

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 9, 2010

Item 1, Report No. 3, of the Economic Development Committee, which was adopted, as amended, by the Council of the City of Vaughan on March 9, 2010, as follows:

By approving the following, in accordance with the memorandum from the Director of Economic Development, dated March 8, 2010:

That the City of Vaughan not participate in the 2010 Korean National Unification Advisory Council Forum, until further notice from the organizers.

**1 PARTICIPATION IN THE 2010 KOREAN NATIONAL UNIFICATION
ADVISORY COUNCIL FORUM**

The Economic Development Committee recommends approval of the recommendation contained in the following report of the Director of Economic Development, dated March 1, 2010:

Recommendation

The Director of Economic Development recommends that the Mayor and Director of Economic Development participate in the 2010 Korean National Unification Advisory Council Forum at Niagara-On-The-Lake, ON, March 19 and 20, 2010.

Contribution to Sustainability

Sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. The Economic Development Department's core responsibilities effectively satisfy customer needs and contribute to sustainability by creating and maintaining initiatives that use an optimum mix of resources consisting of business development, small business enterprise and tourism which ultimately promotes vibrant economic growth increasing the flow of capital into the community and the circulation of capital within the community.

Economic Impact

There is no additional economic impact associated with this report. The estimated total cost of \$1,200 for travel, business events, hospitality and associated activities for the Mayor and Director of Economic Development to participate in the 2010 Korean National Unification Advisory Council Forum are within the allocated resources of the to the 2010 Economic Development Department Budget.

Communications Plan

N/A

Purpose

To inform the Members of the Economic Development Committee and Members of Council of the business development opportunity for the Mayor and Economic Development Staff to participate and present a keynote address to the 2010 Korean National Unification Advisory Council and arrange a hospitality dinner the night before in order to highlight Vaughan's Business Investment Profile.

Background – Analysis and Options

South Korea is called the Republic of Korea and is located on the eastern edge of the Asian Continent. The total area of South Korea is 98,480 square kilometers with a population of approximately 50 million inhabitants. Seoul is the capital city. Neighbours include China (west), Japan (east) and its brother to the north, North Korea.

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Korean National Unification Advisory Council (NUAC)

What is the National Unification Advisory Council?

As a Korean-constitutionally recognized organization, the National Unification Advisory Council (NUAC) is committed to ushering in an era of hope and building a better future by contributing to inter-Korean reconciliation and exchanges and laying the groundwork for peaceful unification between South and North Korea and is committed to making unification efforts a truly global campaign.

The National Unification Advisory Council was founded in the early 1980's in response to the Korean public's yearning to achieve peaceful unification in the Korean Peninsula.

The NUAC plays a key role in two aspects:

First, it offers advice and suggestions to the Korean president with regards to the overall approach to unification policy. The NUAC closely monitors events affecting inter-Korean relations ranging from strengthened inter-Korean dialogue to the establishment of "New Peace Structure on the Korean Peninsula".

Second, the NUAC meets its obligations defined in the Korean Constitution. The NUAC helps the public reach consensus on unification issues and serves as the focal point of efforts to achieve peaceful unification. The NUAC is committed to doing its utmost to open an era of a unified Korea. The NUAC brings the public together through a variety of campaigns, both online and offline and helps the public renew their commitment to unification.

The Chairman of NUAC is the President of the Republic of Korea, Myung Bak Lee. NUAC has some 16,000 opinion leaders comprised of individuals representative of business, education, professional industries and politics residing in Korea and all over the world

Business Development

On the global economic stage, the larger Asian and South Asian regions continue to perform well and are expected to continue to seek opportunities to make large-scale capital and "brick and mortar" investments outside of their respective regions. Of importance to the City's Economic Development office in capitalizing on the opportunity to participate in the NUAC Forum is noting Korea's largest trading partner, China. The Economic Development Department continues to strengthen its foreign business development in China and is scheduled to participate in the Greater Toronto Chinese Business Association Trade Mission May 19-30, 2010. That said, beginning investment conversation through business networking and hospitality in concert with a key note address to the NUAC Forum with key business and political leaders from Korea in attendance could elevate Vaughan's 'brand' and investment readiness profile above the multitude of municipalities in Canada and the Greater Toronto Area that are all vying for investment from these two economic powers.

In addition, participation by Vaughan in the NUAC Forum will give staff of the Economic Development Department the ability to highlight Vaughan as an ideal location for a portion of the recently announced \$7 Billion investment by Korea in Ontario.

The Korean investment matches perfectly with a key industry sector that has been identified through the Employment Sector Study for the City to target for growth and attraction – "Green Industry".

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A consortium led by Samsung C&T Corporation and the Korea Electric Power Corporation (KEPCO) will invest \$7 billion to generate 2,500 megawatts of wind and solar power. These projects will triple Ontario's output from renewable wind and solar sources and provide clean electricity to more than 580,000 households.

The Korean consortium will work with major partners to attract four manufacturing plants. The Province has noted that this will lead to the creation of 1,440 manufacturing and related jobs building wind and solar technology for use in Ontario and export across North America.

Staff of the City's Economic Development office will be working with the Province and key stakeholders in an attempt to capture as much of these projects as possible for Vaughan.

Quick Facts About Korea

Capital:	Seoul
Population:	48.5 million (2009 est.)*
Language:	Korean
Government:	Presidential Republic
Head of State:	President Myung-bak Lee (since February 2008)*
Head of Government:	Prime Minister Seung-soo Han (since February 2008)*
Currency Exchange:	\$1 CDN = 1,082 Korean Won (April 2009)**
GDP:	US\$857.5 billion (2008 est.)*
GDP (PPP):	US\$1.278 trillion (2008 est.)*
GDP Per Capita (PPP):	US\$26,000 (2008 est.)*
GDP Growth Rate:	4.2 percent (2006-2008 average)**
Inflation:	4.7 percent (2008)*
Unemployment:	3.2 percent (2008)*
Key Industry Sectors:	automobiles computers food processing liquid crystal display semiconductors steel
	chemicals electronics footwear mobile and cellular phones ship building textiles

Relationship to Vaughan Vision 2020

This report is consistent with the priorities set out by Council and the strategic link to Vaughan Vision 20|20 is to Plan and Manage Growth & Economic Vitality.

Regional Implications

Foreign direct investment in Vaughan through capital and brick and mortar projects coupled with job creation strengthens the overall economic health of the Region of York. With respect to this report, participation in the NUAC Forum will strengthen the opportunity to promote Vaughan's green industry cluster which is also a key industry sector identified for growth and attraction by the Region.

Conclusion

Business development through foreign direct investment in Vaughan is an important aspect to the overall economic health of the municipality which leads to job creation and increased building activity. Having an opportunity to present the 2009 Business Investment Profile and promote Vaughan's Investment Readiness to key business and political stakeholders of Korea through a key note presentation to the 2010 Korean National Unification Advisory Council Forum being hosted in Niagara-On-The-Lake is an ideal business event that is within scope of the business development activities of the Economic Development Department.

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Report Prepared by:

Tim Simmonds, Director, Economic Development Department

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Item 2, Report No. 3, of the Economic Development Committee, which was adopted without amendment by the Council of the City of Vaughan on March 9, 2010.

2 **COMMUNITIES IN BLOOM 2009 NATIONAL SYMPOSIUM**

The Economic Development Committee recommends:

- 1) That the recommendation contained in the following report of the Director of Economic Development, dated March 1, 2010, be approved.

Further, the Economic Development Committee recommends:

That staff review opportunities to host a major convention in Vaughan and actively seek out bringing one or more conventions to Vaughan in the next five (5) years.

Recommendation

The Director of Economic Development, in consultation with the Chair of the Communities in Bloom (CIB) Steering Committee recommends that this report be received.

Contribution to Sustainability

Sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. The CIB Program encourages environmentally sustainable gardening and horticultural practices; engages residents in beautification efforts; and builds civic pride. Thus the City's hosting of the CIB 2009 National Symposium conforms with its Community Sustainability and Environmental Master Plan, *Green Directions Vaughan*, and specifically Goal 4: To create a vibrant community for citizens, businesses and visitors.

Economic Impact

There is no economic impact associated with this report.

Communications Plan

In co-operation with the Corporate Communications Department, Economic Development Department staff will post the Communities in Bloom 2009 National Symposium Hosting Report (Attachment 1) to the City's website. An electronic copy of the Hosting report will also be sent to the CIB National Office for use on their website by other municipalities wishing to understand the intricacies of hosting a successful CIB Symposium.

Purpose

To provide a final summary to Council in respect to the hosting of the CIB 2009 National Symposium and National Awards Ceremonies which took place from September 29 to October 4, 2009.

Background – Analysis and Options

The City, through the Community Services Commission became an active member municipality of the National Communities In Bloom Program in 2002. With the City's participation and support growing each year for the CIB programs– which include Winterlights, Schools in Bloom, and Curb Appeal. It was suggested that Vaughan take a leading role in the CIB and host the Annual CIB National Conference. In December 2005, Council adopted Item 10, Report No. 7 of the Budget

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Committee entitled *Hosting of the 2009 Communities in Bloom National Conference*. The report directed staff of the Economic Development Department – Tourism, to make a bid on hosting the 2009 CIB National Symposium on Parks and Grounds and National Awards Ceremonies (“the Conference”) as an event of this size would bring to Vaughan approximately 750 delegates (tourists) from across North America and various countries from around the world. In addition, the Conference had three objectives: showcasing local sustainability initiatives pertaining to parks and grounds; raising the City’s profile nationally and internationally; and boosting the local economy from spending generated by visiting delegates.

Subsequently, staff submitted a proposal in January 2006 to host the 2009 conference. The proposal was successful and in July 2006, CIB officially announced that The City of Vaughan was chosen as the host municipality for the 2009 Conference. However, after being awarded the bid for the 2009 event, the Provincial CIB Awards Ceremonies were combined with the National Symposium which increased the anticipated attendance of the three-day event to approximately 1,500 delegates. The anticipated delegate count of 1,200 to 1,500 would form the base line number for planning purposes by the staff of the Economic Development Department.

Roles and Responsibilities

The CIB National Symposium was the largest and most ambitious tourism/conference endeavour undertaken by the City in Vaughan’s history. An event of this magnitude required significant planning, organizational and promotional efforts, funding (core and sponsorship), as well as co-operation from staff across various departments, community stakeholders and resident volunteers. The Manager of Tourism and a newly created role, Project Coordinator – CIB were tasked with the project lead roles, supported by the CIB Beautification Committee, Commissioner of Community Services and City Manager.

Various tasks involved in the organization and execution of the conference were shared between the CIB National Office and the City. CIB National was responsible for:

- Planning and organizing the Symposium and Awards Ceremony
- Provision of facilities for the Symposium
- Contracting accommodation services for delegates
- Registration of delegates and collection of payments
- Inviting National Finalists, judges and other dignitaries to attend
- Marketing and promotion of the CIB National Symposium.

The City as hosts of this symposium or conference was responsible for:

- Planning the activities and social events associated with the Mayor’s Welcome Reception, Multicultural Festival and Closing Gala
- Planning the technical and social tours
- Providing transportation services between venues
- Marketing and promotion of the Symposium with the CIB National Office.

In late 2008, the CIB 2009 Conference Project utilized ITM’s project management methodology through the Project Management Office (PMO). PMO was used to manage and co-ordinate the myriad of activities and tasks related to execution of the Conference. In the past, PMP had been used extensively and successfully in Information Technology Management (ITM) projects ranging from JD Edwards Implementation to Access Vaughan. The use of the PMP approach brought greater discipline and rigour to managing a complex set of activities with numerous variables and inputs. ITM staff, working closely with the Manager of Tourism and Team Leads developed and refined project definitions, project scope, budget, workplans and issue escalation / communications protocols, to ensure that the complex project remained on schedule and within budget parameters.

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A project team which included Economic Development, ITM and Community Services staff undertook activities which ranged from website development; marketing and promotions; volunteer development; sponsorship solicitation; grant proposal development; event planning; public and media relations, etc. A Memorandum of Understanding was signed with CIB National Office to clearly delineate expectations and responsibilities.

Revenue and Expenditures

In December 2005, Council through the budget process approved amounts of \$30,000, \$70,000 and \$100,000, for 2007, 2008 and 2009 respectively in support of the Conference for a total of \$200,000. Staff was also directed to leverage \$50,000 to \$100,000 in additional sponsorship contributions from private sector partnerships. In addition to the \$30,000 in 2007 and the \$70,000 in 2008, a final 2009 budget of \$403,250 was submitted to Budget Committee on March 9, 2009 and approved. Total budget over three years was \$503,250. However, staffing costs were not included in the preparation of the final budget allocation.

In addition to the City funding of \$200,000, the project team with assistance from the Manager of Capital & Asset Management and the Grants Coordinator successfully secured a grant from the Ministry of Tourism in the amount of \$119,250 towards the hosting of the Conference. The project team was able to utilize the Ministry of Training, Colleges and Universities' Job Creation Partnership Program for an additional four full-time staff over a 41-week period, at no cost. Utilizing tourism and hospitality training programs at local community colleges, the City sourced assistance from ten co-op students, again at no cost. Community-based volunteers as well as staff volunteers lent further assistance organizing and staffing events.

Despite considerable pressures from the current economic downturn and stiff competition from other events, the team was able to generate over \$118,000 in corporate sponsorship and reduce overall spending within the allotted budget envelope. Significant in-kind donations augmented the budget and contributed to the overall impression of the various events. The final financial impact to the City of hosting the conference, excluding staff costs was contained to the original \$200,000 funding. See Attachment 2 – Revenue & Expenditure Statement 2007-2009.

Marketing & Promotional Activities Preceding the 2009 CIB National Symposium

Leading up to the event in 2009, marketing and promotional activities related to the Conference took place, which also included development and printing of promotional and sponsorship materials. Council recommended that the City participate in CIB programs at least two years prior to hosting in 2009. City funding covered the cost of travel (transportation, accommodations, meals and incidentals), registration, exhibit space or receptions associated with key trade shows such as Federation of Canadian Municipalities (FCM), Association of Municipalities of Ontario (AMO), WinterLights and CIB National Symposiums.

In late April 2009, the City held the official launch of the CIB 2009 Conference, attended by the Honourable Greg Sorbara, MPP and Regional Chair Bill Fisch. Following the launch, a cheque presentation was held on June 5, 2009 to officially present the Tourism Development Grant.

The City undertook a multi-pronged media campaign to bring awareness of the Conference, and to bring recognition to local businesses and sponsors. The campaign included television spots, print media, website and other online advertising, e-newsletters, decals and bridge signage. The estimated total media impressions exceed 19 million impressions.

Attendance

The 2009 Conference final attendance officially had 464 registered delegates attend from throughout Canada, United States, Japan, Scotland, England, Ireland and Australia. Attendance .../4

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was below previous expectations as municipalities worldwide, tightened spending on out of town events in response to the economic slowdown and public perception. In meeting with registration challenges experienced by CIB National Office, staff undertook extensive marketing efforts to drive attendance with community groups and sponsors.

The Multicultural Festival drew attendance from local community groups, sponsors and delegates for a total of 785 attendees. The Closing Gala had a final attendance of 823 people. Post conference surveys of registered delegates yielded a 22% response rate. Over 96% of survey respondents gave favourable ratings on their overall impressions of the Conference.

Many of the delegates were overwhelmed with Vaughan's warmth and hospitality. Local tourism and hospitality operators participating on the Vaughan Tourism Advisory Committee were also very satisfied with the media coverage, traffic and spending associated with the Conference.

Cross-promotion activities undertaken at the Rogers Cup, that is, availability of booth/exhibit space (at no cost to local businesses for usage) further drove public awareness and traffic into Vaughan-area businesses.

Relationship to Vaughan Vision 2020

This report is consistent with the priorities set out by Council

Regional Implications

Not applicable

Conclusion

Originating in 2002, Vaughan's CIB Program has initiated numerous community beautification projects; helped improve the City's overall appearance; stimulated resident and school engagement and increased civic pride. The City's success with the CIB Program is manifested in consecutive wins at the 2003 Provincial, 2004 National and 2005 International Competitions. In addition, Vaughan was named 2008-2009 WinterLights Celebrations National Champions.

The Communities in Bloom 2009 National Symposium was an opportunity for the City to move from being a competitor to a host. It was also the first-ever conference or symposium endeavour of this scale for the City.

The City successfully planned and executed its first-ever major Conference within the allotted budget, by securing government funding, sponsorships and in-kind donations. However, for future endeavours of this nature, staffing inputs should be included in programming costs as a more accurate reflection of the true costs and to provide for a more fulsome comparison against other opportunities.

The three-year program generated tremendous national and international exposure for the City; showcased local sustainability initiatives, as well as generated tourism revenues for the local hospitality and retail sector businesses.

Attachments

1. Communities in Bloom 2009 National Symposium Hosting Report
2. Revenue & Expenditure Statement 2007 – 2009 (Without Staffing Allocation)
3. Revenue & Expenditure Statement 2007 – 2009 (With Staffing Allocation)

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Item 2, Economic Report No. 3 – Page 5

Report prepared by:

Shirley Kam, Senior Manager, Economic Development Department
Tim Simmonds, Director, Economic Development Department

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)