

# TORONTO GLOBAL MEMBERSHIP BENEFITS & SERVICES TERM SHEET (DRAFT)

This Term Sheet (Draft) has been prepared to describe, at a high-level, the proposed benefits and services that Toronto Global (the Organization) will provide to member municipalities under a refreshed funding and governance model. This Term Sheet (Draft) is designed to initiate discussion with- and feedback from- prospective members for the purposes of finalizing a definitive Municipal Membership Agreement.

**Definitive Agreement:** The parties intend to execute a definitive Municipal Membership Agreement embodying the agreed terms that are the result of the discussion and feedback process. The parties shall use their reasonable best efforts to execute the definitive Municipal Membership Agreement in an expedient fashion.

**Organization Mandate:** Toronto Global is the Investment Promotion Agency for the Toronto Region, responsible for international marketing, lead generation and end-to-end investment opportunity servicing. The primary objective of the organization is to work with foreign investor clients to assist in the establishment of new business operations in the Toronto Region. The organization undertakes this mandate in collaboration with our Municipal Members from across the region.

**Organization Name:** To clarify that Toronto Global represents the entire Toronto Region as a regional Investment Promotion Agency, the organization proposes to replace the existing tagline, “Your Region for Business”, with a new tagline, “A Regional Partnership”.

**Municipal Membership Eligibility:** Membership in Toronto Global will be offered to existing municipal funders; namely: The City of Toronto, the City of Brampton, the City of Mississauga, and the regional municipalities of Durham, Halton and York.

**Membership Types and Fees:** Eligible municipalities can select from two membership types with corresponding annual fees. The two membership types differ only in terms of seats on the Board of Directors as further described in the “Board of Directors” section below. All members will receive the services and benefits outlined as “Services Provided”.

<i>Membership Type</i>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>Principal Contributor</b>	\$2,000,000	\$2,000,000*	\$2,000,000*	\$2,000,000*	\$2,000,000*
<b>Municipal Collaborator</b>	\$50,000	\$50,000*	\$50,000*	\$50,000*	\$50,000*

*\* Membership fees subject to increase annually at rate of inflation. Additionally, any proposed increase to annual municipal membership fees would be supported by a corresponding business plan to clearly articulate the additional service members would receive from Toronto Global in exchange.*

*Note: No private sector funding is proposed at this time.*

**The City of Toronto:** The City of Toronto has confirmed their commitment to joining Toronto Global as a Principal Contributor for a minimum of three (3) years and up to five (5) years at an annual membership fee of not less than \$2,000,0000 beginning in 2022-23 and subject to the City of Toronto’s budgetary approval process in subsequent years. Further, as part of the annual budgetary process, the City of Toronto will consider an increase to the Principal Contributor fees in each subsequent year as proposed by Toronto Global and supported by a corresponding business plan.

**Board of Directors:** The new proposed Board of Directors will be expanded in size to include both private and public sector representation, offering seats to Municipal Members (as further described) and other funding partners, thus eliminating the existing Mayor’s and Chair’s Strategy Council.

- + A **Principal Contributor** will be provided with *two (2) permanent seats* on the Board of Directors for the duration of the term of the definitive Municipal Membership Agreement. One seat is reserved for the Mayor or Chair (as relevant). The second seat is reserved for a private citizen appointee.
- + Collectively, **Municipal Collaborators** will be provided with *one (1) permanent seat* on the Board of Directors. Each Municipal Collaborator will be eligible for the seat on a bi-annual rotating basis selected by the Municipal Collaborators every two years. The seat is reserved for the Mayor or Chair of the selected Municipal Collaborator.
- + **Provincial and Federal Funding Partners** will also each be offered *one (1) permanent seat* on the Board of Directors.
- + The remaining board seats will be comprised of **Private Sector** representatives selected with consideration given to achieving a balance of regional representation, relevant expertise, and diversity.

**Joint Advisory Committee:** The (relevant) economic development officers of all Municipal Members together with (relevant) Toronto Global staff will form a Joint Advisory Committee for the collaboration and coordination of investment attraction to the Toronto Region. It will be co-chaired by a (relevant) member of Toronto Global’s Executive Management Team and a Municipal Member representative that is selected by the Municipal Members for a two-year term. The Joint Advisory Committee will replace the existing EDO Management Council.

The Joint Advisory Committee will provide a forum for open, frank, honest and forward-looking two-way dialogue, coordination, productive interaction, and shared purpose among the Member Municipalities and the organization. The committee will undertake an Annual Planning Workshop to identify annual collaborative initiatives (as outlined in the “Services Provided”) and will create relevant working groups as determined necessary by the committee to coordinate planning of collaborative initiatives or to discuss other relevant matters as agreed. The Co-Chairs will also provide an annual presentation to the Board of Directors on the activities and progress of the Joint Advisory Committee.

**Services Provided:** Toronto Global will undertake or provide the following activities and services for the benefit of all Municipal Members.

<b>Service/Activity</b>	<b>Description</b>
Regional Knowledge and Collaboration	Toronto Global will create <b>one (1) new Regional Specialist/Coordinator position</b> focused on coordinating

	<p>and delivering the services further outlined in this table to enhance and streamline current regionally focused activities and engagement</p> <p>While the Organization is open to feedback to ensure this role will provide value to Municipal Members, the overall objective of this position is to dedicate resources designed to further support efforts (1) to embed strong regional expertise within Toronto Global to better support and strengthen the regional value proposition and marketing efforts and (2) to align the lead generation activities of Toronto Global's international market business development teams with the strengths and objectives of Municipal Members.</p> <p>To accelerate embedding regional knowledge within Toronto Global and strengthen collaboration efforts, it is proposed that the Regional Specialist position could be filled <i>through a secondment</i> from a Member Municipality on an annually rotating basis.</p>
Marketing	<p>Toronto Global will undertake at least <b>one major regional marketing initiative per year</b> put forward by the Joint Advisory Committee (subject to budget constraints and operational alignment). The agreed collaborative project will be identified and resourced in the organization's Annual Business Plan and be included in Toronto Global's annual CECI application.</p> <p>All members will continue to benefit from the range of <b>ongoing marketing activities</b> conducted by Toronto Global, including:</p> <ul style="list-style-type: none"> <li>+ Always-in-Market Pay per Click Campaign marketing the Toronto Region</li> <li>+ Client announcements</li> <li>+ Social media presence</li> <li>+ Website and search engine optimization</li> <li>+ Weekly news monitor</li> <li>+ Completion of the 905 regional campaign series currently in-progress with campaigns tailored to remaining 905 municipalities</li> </ul>
Lead Generation and Servicing	<p>Supported by the Regional Specialist, Toronto Global will <b>undertake customized lead generation initiatives for Municipal Members</b> aligned to their economic development priorities.</p> <p>Toronto Global will undertake <b>one collective international mission together with all Municipal Members</b> each year (subject to budget constraints and operational alignment). The destination and focus of the mission will be recommended by the Joint Advisory Committee and identified and resourced in the organization's Annual Business Plan. The Organization will be responsible for coordinating travel</p>

	<p>logistics, developing a mission schedule and securing one-on-one pre-qualified investor meetings for each participating Municipal Member. Each participating Member Municipality will be responsible for covering their own travel related costs.</p> <p>Toronto Global will provide <b>end-to-end servicing of qualified investment opportunities</b> sourced by the Organization.</p> <p>Toronto will provide <b>proposal development and other reasonable supporting services</b> for Municipal Member sourced investment opportunities as requested by Municipal Members.</p> <p>Toronto Global will <b>maintain and annually update a service provider list</b> organized by type of service and location of service provision (which will be reviewed annually by the Joint Advisory Committee).</p>
Research	<p>Toronto Global will undertake at least <b>one major regional research initiative per year</b> put forward by the Joint Advisory Committee (subject to budget constraints and operational alignment). The agreed collaborative project will be identified and resourced in the organization’s Annual Business Plan and be included in Toronto Global’s annual CECI application.</p> <p>Toronto Global will continue development and maintenance of a <b>content library system</b> containing regional value proposition material.</p> <p>Toronto Global will continue development, maintenance and management of <b>research tools and databases</b> to support investment attraction efforts and ad hoc Municipal Member research and information requests</p>
Supply Chain Support	<p>Toronto Global will offer the following Supply Chain services to Member Municipalities for at least the duration of Toronto Global’s SCORE Program funding, currently confirmed until March 31, 2023:</p> <ul style="list-style-type: none"> <li>+ Regional <b>supply chain mapping and gap analysis</b> for Life Sciences, Food and Beverage and Advanced Manufacturing</li> <li>+ <b>Supply chain sector expertise</b> for Life Sciences, Food and Beverage and Advanced Manufacturing</li> <li>+ <b>Access to an allotted number of professional consulting hours</b> to address local or company specific supply chain issues</li> </ul>

**Annual Planning Workshop:** Toronto Global operates on an April 1 – March 31 fiscal calendar. Annual planning will commence in the Fall of each year with a Joint Advisory

Committee Planning Workshop to identify and recommend collaborative and regionally focused research and marketing initiatives, joint missions and other potential lead generation projects for the year ahead so that they can be put forward for potential reimbursement of up to fifty (50) percent of eligible expenses through the Government of Canada's CanExport Community Investments (CECI) Program.

**Annual Report:** Toronto Global will (continue to) produce a comprehensive annual report that includes a breakdown of activities/services and results for each municipal member.

**Fee for Service:** Should Municipal Members request services beyond the agreed "Services Provided", Toronto Global will provide on a fee-for-service basis provided the Organization has sufficient resources.