

## Committee of the Whole (2) Report

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**DATE:** Tuesday, November 12, 2024

**WARD(S):** ALL

**TITLE:** ECONOMIC DEVELOPMENT MARKETING AUTHORITY

**FROM:**

Zoran Postic, City Manager

**ACTION:** DECISION

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### **Purpose**

Whereas Economic Development (EcDev) is tasked with raising the profile of the City of Vaughan as a destination for talent, visitors, trade, and investment, staff are seeking authority to enter into marketing-related service agreements that support the delivery of the Vaughan Economic Development Action Plan.

### **Report Highlights**

- Economic Development routinely undertakes marketing and promotional campaigns that raise the City's profile as a destination for talent, visitors, trade, and investment in its key sectors.
- Economic Development and Procurement Services have undertaken a comprehensive review of the City's Corporate Procurement Policy and identified the need to exempt certain Economic Development service agreements to effect efficient business operations.
- Exempting these agreements from the procurement process is consistent with industry practice and business efficiency. City of Vaughan staff have undertaken a benchmark review of other municipalities exempting similar services from their procurement policies and by-laws, including the Region of York, the Region of Durham, the City of Hamilton and the City of Toronto.
- As a result, Staff are also recommending that they be authorized to enter into these agreements where their value does not exceed \$75,000.00 and where funding has previously been approved through the budget process.

## **Recommendations**

1. THAT the Chief, Communications and Economic Development and their delegate, be authorized to enter into, renew, amend and terminate agreements that support the City's marketing initiatives, as further described in this report;
2. THAT the Corporate Procurement Policy (15.C.03) be amended to exempt marketing and advertising services that promote the City's marketing initiatives; and
3. THAT all necessary by-laws be enacted.

## **Background**

To improve business efficiency, Staff have identified the need to exempt certain marketing and advertising agreements from the procurement policy and, in turn, seek authority to enter into these agreements, up to a capped value of \$75,000.00 where budget funding has been pre-approved. It is proposed that the Director, Economic Development will maintain authority for up to \$50,000 while the Chief, Communications and Economic Development will be granted authority up to \$75,000.00.

## **Previous Reports/Authority**

Committee of the Whole (Working Session) Report, [Vaughan Economic Development Action Plan, 2023-27](#), April 10, 2024.

## **Analysis and Options**

***Economic Development routinely undertakes marketing and promotional campaigns that raise the City's profile as a destination for talent, visitors, trade, and investment in its key sectors.***

EcDev relies on various programs and services to attract new businesses, residents, visitors, and interest in trade with local firms. These programs and services include significant marketing, education, promotional, and intelligence-sharing tactics, which require purchasing space in various media outlets. Examples of this work include advertorials, boosted social media posts, promotional signage, video development and placement, etc.

***The Council-approved Vaughan Economic Development Action Plan, 2024-7, directs the department to promote Vaughan's economy as transformative, ambitious and purpose-driven.***

As part of the Action Plan, EcDev works to:

- Promote Vaughan's main streets, employment centres, industrial parks, and corridors.
- Build international relations with gateway economies.
- Empower Council and our community leaders to champion local economic development.

***These undertakings often require the execution of various agreements.***

Staff routinely execute agreements related to various advertising, marketing and promotion of the City, which provide Vaughan with visibility, profile, credibility, exhibition and/or exposure to a target audience. Given that they are currently captured under the City's Procurement Policy, and provided the value of many of these undertakings, these are often procured as Single Source non-competitive procurements. Examples of these procurements are:

- Event-, organization-, venue-, team- and/or association-related advertising/marketing/sponsorships (including both B2B and B2C audiences) for events and organizations with a relevant local, provincial, national, international and/or virtual reach/presence.
- Advertising in print, digital, and/or broadcast media and publications, including but not limited to newspapers, magazines, out-of-home, flyers, brochures, advertorials, website, social media, apps and games, affiliate, influencer, electronic newsletters, video, radio, television, etc.; and
- Agreements for secondary market research reports and datasets.

***Exempting these agreements from the procurement process is consistent with industry practice and business efficiency. City of Vaughan staff have undertaken a benchmark review of other municipalities exempting similar services from their procurement policies and by-laws, including the Region of York, the Region of Durham, the City of Hamilton and the City of Toronto.***

The City's Procurement Services Department has conducted benchmarking and confirmed that many of our municipal counterparts procure similar marketing and advertising opportunities either through non-competitive procurements or they are exempted from their respective procurement policies, as Staff are recommending in this case. For example, other municipalities exempt similar services from their procurement policies and by-laws, including the Region of York, the Region of Durham, the City of Hamilton and the City of Toronto.

As a result, Staff are recommending that the City's Corporate Procurement Policy be amended to exempt marketing and advertising services that promote the City's marketing initiatives. By exempting these services from the Corporate Procurement Policy and providing Staff authority to enter into these arrangements up to a value of \$75,000.00, the City is afforded greater opportunity for business efficiency and permits the City to capitalize on marketing opportunities with quicker turnaround times. The authority would be capped at \$75,000.00 and funding must have previously been allotted for in approved budgets.

### **Financial Impact**

None.

### **Operational Impact**

Delegation of authority for these transactional agreements improves business efficiency. Staff from all affected departments have reviewed and provided input for this report.

### **Broader Regional Impacts/Considerations**

N/A

### **Conclusion**

An exemption from the City's Corporate Procurement Policy, together with authority to enter into agreements valued at no more than \$75,000.00, are recommended for the reasons provided above.

**For more information**, please contact: Raphael Costa, Director, Economic Development, x. 8891

### **Attachments**

N/A

### **Prepared by**

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