) To ensure The Regional Municipality of York, other Municipal Partners and Private Sector Partner logos and branding appears prominently on the Web-site and printed materials to the satisfaction of the Regional Municipality of York.

DATA AND INFORMATION

c) To provide current GTA-wide economic data and information, including key sector profiles to assist potential foreign direct Investment Leads and Investment Prospects.

LEAD GENERATION

d) To undertake targeted marketing including but not limited to in person meetings with foreign direct investment leads and prospects and the provision of e-mail marketing and advertising targeted to Investment Leads, Investment Prospects, Investment Intermediaries, and other contacts.

LEAD SERVICING

e) To promote new GTMA information and newsletter content, and catalogue this information in the Web-site's publicly accessible archives.
f) To provide specific and customized information to foreign direct Investment Leads and Investment Prospects,
g) To coordinate and manage the servicing and tracking of GTMA Investment Leads, Investment Prospects, and, to provide servicing information to The Regional Municipality of York's economic development staff and the Municipal Partners' economic development staffs, as needed, and to provide an annual record to all Municipal Partners about these Investment Leads, and Investment Prospects according to a protocol agreed to with the Municipal Partners' economic development staffs within 30 days of the execution of this agreement or within such longer time frame as mutually agreed upon by the majority of the Municipal Partners.

BUSINESS DELEGATION

h) As part of the GTMA's annual marketing plan, the GTMA shall, following consultation with The Regional Municipality of York provide annually one business sales trip focused on pre-qualified meetings to a foreign global location on behalf of and with the agreement of the majority of the Municipal Funding Partners. If there is no agreement of the Municipal Funding Partners to a location, the GTMA may proceed to allocate the associated budget to other aspects of this agreement.

The location shall be selected in consultation with federal and provincial in market consultants and trade office representatives. The decision on the location needs to be confirmed prior to June 30 in any given year.

The cost of the business sales trip will be provided from Municipal Partner funding (excluding travel, personal meals and accommodation costs) and/or private sector funding or other sources that do not require additional Regional Municipality of York or other Municipal Partner funding.

The GTMA will provide for up to fifteen (15) representatives to join this trip at the sole discretion of the municipalities who are Municipal Partners as follows:

The Regional Municipality of Halton, three (3) representatives
The Regional Municipality of Durham, three (3) representatives
The Regional Municipality of York, three (3) representatives
The City of Toronto or Invest Toronto, three (3) representatives
Together, The City of Mississauga, The City of Brampton, The Town of Caledon, three (3) representatives

If additional municipal representatives (staff or elected officials) wish to participate their fee will be based on a fair share of the cost, excluding any price mark-up on the GTMA full program cost.

REPORTING

i) To submit once-yearly a report by March 30 to The Regional Municipality of York's Council or appropriate Council committee on the prior year's activities. This report will be both a written communication and a presentation on the status of the commitments of the GTMA as outlined in Section 3.0, and complementary programming activities (Section 5.0), and the most recent audited GTMA annual financial statement. This report may be combined with reporting identified in Section 6.0

j) To develop a multi-year marketing program, including major sector focus and annual delivery program in collaboration with The Regional Municipality of York and Municipal Partners targeted at attracting foreign direct investment to the GTA. The annual program will include objectives, performance measures and indicate the delivery components and sources of funding

k) The annual program (j) and the achievement of Section 3 activities will be communicated by two methods:

(i) The GTMA will initiate quarterly conference calls with The Regional Municipality of York and the Municipal Partners' economic development staffs; and

(ii) The GTMA will initiate twice yearly full group meetings with the GTMA staff responsible for the Section 3 activities and (j) marketing program, and the entire group of economic development staff of the Municipal Partners.

(iii) The Regional Municipality of York will undertake to identify appropriate local municipal economic development staff within York for communication and receipt of program reports and updates.

l) GTMA staff time committed to working with The Regional Municipality of York in collaboration with the other Municipal Partners on foreign direct investment described in Section 3.0 activities as a percentage of total annual staff time will be reported on in relation to the total of Municipal Partner funding (as in Section 7.1) that is a percentage of the GTMA total annual revenue.

4.0 COMMITMENTS OF THE REGIONAL MUNICIPALITY OF YORK

4.1 The Regional Municipality of York agrees to:

a) Advise and collaborate with the GTMA regarding their individual international marketing plans and to provide advice to the GTMA in the development of its plans.

b) Engage and inform the economic development staffs who are providing economic development services for the local municipalities within The Regional Municipality of York concerning matters related to the GTMA.

b) Provide information and data to the GTMA that could be of use in the preparation of reports and research that goes to prospective investment leads and prospects.

c) Share contact information for other regional economic development groups in Ontario with GTMA staff in order to better coordinate information and international marketing efforts.

c) Pay its annual fees to the GTMA by April 30th of each calendar year in accordance with section 7.1, herein.

d) Make best efforts to advise the GTMA of upcoming local economic development breakfasts, lunches and programs.

5.0 COMPLEMENTARY PROGRAMMING

The Regional Municipality of York acknowledges that Complementary Programming may be initiated and require additional funding on a full cost recovery basis from stakeholders, including the GTMA's Private Sector Partners, other levels of government, institutions and/or The Regional Municipality of York, other Municipal Partners, or local municipal funding, such additional funding being voluntary, to be provided at the sole discretion of the Regional Municipality of York.

6.0 MEASURABLES

6.1 The GTMA will provide annual report by March 30 to The Regional Municipality of York, which shall provide the following information:

a) Partnerships and Revenues
   - An audited annual financial statement, including a notation of The Regional Municipality of York and the total Municipal Partners funding.
   - A listing of GTMA corporate partners by category, and funding level.
   - A description of what the Municipal Partner funding may be used for during the year of this agreement and was used for in the prior year.

b) Marketing Activity
   - Web page views (counted pages viewed) for the prior year.
   - A list of web content updates advertising and/or newsletters done during the prior year.
   - Business sales missions completed for the prior year, including details on attendance.
   - Complementary Programming completed for the prior year, including details on attendance.

c) Marketing Contacts
   - Quarterly lists (delivered by email to The Regional Municipality of York's economic development staff), will be provided during the year of this agreement including full names, company names and addresses for all investment contact leads, and prospects and intermediaries, made by all GTMA client servicing staff. Only total numbers for the prior year need to be reported in the annual report.

   - A classification of contacts developed in accordance with an agreed to protocol by The Regional Municipality of York and the other Municipal Partners' economic development staff will be provided during the year of this agreement. This will include investment leads that visited the GTA and any resultant investment and employment creation or retention. Only total numbers for the prior year need to be reported in the annual report.

d) The GTMA will include in annual reporting, annual comparisons of measurable totals where possible.

7.0 THE REGIONAL MUNICIPALITY OF YORK FUNDING

7.1 The Regional Municipality of York shall provide funding to the GTMA in the aggregate amount of One Hundred Thousand Dollars ($100,000.00), annually during the Term of this Agreement.

The GTMA will advise The Regional Municipality of York by June 30 of any calendar year during the term of this agreement, if any Municipal Partner has not contributed to the GTMA in the annual January to December full calendar year prior to the start of the January to December full calendar year, including the date of this Agreement or in the same calendar year of this Agreement, at least the following amounts:

The Regional Municipality of Durham	$100,000
The City of Toronto or Invest Toronto	$100,000
The Regional Municipality of York	$100,000
The City of Mississauga	$ 56,250
The City of Brampton	$ 37,500
The Corporation of the Town of Caledon	$ 6,250

7.2 The Regional Municipality of York agrees to assess the need for an annual funding increase in any subsequent agreement based on the GTMA's measurable performance.

7.3 The Regional Municipality of York shall pay its annual funding obligation to the GTMA no later than April 30th of each calendar year.

8.0 ADDITIONAL FUNDING

8.1 The GTMA may enter into other agreements with The Regional Municipality of York, other Municipal Partners, or any local municipality within the GTA to provide additional marketing services on a separate agreement basis.

8.2 The GTMA has the right, without restriction or limitation, to enter into other funding agreements with third parties to support the delivery of complementary programming, and other services.

9.0 REPRESENTATION ON THE GTMA BOARD OF DIRECTORS

a) The Regional Municipality of York shall be entitled to nominate one (1) elected official (mayor, deputy mayor or councillor) to represent it on the GTMA Board of Directors.
b) The GTMA will provide notice to The Regional Municipality of York of any change in the following GTMA Board of Directors entitled representation:
    (i) The Regional Municipality's of Durham and Halton shall be entitled to nominate each one (1) elected official (mayor, deputy mayor or councillor) to represent their respective Municipalities on the GTMA Board of Directors.
    (ii) The City of Toronto (or Invest Toronto) shall be entitled to nominate one (1) elected official (mayor, deputy mayor or councillor) to represent it on the GTMA Board of Directors.
    (iii) The City of Brampton, The City of Mississauga and The Corporation of the Town of Caledon shall be entitled to nominate one (1) elected official (mayor, deputy

mayor or councillor) to represent all three municipalities on the GTMA Board of Directors.

(iv)The GTAEDP shall be entitled to nominate two (2) economic development officials to represent the interests of the GTAEDP on the GTMA's Board of Directors.

10.0 TERM OF AGREEMENT & PROVISIONS FOR AMENDMENT AND TERMINATION

10.1 This Agreement commences on the date hereof and continues in full force and effect until Dec 31, 2011, beginning on the commencement date (the "**Term**").

10.2 The parties acknowledge that it is the intention of the parties to provide continuity of international marketing and as such the parties will endeavor to create a subsequent annual agreement with a term commencing January 1 and ending December 31, 2011.

10.3 Not later than August 31, 2011, the GTMA shall initiate a review of this Agreement through correspondence to the Council of The Regional Municipality of York, attaching a draft agreement and requesting a subsequent agreement. Amendments to this draft agreement responding to trends and changes in international marketing will be considered at this time.

10.4 NOTICE

10.4.1 The Parties to this Agreement may give written notice of the nature of any default of any of the obligations of the Agreement. Such notice shall be made in a manner provided as Specified in Section 10.4.2 and delivered not less than three (3) months prior to December 31. Any party to this Agreement may wish to remedy such default within sixty (60) days and provide written notice of such remedy to the other Parties not less than (1) month prior to December 31. Failure to remedy a default will be a factor in the drafting and consideration of any subsequent agreement.

10.4.2 Unless otherwise provided in this Agreement, any notice provided for under this Agreement shall be in writing and shall be sufficiently given if delivered personally, or if transmitted by facsimile with an original signed copy delivered personally within twenty-four (24) hours thereafter, or mailed by prepaid registered post addressed to the party or parties, whichever the case, at their respective addresses set forth below or at such other then current address as is specified by notice.

If to The Regional Municipality of York:

The Regional Municipality of York
17250 Yonge Street,
Newmarket, Ontario,
L3Y 6Z1

Attention: Doug Lindeblom, Director, Economic Strategy
Fax Number: (905) 895-6161

If to the GTMA:

The Greater Toronto Marketing Alliance
350 Bay Street, Suite 1200
Toronto, Ontario
M5H 2S6

Attention: Lou Milrad Chair and CEO
Fax Number: (416) 360-7331

10.5 The parties acknowledge that this Agreement describes a subsequent agreement being discussed subject to section 10.3. If termination is anticipated by The Regional Municipality of York the notice provisions of section 10.4 must be initiated not less than three months prior to December 31, 2011 or upon The Regional Municipality of York's receipt of the GTMA Agreement review, pursuant to section 10.3. This agreement will terminate on December 31, 2011.

11.0 LIABILITY

11.1 The Regional Municipality of York shall only be liable for claims resulting from its actions, omissions or failures under this Agreement. If found liable The Regional Municipality of York shall only pay for its proportionate share of damages or costs resulting from its actions, omissions or failures, and in no event shall such a share exceed one hundred thousand dollars ($100, 000.00), being the Regional Municipality of York's contribution pursuant to this agreement.

11.2 The parties acknowledge and agree that this Agreement does not constitute a legal partnership as defined in the *Limited Partnerships Act,* R.S.O. 1990, c. L.16, and the *Partnerships Act,* R.S.O. 1990, c. P.5, and its regulations, as amended.

11.3 The parties acknowledge and agree that this Agreement does not constitute a joint venture.

This Agreement shall ensure to the benefit of and be binding upon the parties hereto, their respective successors and assigns.

(Executions are on page 11 of this Agreement)

IN WITNESS WHEREOF the parties have caused to be affixed their corporate seals under the hands of their duly authorized officers on that behalf

Dated the 7th day of June, 2011

Greater Toronto Marketing Alliance

Lou Milrad, Chair ~~and CEO~~

Dated the 17 day of June, 2011

The Regional Municipality of York

Bryan Tuckey, Commissioner, Planning and Development Services

Approved as to form and content
Legal Services

Authorized by Clause 7
of Report 2 of the
Planning & Economic Development
Committee, adopted by Regional Council
at its meeting on February 17, 2011.

Approved
by Solicitor:

York Region

JOHN B. WALLER
Acting Commissioner
Planning and Development Services Department

September 23, 2011

Mr. George Hanus
President & CEO
The Greater Toronto Marketing Alliance
350 Bay Street, Suite 1200
Toronto, ON M5H 2S6

Council Attachment 2

Dear Mr. Hanus:

Re: GTMA International Marketing Services Agreement Request to Initiate Review of the Agreement

We are in receipt of your letter dated August 24, 2011 to Regional Clerk Mr. Denis Kelly requesting Council to initiate review of the GTMA International Marketing Services Agreement (Agreement) for the 2012 calendar year.

As required under Section 10.1 of the 2011 Agreement we hereby inform the Greater Toronto Marketing Alliance that at this point in time the Regional Municipality of York cannot commit to funding a subsequent Agreement for 2012.

As per an August 23, 2011 e-mail addressed by Invest Toronto President and CEO Renato Discenza to you, copied to GTMA municipal funding partners, GTA regional and municipal economic development partners intend to work collaboratively at the staff level to propose changes to the Agreement that will better align with investment attraction objectives, mandates and operations of respective municipal parties.

York Region Economic Strategy Staff will work closely with GTMA's other municipal funding partners, and the GTMA, to draft and negotiate a revised Agreement acceptable by all parties. Once a revised draft agreement is in place Regional staff will bring it before Regional Council and local economic development stakeholders for their review and/or approval.

Respectfully,

JB Waller

John B. Waller M.C.I.P., R.P.P.
Acting Commissioner
Planning and Development Services Department

c: Bill Fisch, Regional Chairman and CEO
Mayor Steve Pellegrini
Bruce Macgregor, CAO

The Regional Municipality of York, 17250 Yonge Street, Newmarket, Ontario L3Y 6Z1
Tel: 905-830-4444, 1-877-464-9675, Fax: 905-895-3482
Internet: www.york.ca E-mail: johnwaller@york.ca

TORONTO REGION RESEARCH ALLIANCE

Council Attachment 3

Proposed Feasibility Study
International Business Development Agency
For the Toronto Region

August 2011

Study Context

Leading city regions worldwide are implementing strategies to rebuild local economies by tapping into international market opportunities including: attracting foreign companies to invest in the local city region, encouraging local companies to expand their exports, attracting skilled immigrants to compliment the local labour and supporting the expansion of key strategic sectors.

Community leaders in competitive urban city regions have come to realize that new business will come from other global city regions, not neighbouring towns, and that a fragmented approach to international business development is costly and confusing to investment prospects. Toronto and the Region currently operate in a matrix organization model with multiple non-profit agencies and government economic development departments delivering similar services.

The concept of a regional approach in the GTA raises critical questions:

- Will a regional approach to international business development accelerate job growth for individual communities and the region overall?
- How competitive is the Toronto Region proposition versus major international city regions?
- Are there greater efficiencies in a regional approach?
- What best practices for regional partnering exist in international markets and how would they best fit the situation on the Toronto Region?
- What would the business and governance models look like?

The need for an International Business Development Agency for the Toronto Region has been recommended by The Organization for Economic Cooperation and Development in its territory review of Toronto (commissioned by the Federal, Provincial and the City of Toronto), The 2009 Economic Summit, The Toronto Board of Trade and Civic Action.

To realize the potential benefits for the Toronto Region, a feasibility study is required to move the discussion from a conceptual level to a proposed plan that has broad and inclusive support.

Study Objectives

The proposed feasibility study will evaluate the merits of creating an International Business Development Agency (IBDA) for the Toronto Region and how this might be accomplished. The study will address the opportunities with an inclusive regional perspective that reflects the geographic market for residents and industry and the current economic mandates of Federal, Provincial and Municipal governments.

The feasibility study would undertake the following series of activities:

- Assemble the strategies, business plans and activities of existing regional organizations in the GTA involved in international economic development
- Identify regional models and best practices of comparable international city regions
- Develop a Toronto Region strategic sectors overview
- Survey Toronto Region companies on their current and future plans for international business development
- Identify the potential economic benefits
- Develop the business model and the governance model
- Create a framework to integrate existing organizations
- Forecast the operating budget and propose a sustainable funding model
- Publish a final report on the project findings and recommendations

Partner Organizations

Partnerships on this project will be derived from existing relationships among economic development practitioners in the Toronto Region. The study will be of interest to a broad range of organizations including:

- Regional offices of Industry Canada and Foreign Affairs & International Trade
- The Ontario Ministries of Economic Development and Ministry of Municipal Affairs,
- City of Toronto, Regional Municipalities, Mississauga, Brampton and Markham
- Chambers of Commerce/Board of Trade
- Management and Board of Directors of existing economic development agencies including, but not limited to, the Greater Toronto Marketing Alliance, Invest Toronto, the Toronto Financial Services Alliance, the Toronto Region Immigrant Employment Council and the Toronto Region Research Alliance.

Process and Timelines

TRRA will lead a project team comprised of contract staff, external consultants and regional stakeholders. The contract staff/consultants will include a Project Manager, Research Analyst, Business/Economic Analyst, International Economic Development expert, Organizational

Consultant and Communications Co-ordinator. A twenty member taskforce comprised of representatives from economic development agencies, government economic development stakeholders and employers though the Chambers/BOT will play a critical role in:

- Guiding the work plans of the feasibility study
- Facilitating 2 way communication with their respective stakeholders and networks
- Reaching consensus on the preferred business and governance model
- Endorsing the final recommendations, subject to approval by their Councils and Boards.

The project team will build a contact database of all key stakeholders for this project to facilitate broad-based communication and set up a "work in progress" web presence to distribute and receive information.

Upon approval of the project funding, the feasibility study will take four months to complete from October to January 2011, subject to finalization of the project funding from the Federal Development Agency for Southern Ontario.

Expected Results

The outcomes of this project would be as follows:

- Decision makers in the Toronto Region will have a recommended course of action for consideration
- The project work team and taskforce can form the nucleus to lead an implementation phase following government leadership approval

Study Lead Background

The Toronto Region Research Alliance (TRRA) is a regional economic development organization promoting increased investment in research and innovation to further economic prosperity. TRRA has conducted economic development studies with domestic and international data, managed government funded study projects and convened multiple stakeholders groups to address barriers and find mutually beneficial solutions.

Project Contact

Pat Draper
President & CEO
Toronto Region Research Alliance
101 College St, Suite HL30, Toronto, Ontario, Canada, M5G 1L7
Phone: 416 673-6672
Email: pdraper@trra.ca
Website: www.trra.ca