

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OCTOBER 2, 2019

Item 2, Report No. 27, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on October 2, 2019.

2. TOURISM VAUGHAN CORPORATION (TVC) – IMPLEMENTATION REPORT

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Interim City Manager, Deputy City Manager, Administrative Services and City Solicitor, and Deputy City Manager, Corporate Services and Chief Financial Officer, dated September 24, 2019:

Recommendations

1. That, Tourism Vaughan Corporation Corporate By-law No. 1 (Attachment 1) be approved, as substantially presented in this report;
2. That, the following individuals be duly appointed to the Board of Directors of the Tourism Vaughan Corporation for the stated positions:
 - i. Tim Simmonds, Chair and President
 - ii. Regional Councillor Gino Rosati, Vice Chair
 - iii. Michael Coroneos, Treasurer
 - iv. Christine Vigneault, Secretary;
3. That, the Corporation of City of Vaughan Asset Transfer Policy 02.C.04 (Attachment 2) be approved, as substantially presented in this report;
4. That, the Mayor and City Clerk be authorized to execute a Memorandum of Agreement (Attachment 3), as substantially presented in this report, between The Corporation of the City of Vaughan and Tourism Vaughan Corporation, subject to the form and content of this agreement being satisfactory to the City Solicitor; and
5. That, the Mayor and City Clerk be authorized to execute operational agreements of mutual interest, as required, between The Corporation of the City of Vaughan and Tourism Vaughan Corporation, subject to the form and content of such agreements being satisfactory to the City Solicitor.

Committee of the Whole (2) Report

DATE: Tuesday, September 24, 2019

WARD(S): ALL

**TITLE: TOURISM VAUGHAN CORPORATION (TVC) –
IMPLEMENTATION REPORT**

FROM:

Tim Simmonds, Interim City Manager

Wendy Law, Deputy City Manager, Administrative Services and City Solicitor

Michael Coroneos, Deputy City Manager, Corporate Services and Chief Financial Officer

ACTION: DECISION

Purpose

To provide information and recommendations related to the start-up and implementation of the new Tourism Vaughan Corporation (TVC), namely approval of: TVC Corporate By-law No. 1; Officers to the Board of Directors of TVC; The Corporation of the City of Vaughan Asset Transfer Policy; Memorandum of Agreement between the City of Vaughan and Tourism Vaughan Corporation; and other enabling matters.

Report Highlights

- On January 29, 2019 Council approved the Municipal Accommodation Tax and the creation of the Municipal Services Corporation ('Tourism Vaughan Corporation') to be the tourism promotion entity in Vaughan responsible and accountable for managing 50 per cent of the revenue generated from the municipal accommodation tax that came into effect on April 1, 2019.
- Formally registered as a Non-Share Capital Corporation on May 15, 2019 (having The Corporation of the City of Vaughan as its sole shareholder), Tourism Vaughan Corporation is on-schedule to start on January 1, 2020.
- Council ratification of the recommendations in this report provides the governance, strategic and operations foundation necessary to allow the TVC to conduct the affairs and transactions of the organization in accordance with its mandate and objectives, and applicable laws and regulations.

Recommendations

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5. That, the Mayor and City Clerk be authorized to execute operational agreements of mutual interest, as required, between The Corporation of the City of Vaughan and Tourism Vaughan Corporation, subject to the form and content of such agreements being satisfactory to the City Solicitor.

Background

On January 29, 2019 Council approved the Municipal Accommodation Tax (MAT) and the creation of a Municipal Services Corporation (MSC) to be the tourism promotion entity in Vaughan. Staff prepared a business case study for the Municipal Services Corporation that was adopted by Council on April 1, 2019 and proceeded with the legal work to establish the corporation as required by the *Corporations Act* (Ontario), the *Municipal Act, 2001* (Ontario) and the Municipal Services Corporation Regulation under the *Municipal Act, 2001* (Ontario Regulation 599/06).

Previous Reports/Authority

[Council Extract - Municipal Accommodation Tax](#)

[Council Extract - Municipal Services Corporation \(MSC\) - Tourism Promotion Entity in Vaughan](#)

Analysis and Options

In April 2019, the City retained WeirFoulds, a professional legal services firm to assist with the incorporation and organization of the proposed Municipal Services Corporation. The scope of work was as follows:

1. All necessary corporate name searches
2. Filing of Letters Patent or Articles of Incorporation
3. Preparation of Corporate By-law(s) and all other organizing consents and resolutions for the MSC.
4. Preparation of an Agreement between the City of Vaughan (sole voting member) and the MSC addressing issues including: governance structure; anticipated support provided to the MSC by the City; asset transfer policies; ownership, use and maintenance of intellectual property; audit requirements; wind-down provisions and other provisions as may be recommended by external legal counsel and accepted by the City.

Corporate name searches were conducted, and the proposed name: Tourism Vaughan Corporation was available. On May 15, 2019 TVC was incorporated as Municipal Services Corporation with the first directors being Tim Simmonds, Gino Rosati, Michael Coroneos and Dennis Cutajar (Attachment 4).

Further, a corporate by-law (By-law No. 1 as per Attachment 1) was prepared for Tourism Vaughan Corporation, setting out the following:

- Role of City as sole voting member
- Roles and responsibilities of Directors and Officers of the Corporation
- Committees and Advisors
- Procedural matters related to member meetings
- Accounting, audit and record-keeping
- Other matters

Under the provisions of the Municipal Accommodation Tax regulation (*section 400.1 of the Municipal Act, 2001, and Ontario Regulation 435/17*), the City is required to transfer 50 per cent of MAT revenues, less reasonable administrative costs, to TVC for the purposes of Vaughan-focused tourism marketing, promotion and program delivery. In conformity with the City's priority on Good Governance (i.e., public accountability and transparency in all its financial matters), an Asset Transfer Policy 02.C.04 as set out in Attachment 2 provides detailed guidance to the TVC, staff and the public, on the transfer, use and accounting of corporate assets as approved by Council.

A Memorandum of Agreement (Attachment 3) between the City of Vaughan and Tourism Vaughan Corporation has been prepared. The Agreement sets out the relationship

between the City and TVC including: guiding principles of TVC, City's assistance to TVC, financial matters, and requirements for public accountability and reporting.

Next Steps

Following Council's approval of the Memorandum of Agreement, TVC By-law No. 1 and the Asset Transfer Policy, the Chair will call the first public meeting of the Board of Directors for the TVC in early January 2020.

The City is currently in the recruitment process for a Manager of Tourism, Arts and Cultural Development reporting to the Director of Economic and Cultural Development. The Manager will also serve as the Executive Director of the TVC, managing the day-to-day affairs of the Corporation in carrying out its tourism marketing, promotion and program delivery mandate.

Financial Impact

The expenditures for establishing Tourism Vaughan Corporation are funded from revenues collected under the Municipal Accommodation Tax. Future spending arising from TVC will be set out in annual business plans and operating budgets approved by the TVC Board of Directors and adopted by Council.

Broader Regional Impacts/Considerations

Copies of this report will be circulated to the Vaughan Chamber of Commerce, hotel industry stakeholders, and the Central Counties Regional Tourism Organization for their information.

Conclusion

In conclusion, as the sole voting member of the new Tourism Vaughan Corporation, Council has the responsibility to appoint the Board of Directors and approve key enabling documents, as discussed in this report.

With approval of the recommendations in this report, Council will have established a sound foundation for the governance, leadership, management and operations of the new Municipal Service Corporation, called: "Tourism Vaughan Corporation".

For more information, please contact: Dennis Cutajar, Director of Economic and Cultural Development Department, ext. 8274.

Attachments

1. Tourism Vaughan Corporation Corporate By-law No. 1
2. The Corporation of the City of Vaughan Asset Transfer Policy 02.C.04
3. Memorandum of Agreement between the City of Vaughan and Tourism Vaughan Corporation
4. Letters Patent – Tourism Vaughan Corporation dated May 15, 2019

Prepared by

Shirley Kam, Manager of Special Projects and Economic Development, ext. 8874

Sam Hall, Legal Counsel, ext. 8298

Dean Ferraro, Director of Financial Services/Deputy City Treasurer, ext. 8272

Dennis Cutajar, Director of Economic and Cultural Development, ext. 8274

BY-LAW NO. 1

being a by-law relating generally to the transaction
of the affairs of the Tourism Vaughan Corporation

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Tourism Vaughan Corporation (hereinafter called the "**Corporation**") that:

APPLICABLE LAW

1. As a municipal services corporation the Corporation is subject to legislative requirements beyond those imposed on standard business and not-for-profit corporations. The Corporation is subject to a number of statutes and regulations, including but not limited to the *Corporations Act* (Ontario), the *Municipal Act, 2001* (Ontario) and the Municipal Services Corporations Regulation under the *Municipal Act, 2001* (Ontario Regulation 599/06) or any successor or replacement legislation or regulation. This by-law and the activities of the Corporation shall conform with all applicable law.

INTERPRETATION

2. **Defined Terms.** The following terms shall have the meanings set out after them:

(a) **City:** The Corporation of the City of Vaughan.

(b) **Council:** The City's Mayor and Members of Council.

(c) **Council Resolution:** a resolution of Council reached pursuant to the City's Procedural By-law.

3. **Voting Member's Decisions and Actions.** Unless otherwise specifically provided for in this By-Law, any reference in this By-Law to a decision, determination or election made or vote exercised or action taken by the Voting Member shall reflect the consensus of the Council as memorialized in a Council Resolution.

HEAD OFFICE

4. The head office of the Corporation shall be in the City in the Province of Ontario, and at such place therein as the Directors may from time to time determine.

SEAL

5. The Corporation may have a corporate seal in the form approved from time to time by the Board of Directors and by the Voting Member. If a corporate seal is approved by the Board of Directors and by the Voting Member, the Secretary of the Corporation shall be the custodian of the corporate seal.

DIRECTORS

6. **Number and Quorum.** Until changed by special resolution or supplementary letters patent, the number of the Board of Directors of the Corporation shall be four (4) Directors. A majority of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Notwithstanding vacancies on the Board of Directors, the remaining Directors may exercise all the powers of the Board of Directors so long as a quorum of the Board of Directors remains in office.

7. **Qualification.** Each Director shall be eighteen (18) or more years of age. No undischarged bankrupt shall be a Director, and, if a Director becomes a bankrupt, he or she thereupon ceases to be a Director.

8. **Election and Term of Office.** The Voting Member will elect Directors at each annual Member's meeting, and the Directors shall be elected to hold office for a term expiring not later than the close of the first (1st) annual Member's meeting following the election.

9. **Resignation.** A Director may resign the office of Director by notice in writing to the Corporation.

10. **Vacancies.** Any vacancy occurring in the Directors may be filled for the remainder of the term of such Director by an individual identified by the Voting Member by way of a Council Resolution.

11. **Removal of Directors.** The Voting Member may remove any Director before the expiration of the term of office and may fill the vacancy of a position of Director caused by any reason for the remainder of such term with an individual identified by the Voting Member by way of a Council Resolution.

12. **Meetings of Directors.** Meetings of the Board of Directors may be held at the head office of the Corporation or at any other place in Ontario. An annual calendar of meeting dates of the Board of Directors shall be posted on the City's website.

Meetings of the Board of Directors shall be regular and open (provided that such meetings may only be closed to the public if the subject matter is of the type listed in subsection 239(2) of the *Municipal Act, 2001* (Ontario) or any successor or replacement legislation).

In addition to scheduled meetings of the Board of Directors, the Chair of the Board or the Vice-Chair of the Board or any two (2) Directors may at any time call a special meeting of

the Board of Directors in order to address a matter of an urgent nature. Notice of such meeting shall be delivered, conveyed by telephone or transmitted by e-mail to:

- (a) each Director; and
- (b) the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council and, as appropriate, to the public);

not less than twenty-four (24) hours before the meeting is to take place or shall be mailed to:

- (c) each Director; and
- (d) the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council and, as appropriate, to the public);

not less than forty-eight (48) hours before the meeting is to take place.

After the election of Directors at a Member's meeting, for the first meeting of the Board of Directors to be held immediately following such meeting, or in the case of a Director elected to fill a vacancy on the Board of Directors, for the meeting at which such election is made, no notice of such meeting shall be necessary to the newly elected Director or Directors in order validly to constitute the meeting, provided a quorum of Directors be present.

No error or omission in giving such notice for a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and any Director may ratify and approve of any or all proceedings taken or had thereat.

The City Manager (or designate as identified by the City Manager from time to time) shall be entitled to receive all notices of a meeting of the Board of Directors of the Corporation required to be given to the Directors and shall be invited to join all meetings of the Board of Directors, but shall not be entitled to vote thereat.

By invitation of the Board of Directors the Executive Director of the Corporation (or designate as identified by the Executive Director of the Corporation from time to time) may attend meetings of the Board of Directors of the Corporation, but shall not be entitled to vote thereat.

13. **Signed By-Laws and Resolutions in Lieu of Meeting of the Board of Directors.** Any by-law or resolution signed by all the Directors is as valid and effective as if passed at a meeting of the Directors duly called, constituted and held for that purpose.

14. **Voting.** Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes. In case of any equality of votes, the Chair of the meeting shall not have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any Director present, but, if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

15. **Remuneration of Directors.** The Directors of the Corporation shall serve without remuneration from the Corporation and no Director shall directly or indirectly receive any profit from the position as such; provided that a Director may be paid by the Corporation reasonable expenses incurred in the performance of the duties as a Director.

16. **Indemnity of Directors and Officers.** Every Director or officer of the Corporation and the heirs, executors and administrators and, estate and effects, respectively of such Director or officer shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against:

- (a) all costs, charges and expenses whatsoever which such Director or officer may sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against such person, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by such person, in or about the good faith execution of the duties of office;
- (b) all other costs, charges and expenses which such person may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of the Corporation.

17. **Protection of Directors and Officers.** No Director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board of Directors for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom any moneys, securities or effects of the Corporation shall be deposited, or for any loss, conversion, misapplication or misappropriation of or damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any loss occasioned by any error of judgment or oversight on such person's part or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the office or in relation thereto unless the same shall happen by or through such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of the Corporation.

The Directors may rely upon the accuracy of any statement or report prepared by the Corporation's auditor and shall not be responsible or held liable for any loss or damage resulting from any actions based upon such statement or report.

18. **Business Plans and Budgets.** Subject to Section 26 and any agreement with the Voting Member, the creation and management of business plans and an annual operating budget will be the responsibility of the Board of Directors for provision to the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council) provided that each such budget shall be subject to the Voting Member's approval.

19. **Policies and Procedures.** Subject to Section 26 and any agreement with the Voting Member, the Board of Directors shall prepare corporate policies and procedures or adopt the Voting Member's policies and procedures. The Corporation shall maintain a log of such policies and procedures and shall make them available to the Board of Directors, to the Voting Member and its staff, and to the public.

COMMITTEES AND ADVISORS

20. **Committees.** The Board of Directors may appoint such committees as it, from time to time, considers advisable, provided that the Board of Directors shall appoint a Strategic Advisory Committee.

No committee shall have the power to act for or on behalf of the Corporation or otherwise commit or bind the Corporation to any course of action. Committees shall only have the power to make recommendations to the Board of Directors as the Board may, from time to time, direct. Members of committees shall be appointed by, and hold office at the pleasure of the Board of Directors. Members of committees need not be members of the Board. The chair of each committee shall submit to the Board such reports as the Board may, from time to time, request, but, in any event, each chair shall submit an annual report to the Board at such time as the Board may, from time to time, determine.

21. **Strategic Advisory Committee.** The Strategic Advisory Committee shall be comprised of tourism and hotel industry stakeholders and local business organizations and shall provide the Board of Directors with guidance and expertise related to the development of strategic marketing and business development plans in accordance with terms of reference to be established by the Board.

22. **Advisors.** The Board (subject to the approval of the Voting Member) or the Voting Member may from time to time appoint advisors to serve the Corporation in such positions other than as Officers, with such titles and with such powers and duties and for such terms of service, as the Board (subject to the approval of the Voting Member) or the Voting Member deems advisable.

MEMBERSHIP

23. **Membership.** The membership shall consist of the applicants for the incorporation of the Corporation and, upon its admission as a member by the Board of Directors, the City (upon which admission the membership of the applicants for the incorporation of the Corporation shall terminate).

Upon its admission as a member by the Board of Directors, the City shall be known as Voting Member.

The Voting Member shall be the City and upon passage of this by-law by the initial Board of Directors, such Voting Member shall be deemed to have been admitted by the Board of Directors as the sole Voting Member of the Corporation.

24. **Resignation.** Members may resign by resignation in writing.
25. **Voting.** The Voting Member shall be entitled to one (1) vote on each question arising at any special or general Member's meeting. At such a meeting, the representative of the Voting Member in attendance may vote on:
- (a) procedural matters; and
 - (b) other matters which are neither:
 - (i) fundamental matters; nor
 - (ii) matters specifically addressed elsewhere in this By-Law.

At such a meeting, the representative of the Voting Member in attendance may vote on the matters referred to in (i) and (ii) above to the extent the representative of the Voting Member has been authorized by the City to vote regarding such matters and only in accordance with such authority.

26. **Governance Framework.** The Voting Member may establish a corporate governance framework for decision-making, strategic planning, budget and business plans, and corporate policies.

MEMBER'S MEETINGS

27. **Meetings.** The annual or any special general Member's meeting shall be held at the head office of the Corporation or elsewhere in Ontario as the Board of Directors shall appoint. The Voting Member shall be entitled to be present at a Member's meeting. Any other person may be admitted at the invitation of the Chair of the meeting or with the consent of the meeting.
28. **Signed Resolutions in Lieu of Member's Meetings.** Any resolution signed by the Voting Member is as valid and effective as if passed at a Member's meeting duly called, constituted and held for that purpose.
29. **Agenda and Notice.** At every annual Member's meeting, in addition to any other business that may be transacted, the report of the Board of Directors, the financial statements and the report of the auditor shall be presented and a Board of Directors elected for the ensuing year. The Voting Member may consider and transact any business either special or general without any notice thereof at any Member's meeting. The Voting Member shall be entitled to call at any time a special general Member's meeting.
30. **Error or Omission in Notice.** No error or omission in giving notice of any annual or general Member's meeting or any adjourned meeting, whether annual or general, shall invalidate such meeting or make void any proceedings taken thereat and the Voting Member may at any time waive notice of an such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.
31. **Adjournment.** Any Member's meetings may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been

transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

32. **Quorum and Voting.** A quorum for the transaction of business at any Member's meeting shall consist of the Voting Member. At all Member's meetings every question shall be decided by the vote of the Voting Member in accordance with Section 25.

OFFICERS

33. **General.** The officers shall be a Chair of the Board (who shall be the President for the purposes of the *Corporations Act*), a Vice-Chair of the Board, and a Secretary as appointed by the Voting Member, and a Treasurer in accordance with Section 34. The Voting Member may appoint such other officers as the Voting Member may from time to time determine. Subject to Section 15 and subject to the approval of the Voting Member, the Board of Directors may fix the remuneration to be paid to officers, agents, servants, and employees.

34. **Treasurer.** The City Treasurer (or designate as identified by the City Treasurer from time to time) shall be the Treasurer of the Corporation.

35. **Vacancy.** A vacancy occurring from time to time in these offices may be filled by the Voting Member with an individual identified by the Voting Member by way of a Council Resolution. One (1) person may hold more than one (1) office except that of Chair of the Board and Secretary, and any person who holds both the office of Secretary and Treasurer, may be known as the Secretary-Treasurer.

36. **Duties of Chair of the Board and Vice-Chair of the Board.** The Chair of the Board shall, when present, preside at all Member's meetings and meetings of the Board of Directors. The Chair of the Board of Directors with the Secretary or other officer appointed by the Board of Directors for the purpose, shall sign all by-laws. The Chair of the Board shall perform such other duties as may from time to time be determined by the Voting Member. During the absence or inability of the Chair of the Board, the Chair of the Board's powers and duties may be exercised by the Vice-Chair of the Board, or such other Director as the Voting Member may from time to time appoint for the purpose and if the Vice-Chair of the Board or such other Director shall exercise any such duty or power, the absence or inability of the Chair of the Board shall be presumed with reference thereto.

37. **Secretary.** The Secretary shall give or cause to be given all notices required to be given to Members, Directors and the auditor, shall attend all meetings of the Board of Directors and all Member's meetings and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings. shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation and shall perform such other duties as may from time to time be determined by the Voting Member.

38. **Treasurer.** The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from

time to time be designated by the Voting Member, shall disburse the funds of the Corporation under the direction of the Board of Directors, and shall render to the Board of Directors at the regular meetings thereof whenever required an account of all of transactions as Treasurer, and of the financial position of the Corporation and shall also perform such other duties as may from time to time be determine by the Voting Member.

39. **Duties of Executive Director.** The executive director, subject to the authority of the Board of Directors and the supervision of the Chair of the Board, shall be charged with the general management and supervision of the affairs and operations of the Corporation. The executive director shall perform all duties incidental to the office and shall have such other powers and duties as may from time to time be assigned by the Board of Directors.

40. **Other Officers.** The duties of all other officers shall be such as the terms of their appointment call for or the Voting Member requires of them. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Voting Member otherwise directs.

41. **Variation of Duties.** The Voting Member may from time to time, vary, add to or limit the powers and duties of any officer or officers.

42. **Agents and Attorneys.** The Board of Directors shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to subdelegate) as may be thought fit.

43. **Term of Office.** The term of office of each officer (other than the Treasurer) shall be such as the terms of their appointment provide, provided that the Voting Member may remove any officer and appoint a successor to serve for the remainder of the term with an individual identified by the Voting Member by way of a Council Resolution.

CONFLICTS OF INTEREST – DIRECTORS, OFFICERS AND ADVISORS

44. ***Municipal Conflict of Interest Act.*** The Directors and officers of the Corporation shall be deemed to be members for the purposes of the *Municipal Conflict of Interest Act* (Ontario) or any successor or replacement legislation.

45. **Conflicts of Interest.** A Director, officer or advisor who has a real or perceived direct or indirect interest in a contract, act, transaction, or proposal with the Corporation, whether direct or indirect, shall disclose their interest to the Board of Directors.

Where a Director has disclosed a conflict of interest with the Corporation the Director shall not debate or vote on the matter that is the subject of the conflict.

Where an officer or advisor has disclosed a conflict of interest with the Corporation the officer or advisor shall not advise on the matter that is the subject of the conflict.

Subject to compliance with the law, and subject to compliance with the conflict of interest provisions in this by-law, no contract or arrangement entered into by or on behalf of the Corporation in which a Director is directly or indirectly interested shall be voided or voidable and

no Director shall be liable to account to the Corporation or its Members or creditors for any profit realized from any contract or arrangement by reason of any fiduciary relationship.

Where a Director has failed to comply with the conflict of interest provisions of this by-law and where a contract or arrangement has been entered into with the Corporation, the contract may be deemed to be voided or voidable and the Director may be liable to account to the Corporation or its Members or creditors for any profit realized from the contract or arrangement by reason of a fiduciary relationship.

The Board of Directors in its discretion may submit any contract, act, transaction, or proposal with the Corporation for approval or ratification by the Voting Member and, subject to the provisions of the *Corporations Act*, any such contract, act, transaction, or proposal that shall be approved or ratified or confirmed by the Voting Member shall be valid and binding upon the Corporation.

A Director, officer or advisor who has a real or perceived direct or indirect interest in a contract, act, transaction or proposal with the City shall disclose this to the Board of Directors.

When any City employee or any individual appointed by the City who is carrying out his or her duties with respect to City business or with respect to the Corporation in the capacity as a Director or officer of the Corporation, such City employee or individual appointed by the City shall not be deemed to have a conflict of interest.

Where a Director, officer or advisor has disclosed a conflict of interest with the City the person shall not debate, vote or advise the Corporation on the matter, nor shall the Director, officer or advisor lobby, advise or make recommendations to, Council on the matter that is the subject of the conflict.

AUDITOR AND AUDITS

46. **Auditor.** The external auditor for the Voting Member shall be the external auditor for the Corporation, and shall have all of the rights and powers of an auditor provided under the *Municipal Act, 2001*.

47. **Audits.** The Corporation shall be subject to audit by the Voting Member's Internal Auditor (or designate as identified by the Voting Member's Internal Auditor from time to time), as required by the Voting Member.

EXECUTION OF DOCUMENTS

48. **Execution.** Subject to the approval of the Voting Member and this by-law, the Board of Directors shall establish a policy regarding authority to sign in the name and on behalf of the Corporation all instruments in writing and any instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. Subject to the approval of the Voting Member and this by-law, the Board of Directors shall have power from time to time to appoint any other officer or officers or any person or persons on behalf of the Corporation either to

sign instruments in writing generally or to sign specific instruments in writing. Notwithstanding the preceding, prior to the establishment of the policy referred to in the first sentence of this provision, contracts, documents or any instruments in writing requiring the signature of the Corporation shall be signed by any two (2) of the initial Directors of the Corporation, and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without further authorization or formality.

BORROWING

49. **Borrowing.** Subject to the limitations (if any) set out in the *Corporations Act*, the Letters Patent of the Corporation, this By-law, or any agreement with the Voting Member, and only with the approval of the Voting Member, the Board of Directors may:

- (a) borrow money on the credit of the Corporation;
- (b) issue, sell or pledge securities of the Corporation; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed or other debt or any other obligation or liability of the Corporation.

BANKING

50. **Accounts.** The City Treasurer (or designate as identified by the City Treasurer from time to time) shall open and administer a corporate bank account(s) for the Corporation, including making deposits, transfers and issuing cheques as required and as directed by the Corporation.

51. **Signing Authority.** The City Treasurer (or designate as identified by the City Treasurer from time to time) and the City Deputy Treasurer (or designate as identified by the City Deputy Treasurer from time to time) and/or such other persons identified by the Board of Directors and approved by the Voting Member from time to time shall be signing officers of the Corporation with respect to banking matters.

NOTICE

52. **Notice.** Whenever under the provisions of this by-law notice is required to be given, such notice may be given either personally or sent by e-mail or other electronic transmission, or by depositing same in a post office or public letter box, in a post-paid, sealed wrapper addressed to the Director, officer or member at the address, as the same appears on the books of the Corporation. For the purpose of sending any notice, the address of any member, Director or officer shall be the last address as recorded on the books of the Corporation. Whenever under the provisions of this by-law notice is required to be given to the City Clerk or City Manager, such notice may be sent by e-mail to the relevant email address provided from time to time by each of the City Clerk or City Manager. A notice or other document so sent by post shall be deemed to be sent at the time when the same

was deposited in a post office or a public letter box as aforesaid, or if sent by e-mail or electronic transmission shall be deemed to be sent upon transmission.

BOOKS AND RECORDS

53. **Books and Records.** The Directors shall see that all necessary books and records of the Corporation required by this by-law of the Corporation or by any applicable statute or law are regularly and properly kept.

FISCAL YEAR

54. The fiscal year of the Corporation shall terminate on the 31st day of December in each year. The first fiscal year of the Corporation shall terminate on the 31st day of December, 2019.

DISSOLUTION

55. Upon the dissolution of the Corporation, after the payment of all the debts and liabilities of the Corporation, its remaining property shall be distributed and disposed of to The Corporation of the City of Vaughan, as a municipal government and the Voting Member.

INTERPRETATION

56. In all of the by-laws of the Corporation where the context so requires or permits, the singular shall include the plural and the plural singular, the word "person" shall include firms and corporations, and the masculine gender shall include the feminine and neuter gender.

ENACTED this _____ day of _____, 2019.

Chair of the Board of Directors

Secretary



CITY OF VAUGHAN

CORPORATE POLICY

POLICY TITLE: ASSET TRANSFER – TOURISM VAUGHAN CORPORATION

POLICY NO.: 02.C.04

Section:	Accountability & Transparency		
Effective Date:	January 1, 2020	Date of Last Review:	Click or tap to enter a date.
Approval Authority:	Policy Owner:		
Council	Chief Financial Officer		

POLICY STATEMENT

This Policy establishes a framework for administering the transfer of municipal asset(s) to Tourism Vaughan Corporation ("TVC"), a wholly-owned corporation by the Corporation of the City of Vaughan ("City").

PURPOSE

A Policy that demonstrates good governance, accountability and transparency in the use of public asset(s) and adherence to the requirements of applicable legislation.

SCOPE

This Policy only applies to Council and City employees who have carriage of TVC matters.

LEGISLATIVE REQUIREMENTS

1. *Municipal Act, 2001*, S.O. 2001, c. 25 and O.Reg.599/06 – Municipal Service Corporations
2. All applicable laws including federal, provincial, municipal by-laws, policies and procedures.

DEFINITIONS

1. **Asset(s):** A resource with economic value with an expectation that it will provide a future benefit. An asset can include real and personal property, monies, securities, equipment, intellectual property, and any resource that could deliver a prospective profit and/or benefit.

POLICY TITLE: ASSET TRANSFER -TOURISM VAUGHAN CORPORATION

POLICY NO.: 02.C.04

2. City Staff: Employees of the City, unless otherwise stated.
3. Council: The Mayor and Members of City Council.
4. Transfer: A change of ownership from one party to another.
5. Treasurer: The City Treasurer (or designate as identified by the City Treasurer).
6. TVC: Incorporated in accordance with section 203 of the *Act* and Ontario Regulation 599/06, as amended.

POLICY

Responsibilities: The following criteria shall apply in this Policy:

A formal policy to govern the approval and implementation of municipal Assets to TVC.

Process:

What follows are instructions for Transferring Asset(s) to TVC.

1. Asset(s) may be Transferred to TVC at any time, as authorized by Council, on such terms as Council may determine.
2. Any Transfer of Asset(s) must be approved by Council in advance of the Transfer.
3. In determining whether to authorize a Transfer of Asset(s) to TVC, Council will consider one or more of the following objectives:
 - (i.) optimizing the use and value of the Asset(s);
 - (ii.) advancing the City's economic development, vitality and competitiveness;
 - (iii.) supporting community health and well-being;
 - (iv.) managing environmentally sustainable growth;
 - (v.) providing responsive and efficient public service; and
 - (vi.) enhancing the quality of life of the City's citizens.
4. Council may impose such terms and conditions on the Transfer of Asset(s) as it deems necessary, including but not limited to:
 - (i.) requiring the TVC to Transfer the Assets back to the City upon the occurrence of an event(s);
 - (ii.) restricting or prohibiting further Transfers of the Assets; and
 - (ii.) attaching a purchase price to the Asset, to be paid or owed to the City by TVC.

POLICY TITLE: ASSET TRANSFER -TOURISM VAUGHAN CORPORATION

POLICY NO.: 02.C.04

5. Before any Transfer of Asset(s) can occur, City Staff shall determine the current fair market value of the Asset(s) and obtain advice regarding any tax implications of the Transfer. This determination may be made using an appraiser or City Staff.
6. Where any Asset(s) is Transferred at less than fair market value, the Treasurer shall prepare a statement of the estimated fair market value of the Asset(s).
7. The Treasurer shall record all Transfers of Asset(s) in accordance with the City's accounting policies and relevant accounting standards.

ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	Other (specify) If other, specify here	Next Review Date:	January 2, 2025
Related Policy(ies):			
Related By-Law(s):	By-law 029-2019		
Procedural Document:			

Revision History

Date:	Description:
Click or tap to enter a date.	
Click or tap to enter a date.	
Click or tap to enter a date.	

THIS MEMORANDUM OF AGREEMENT made as of the _____ day of _____, 2020.

B E T W E E N:

THE CORPORATION OF THE CITY OF VAUGHAN

(hereinafter the "**City**")

- and -

TOURISM VAUGHAN CORPORATION

(hereinafter the "**TVC**")

WHEREAS the Corporation of the City of Vaughan (hereinafter the "**City**") is a municipal corporation duly incorporated under the laws of the Province of Ontario;

AND WHEREAS TVC is a municipal services corporation incorporated pursuant to *Ontario Regulation 599/06 - Municipal Services Corporations* (hereinafter the "**Regulation**") being a regulation under the *Municipal Act, 2001*;

AND WHEREAS the City is TVC's sole Voting Member (as that term is defined in TVC's By-law No. 1);

AND WHEREAS the City and TVC seek to work towards promoting and marketing Vaughan as a leading destination for tourism, leisure and business travel;

AND WHEREAS the City seeks to support TVC in carrying out TVC's mandate in accordance with this Agreement, including without limitation the guiding principles set out in Article 3, and in accordance with applicable law;

AND WHEREAS the City and TVC seek to establish a framework governing certain aspects of their relationship in addition to the legal framework mandated by the *Municipal Act, 2001*, and the Regulation;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein and subject to the terms and conditions hereinafter set out, the parties hereto hereby agree as follows:

1.0 DEFINITIONS

1.1 In this Agreement,

- (a) "**Agreement**" means this Memorandum of Agreement and all schedules attached hereto;

- (b) “**By-law No. 1**” means the corporate by-law attached hereto as SCHEDULE “A”;
- (c) “**City**” means The Corporation of the City of Vaughan;
- (d) “**City Clerk**” means the duly appointed Clerk of the City or his or her designate;
- (e) “**City Council Directors**” means Councillors appointed by Council to sit as directors on the TVC Board;
- (f) “**City Treasurer**” means the duly appointed Treasurer of the City or his or her designate;
- (g) “**Council**” means the City’s Mayor and Members of Council;
- (h) “**Council Resolution**” means a resolution of Council reached pursuant to the City’s Procedural By-law;
- (i) “**MAT**” means the Municipal Accommodation Tax implemented by the City pursuant to *Ontario Regulation 435/17 - Transient Accommodation Tax* being a regulation under the *Municipal Act, 2001*;
- (j) “**Regulation**” means *Ontario Regulation 599/06 - Municipal Services Corporations* being a regulation under the *Municipal Act, 2001*;
- (k) “**TVC**” means Tourism Vaughan Corporation;
- (l) “**TVC Board**” means the board of directors of TVC; and
- (m) “**Voting Member**” shall have the meaning ascribed to that term in By-law No. 1.

2.0 TOURISM VAUGHAN CORPORATION (TVC)

TVC Compliance with all Applicable Law

- 2.1 TVC acknowledges that as a legal entity it is subject to the laws of Ontario and Canada and that it has an array of legal duties, responsibilities and obligations.
- 2.2 TVC shall comply with all applicable law, including but not limited to:
 - (a) the *Corporations Act* and regulations thereunder;
 - (b) the *Municipal Act, 2001* and regulations thereunder; and
 - (c) employment legislation and regulations thereunder.

- 2.3 TVC acknowledges it has been advised by the City to obtain legal advice regarding this Agreement prior to executing the Agreement. TVC further acknowledges that it has not relied upon the City or its lawyer(s) for legal advice.

TVC Corporate By-Law

- 2.4 TVC shall pass By-Law No. 1 in the form attached hereto as SCHEDULE “A” and shall operate and govern itself according to By-Law No. 1.
- 2.5 By-Law No. 1 may only be amended or revoked in whole or in part with the express written consent of Council.

Directors and Officers

- 2.6 The City as the Voting Member, will be responsible for selecting, electing and appointing the TVC Board and any officers in accordance with By-Law No. 1.

City Council Directors

- 2.7 In the event that By-Law No. 1 is amended to provide for a specific number of City Council Directors:
- (a) Council shall appoint the required number of City Council Directors to the TVC Board within sixty (60) days after a municipal election; and
 - (b) City Council Directors shall be appointed to the TVC Board for the full term of Council.

TVC Corporate Governance Framework; TVC Organization and Operations

- 2.8 In the event that the City establishes a corporate governance framework for decision-making, strategic planning, budget and business plans, and corporate policies, TVC agrees to abide by and implement same, including abiding by and implementing provisions that restrict the TVC Board's scope of authority to the extent desired by Council.
- 2.9 Subject to Section 2.7 and Article 3.0, TVC shall prepare and update a manual setting out the formal organizational structure and operating procedures of TVC which shall address the following:
- (a) the distinct legal status of TVC;
 - (b) the organizational structure of TVC; and
 - (c) the legal obligations of TVC.
- 2.10 A copy of TVC’s organizational structure and operating procedures manual shall be circulated to all of TVC’s staff, directors, officers, advisors, and committee members, and to the City as required by the City.

3.0 GUIDING PRINCIPLES

3.1 TVC shall be guided by the following guiding principles which function as guideposts in future decision-making throughout TVC's lifecycle irrespective of any changes in leadership, goals, strategies and activities:

- (a) TVC will take a **leadership role** in promoting and marketing Vaughan as a leading destination for tourism, leisure and business travel with an emphasis on promoting overnight stays.
- (b) TVC will be a **supportive partner** to the Vaughan Chamber of Commerce, Regional Tourism Organization(s), and other business, government and not for profit organizations in delivering programming that attracts greater spending and investments in Vaughan. In so doing, TVC will ensure that its **work is complementary** to work done by others.
- (c) Existing hotel operators, tourism venues and affiliated service providers have tremendous insight and expertise, and they should have a **seat at the table**.
- (d) TVC will undertake its work based on objective decision-making process that is **accountable and transparent**, resulting in **city-wide benefits**.
- (e) TVC will develop and implement tourism marketing strategies that reflect **Vaughan's unique character**, its cultural and built heritage, diverse ethnic communities, social and cultural traditions, recreational and sports assets, and business development opportunities.
- (f) TVC will seek to **leverage the transit and infrastructure investments** made by the City, York Region and the Province of Ontario to build exciting tourism offerings and a sense of place in key areas such as the Vaughan Metropolitan Centre, local village cores, and industrial-commercial areas.

4.0 BRANDING STRATEGY AND MARKETING PLAN

4.1 TVC shall develop a branding strategy and marketing plan within the initial two (2) year period of its existence.

5.0 CITY ASSISTANCE TO TVC

Financial Assistance

5.1 Subject to Council approval, the City may provide financial assistance to TVC as permitted by the *Municipal Act, 2001* and the regulations thereunder.

Human Resources

- 5.2 Pursuant to the Regulation, the City may provide TVC with the services of employees of or persons under contract with the City. In accordance with the City's 2019 Budget as approved by Council on February 20, 2019, initially TVC shall receive assistance from two (2) full-time City staff positions comprised of a Manager of Tourism, Arts and Cultural Development, and a Tourism Development Officer to assist the TVC Board in managing and operating TVC.

Headquarters and Other Resources

- 5.3 The initial headquarters of TVC shall be at Vaughan City Hall located at 2141 Major Mackenzie Drive West, Vaughan, Ontario with respect to which the City shall assist TVC with office space, information technology, utilities, meeting rooms, use of equipment such as photo-copiers, communication/graphic design services, data/analytics, and small business counselling services at or below fair market value to minimize administration expenses, and to maximize strategy and program expenditures of TVC.

Financial and Procurement Services

- 5.4 Financial and procurement services may also be provided by the City to TVC at or below fair market value.

Statement of Value

- 5.5 The City Treasurer shall prepare a statement of the value of any grant to TVC, or an estimate of the fair market value of any other assistance provided at less than fair market value to TVC.

6.0 FINANCIAL MATTERS

TVC Bank Account

- 6.1 The City Treasurer (or designate as identified by the City Treasurer from time to time) shall open and administer a corporate bank account(s) for TVC, including making deposits, transfers and issuing cheques as required and as directed by TVC.
- 6.2 The City Treasurer (or designate as identified by the City Treasurer from time to time) and the City Deputy Treasurer (or designate as identified by the City Deputy Treasurer from time to time) and/or such other persons identified by the TVC Board and approved by the City from time to time shall be signing officers of TVC with respect to banking matters.

TVC Budget

- 6.3 The creation and management of an annual operating budget will be the responsibility of the TVC Board for provision to the City (through the City Clerk for distribution to the Mayor and Members of Council) provided that each such budget shall be subject to the City's approval.

- 6.4 As part of the City's annual budget approval process, TVC shall prepare and submit an annual budget for the next fiscal year to the City Treasurer by no later than March 31st of the budget year, for consideration and approval by Council (with or without modifications).
- 6.5 Once approved by Council, the annual budget of TVC may only be revised with the express consent of Council.

Audits

- 6.6 The external auditor for the City shall be the external auditor for TVC, and shall have all of the rights and powers of an auditor provided under the *Municipal Act, 2001*.
- 6.7 TVC shall be subject to audit by the City's Internal Auditor (or designate as identified by the City's Internal Auditor from time to time), as required by the City for any purpose including to ensure that amounts paid to TVC by the City are used for the exclusive purpose of promoting tourism.

TVC Business Plans

- 6.8 The creation and management of business plans will be the responsibility of the TVC Board.
- 6.9 As part of the City's annual budget approval process, the TVC Board will provide Council (through the City Clerk for distribution to the Mayor and Members of Council) by no later than March 31st of each year with a multi-year business plan.
- 6.10 Each business plan will include the following:
- (a) the strategic objectives, priorities and business objectives;
 - (b) revenue and expenditures anticipated in the coming year;
 - (c) performance metrics for monitoring progress and accomplishments;
 - (d) an operating budget for TVC for the next financial year.

TVC Policies and Procedures

- 6.11 The TVC Board shall prepare corporate policies and procedures or adopt the City's policies and procedures. TVC shall maintain a log of such documents and make them available to the TVC Board, to TVC staff, to the City, and to the public.

TVC Revenue

- 6.12 TVC will be funded from the proceeds of the MAT approved by Council effective on April 1, 2019. The amount of revenues to be shared shall be determined in accordance to the Regulation 435/17 and shall be authorized by the City Treasurer.

- 6.13 Subject to Council approval and compliance with all applicable law, TVC may also generate revenue from the following sources:
- (a) corporate sponsorship;
 - (b) donations;
 - (c) project-based or general marketing relationships with other organizations;
 - (d) government grants and loans;
 - (e) revenue generating projects;
 - (f) investment income;
 - (g) joint ventures or partnerships; and
 - (h) other means or sources.

TVC Debt

- 6.14 TVC shall not incur indebtedness without Council approval.
- 6.15 TVC shall not spend public funds unless said expenditures are included in the budget approved by Council.

TVC Purchasing

- 6.16 In order to protect the public interest, TVC shall prepare a corporate policy with respect to the purchasing of goods and services, and in doing so shall have regard to City purchasing policies.

Fiscal Year of TVC

- 6.17 The fiscal year of TVC shall terminate on the 31st day of December in each year. The first fiscal year of TVC shall terminate on the 31st day of December, 2019.

Dissolution of TVC

- 6.18 In the event of the dissolution of TVC:
- (a) the City shall manage the wind-down process pursuant to applicable laws, regulations, and contracts, and the City shall assume outstanding debt/liabilities and assets of TVC; and
 - (b) after payment of all debts and liabilities, its remaining property shall be distributed and disposed of to The Corporation of the City of Vaughan, as a municipal government and TVC's sole Voting Member (as that term is defined in By-law No. 1). In the event of the dissolution of TVC.

Certain Assistance Prohibited

- 6.19 Without exception, TVC shall not have the power to assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose.

General Power to Make Grants

- 6.20 TVC shall have the general power to make grants to any person, group or body, including a fund, subject to any limitations imposed by the City from time to time and subject to Section 107 of the *Municipal Act, 2001*.

7.0 INTELLECTUAL PROPERTY (IP) ASSETS

- 7.1 Subject to Section 7.2, trademarks, copyrights and other IP rights related to TVC shall be registered with the Canadian Intellectual Property Office (CIPO) pursuant to the *Trade-marks Act, 1985, Copyright Act, 1985* and other applicable legislation.
- 7.2 The City may register and own official marks related to TVC and consent to the use of these marks by TVC through a licensing agreement or other similar document.

8.0 PUBLIC ACCOUNTABILITY AND REPORTING

TVC Reporting to City

- 8.1 TVC shall submit to Council an annual report including:
- (a) results of operations including information regarding major business development activities and accomplishments; and
 - (b) audited financial statements prepared in a form acceptable to the City Treasurer.
- 8.2 TVC shall report to Council through the Committee of the Whole or such other committee as directed by Council.
- 8.3 TVC shall report to Council or committee at the call of the Mayor or Chair of the Committee of the Whole.
- 8.4 TVC shall make available all corporate finance related documents, information, and electronic files to the City Treasurer or his or her designate.

Open Meetings

- 8.5 The TVC Board shall conduct regular and open meetings, including an Annual General Meeting, pursuant to By-law No. 1. An annual calendar of meeting dates of the TVC Board and its committees may be posted on the City's website.

Third Parties

- 8.6 TVC shall not indicate to third parties that it represents the interest, positions, resolutions or perspectives of Council or the City, unless expressly authorized in writing by the City to do so.
- 8.7 This Agreement does not create a partnership or joint venture between the City and TVC.
- 8.8 In the event TVC seeks to formally communicate with any level of government or regulatory body with respect to a matter that may impact the City, TVC shall seek to provide the City with advance notice of such communication.
- 8.9 TVC shall identify proposed financial partners in its annual report and budget proposal to Council.

9.0 TERM AND TERMINATION

- 9.1 This Agreement is effective from the date first set out above.
- 9.2 This Agreement shall be in effect until such time as:
- (a) TVC has been dissolved; or
 - (b) the City terminates this Agreement; or
 - (c) the parties mutually agree in writing to terminate this Agreement.
- 9.3 The City, at its discretion and acting reasonably, may upon one-hundred and eighty (180) days' notice terminate this Agreement by Council resolution and written notice to the Chair of the TVC Board. Where the City terminates the Agreement under this clause the City shall work with TVC to ensure that financial commitments made by TVC pursuant to the annual budget approved by Council are properly addressed.
- 9.4 The City may terminate this Agreement by Council Resolution, upon providing notice to TVC of a material breach by TVC of the obligations, terms or conditions of this Agreement, and upon following TVC 30 days (or such reasonable time in relation to the type of breach) to remedy the breach.
- 9.5 If TVC breaches the terms of this Agreement, or if it is otherwise terminated, upon written request from the City Treasurer, any unspent other monies (including without limitation, any monies in TVC's bank account) from the City shall be immediately due and payable in full to the City, and other City assets shall also be returned to the City.

10.0 GENERAL PROVISIONS

- 10.1 The laws of the Province of Ontario shall govern the validity and interpretation of this Agreement.

- 10.2 In the event any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of the Agreement will not be affected and shall continue in full force and effect.
- 10.3 TVC shall not assign this Agreement in whole or in part without the express written consent of Council.
- 10.4 Any schedules to this Agreement shall have the same force and effect as if the information contained therein was in the body of the Agreement.

Amendments

- 10.5 This Agreement shall not be varied, altered, amended or supplemented except as agreed upon by the parties in writing.
- 10.6 No waiver of a breach by a party under this Agreement shall constitute an amendment or consent to or waiver of any other different or subsequent breach.

Notice

- 10.7 Any notice, invoice or other communication required or permitted to be given by this Agreement shall be in writing and shall be effectively given if (i) delivered personally; or (ii) sent by prepaid courier services; or (iii) sent by facsimile or other similar means of electronic communication to the Chair of the TVC Board in the case of notice to TVC, or to the City Clerk in the case of notice to the City.
- 10.8 For the purpose of notification, contact particulars are:

The Corporation of the City of Vaughan
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1
Attention: City Clerk

Tourism Vaughan Corporation
2141 Major Mackenzie Drive
Vaughan, ON, L6A 1T1
Attention: Tim Simmonds, Chair of TVC Board

Insurance and Indemnification

- 10.9 TVC shall obtain directors and officers liability insurance for all directors and officers, including City Council Directors.
- 10.10 TVC shall obtain Crime Insurance for all staff of TVC.
- 10.11 TVC shall indemnify any person on the TVC Board or who is an officer of TVC, from and against:

- (a) all costs, charges and expenses whatsoever which such person may sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against such person, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by such person, in or about the good faith execution of the duties of office;
- (b) all other costs, charges and expenses which such person may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a director or officer of TVC.

10.12 TVC hereby further indemnifies the City and Council against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the City in respect of any civil, criminal or administrative action or proceeding to which the City is made a party by reason of this Agreement.

Dispute Resolution

10.13 If there is any difference of opinion with respect to the interpretation, application, administration, alleged breach, requirements, procedures, rights or responsibilities with respect to this Agreement, the parties shall use their best efforts to resolve, mediate and settle the same through consultation and negotiation in good faith prior to commencing legal action. Where the parties consent to do so, they may elect to engage in formal arbitration.

Municipal Conflict of Interest Act

10.14 Directors and officers of TVC are deemed to be members for the purposes of the *Municipal Conflict of Interest Act*. TVC is deemed to be a local board for certain limited purposes, including the purposes of the *Municipal Conflict of Interest Act*.

Municipal Freedom of Information and Protection of Privacy Act

10.15 Furthermore, the wholly-owned Corporation is deemed to be an institution for the purposes of the *Municipal Freedom of Information and Protection of Privacy Act*.

Territorial Operation of TVC

10.16 Pursuant to section 16 of the Regulation, the City agrees that TVC may operate within the boundaries of the City.

IN WITNESS WHEREOF the parties have shown their agreement by affixing hereto the signatures of their duly authorized signing officers.

TOURISM VAUGHAN CORPORATION

Name:
Position:

Name:
Position:

We have the authority to bind the Corporation

**THE CORPORATION OF THE CITY OF
VAUGHAN**

Hon. Maurizio Bevilacqua, Mayor

Todd Coles, City Clerk

This space is for
Ministry Use Only
Espace réservé à
l'usage exclusif
du ministère

Ontario Corporation Number
Numéro de la société en Ontario

1.

5014768



Ministry of Government
and Consumer Services

Ministère des Services
gouvernementaux et des
Services aux consommateurs

Ontario

LETTERS PATENT

This application constitutes the charter
of the corporation which is issued by
these Letters Patent dated this

LETTRES PATENTES

La présente demande forme la charte de la
société constituée en personne morale
par lettres patentes daté le

MAY 15 MAI, 2019

Minister of
Government and
Consumer Services

Saraboo Sachitt

Le ministre des Services
gouvernementaux et
des Services aux
consommateurs

per/par

Director / Directrice

**APPLICATION FOR INCORPORATION OF A CORPORATION WITHOUT SHARE CAPITAL
REQUÊTE EN CONSTITUTION D'UNE PERSONNE MORALE SANS CAPITAL-ACTIONS**

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)

Dénomination sociale de la société : (Écrire en LETTRES MAJUSCULES SEULEMENT)

T	O	U	R	I	S	M	V	A	U	G	H	A	N	C	O	R	P	O	R	A	T	I	O	N		

2. The address of the head office of the corporation is:

Adresse du siège social:

2141 Major Mackenzie Drive West

(Street & Number or R.R. Number & if Multi-Office Building give Room No.)

(Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau)

VAUGHAN

Ontario L 6 A 1 T 1

(Name of Municipality or Post Office)

(Postal Code)

(Nom de la municipalité ou du bureau de poste)

(Code postal)

3. The applicants who are to be the first directors of the corporation are:

Requérants appelés à devenir les premiers administrateurs de la personne morale :

First name, middle names and sumame Prénom, autres Prénoms et nom de famille	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro, le numéro de la R.R. ou le nom de la municipalité, la province, le pays et le code postal
Tim Simmonds	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Michael Coroneos	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Dennis Cutajar	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Gino Rosati	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1

Form 2
Corporations
Act

Formule 2
Loi sur les
personnes
morales

4. The objects for which the corporation is incorporated are:
Objets pour lesquels la personne morale est constituée:

See Page 2A attached.

- (i) To promote tourism in The Corporation of the City of Vaughan ("Vaughan");
- (ii) To promote Vaughan for the purposes of attracting tourists and visitors [deletion];
- (iii) To collect and disseminate information, including to conducting targeted market research for purposes of identifying tourism and business travel opportunities in Vaughan;
- (iv) To develop tourism promotion and business development strategic plans, including to develop multi-year marketing plans and strategies that address Vaughan's strategic goals for a robust tourism and business destination;
- (v) To provide facilities for amusement or for conventions and visitors' bureaus, including to support and facilitate the growth and development of local tourism [deletion] by identifying and promoting opportunities for new tourism-related infrastructure and services [deletion] (including attractions, public transit, information kiosks, community hubs, festivals and special events, conventions, etc.) that will generate positive economic growth in Vaughan;
- (vi) To provide counselling services to or encouraging the establishment and initial growth of tourism-related small businesses operating or proposing to operate in Vaughan, i.e. to facilitate a high level of collaboration amongst Vaughan's tourism industry, business organizations and Vaughan;

and such other complementary purposes not inconsistent with these objects.

5. The special provisions are:
Dispositions particulières:

The corporation shall be carried on without the purpose of gain for its members, and any profits or other accretions to the corporation shall be used in promoting its objects.

La personne morale doit exercer ses activités sans rechercher de gain pécuniaire pour ses membres, et tout bénéfice ou tout accroissement de l'actif de la personne morale doit être utilisé pour promouvoir ses objets.

See Page 3A incorporated into this form.

(a) The Corporation is limited to providing services to owners or members of the Corporation on behalf of the Corporation of the City of Vaughan in lieu of the municipality providing those services itself.

(b) Directors shall serve without remuneration, and no director shall directly or indirectly receive any profit from his or her position as such, provided that a director may be reimbursed for reasonable expenses incurred in performing his or her duties. A director shall not be prohibited from receiving compensation for services provided to the Corporation in another capacity.

(c) Upon the dissolution of the Corporation and after payment of all debts and liabilities, its remaining property shall be distributed or disposed of to The Corporation of the City of Vaughan.

6. The names and address for service of the applicants:

4.

Norm et prénoms et domicile élu des requérants :

First name, middle names and surname <i>Prénom, autres Prénoms et nom de famille</i>	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code <i>Domicile élu, y compris la rue et le numéro, le numéro de la R.R. ou le nom de la municipalité, la province, le pays et le code postal</i>
Tim Simmonds	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Michael Coroneos	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Dennis Cutajar	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1
Gino Rosati	2141 Major Mackenzie Dr. W., Vaughan, ON L6A 1T1

This application is executed in duplicate.
La présente requête est faite en double exemplaire.

Signatures of applicants <i>Signature des requérants</i>	
 <hr/> Tim Simmonds	 <hr/> Michael Coroneos
 <hr/> Dennis Cutajar	 <hr/> Gino Rosati