



A G E N D A

FOR THE REGULAR MEETING OF THE DIRECTORS OF THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

To be held on:
Wednesday, June 19, 2019
Committee Room C-12
at 11:30 a.m.

	Pages
1. 11:30 a.m. Agenda Review	
2. Declaration of Conflict of Interest	
3. Approval of Minutes from May 8 th Regular Meeting	1 - 7
4. Executive Committee Notes of April 24 th , 2019 (For information only)	8 - 9
5. REPORTS:	
C.E.D Report	10 - 17
6. Implementation of the 2019 Tourism Development Committee Work Plan	18 - 25
7. GSDC Governance Update	
8. Adjournment	

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE CITY OF GREATER SUDBURY
COMMUNITY DEVELOPMENT CORPORATION**

**Room C-12
Tom Davies Square**

**Wednesday, June 19, 2019
Commencement: 11:33 a.m.**

- Chair:** **BRIAN VAILLANCOURT IN THE CHAIR**
- Present:** Mayor Brian Bigger, Brent Battistelli (by phone), Erin Danyliw, Joanne Gervais, Iyo Grenon, Karen Hourtovenko (by phone), Councilor Robert Kirwan, Andrée Lacroix, Marett McCulloch, Daran Moxam, David Paquette, Peter Nykilchuk, Councilor Mark Signoretti (d 1:39), Wendy Watson, Pierre Zundel
- Regrets:** Ed Archer, Councilor Fern Cormier, Mike Ladyk
- City Officials:** Meredith Armstrong, Rebecca Brooks, Shawna Cole, Dana Jennings, Marie Litalien, Liam McGill, Scott Rennie, Ian Wood, Melissa Zanette
- Agenda Review:** "Annual General Meeting" item added to Other Business
- Conflicts of Interest:** None noted at this time.
- Approval of Minutes:** It was noted that a meeting date is entered as 2018. This will be updated to reflect the correct date.
- 2019 - 034 – Peter Nykilchuk / David Paquette:**
- That the minutes of the Greater Sudbury Development Corporation Board of Directors regular meeting of May 8th, 2019 be adopted.
- CARRIED**
- Executive Notes:** No questions or concerns.
- Reports:** *C.E.D Report*
- Peter Nykilchuk reported on the May 31st C.E.D. meeting, beginning with the request from the Sudbury Area Mining Supply and Service Association (SAMSSA) for Year 2 funding of \$125,000 towards the recruitment and related cost for a dedicated Executive Director.
- Detailed notes were included in the agenda package.

Deliverables for year one have been met and recruitment has commenced; before offering the position to a successful candidate, the proponent is first looking for confirmation of GSDC funding.

Though staff is in close contact with SAMSSA, it was confirmed that Economic Development staff are not directly involved in the recruitment process.

2019 - 035 – Peter Nykilchuk/ Marett McCulloch

WHEREAS at its meeting of January 10, 2018, the Greater Sudbury Development Corporation (GSDC) Board of Directors approved a contribution of \$245,000 over three years to encourage and support the Sudbury Area Mining Supply and Services Association (SAMSSA) transition to long term sustainability and advance the GSDC's interests in organizing and promoting the local mining cluster; and

WHEREAS SAMSSA is seeking their Year 2 funding of \$125,000 in support of a new Executive Director's salary and benefits; and

WHEREAS SAMSSA has reported back on both Year 1 progress and a Year 2 transition plan for appointing a new Executive Director by August 2019; and

WHEREAS an annual review of progress on deliverables as outlined in the funding agreement has been met to the satisfaction of the CED Review Committee;

THEREFORE BE IT RESOLVED THAT the Greater Sudbury Development Corporation Board of Directors support Year 2 of a three year funding request from SAMSSA in the amount \$125,000 to support the salary of a new and dedicated Executive Director from the Economic Development Project Fund, and

FURTHER, that the Year Two funding request be contingent on receipt by Economic Development staff of a signed Letter of Offer from the successful candidate to SAMSSA, and

THAT the funding renewal for the third year be conditional on a satisfactory CED Committee review of progress on deliverables, and

Finally, that the Resourceful City logo be supported and used on all of SAMSSA communication materials in acknowledgement of this contribution.

CARRIED

A disclaimer was made that the point of discussion on the C.E.D. agenda regarding NORCAT is still to be considered as a confidential matter as it has not yet been officially announced by the other funders.

NORCAT is seeking support in the amount of \$150,000 towards the construction of an underground training centre. The current amenities on-site consist of several worn trailers. The facilities are grossly inadequate when hosting international and local businesses looking to utilize the site for product testing and as a consequence, reservations are being declined, resulting in lost potential revenue.

Expected job creation numbers were discussed including direct and indirect. The total request is for \$300,000 over two years with NOHFC and FEDNOR applications submitted for additional funding.

Without GSDC support, the project would move ahead as a key piece of the NORCAT strategic plan, however, would be scaled back considerably.

The facility will contribute to investment and attraction as it will allow growth in capacity for training and attraction to Sudbury from those areas that are not typically seen in the mining industry (e.g. NOKIA).

Given our intended focus on developing Greater Sudbury's place in the world as a global mining hub, investment with NORCAT is undoubtedly in direct alignment with the GSDC priorities.

It was noted that the funding, is approved by the Board, will be presented to Council as it is over \$300,000.

2019 - 036 – Peter Nykilchuk / Wendy Watson

WHEREAS *From The Ground Up* Community Economic Development Strategic Plan identifies “being a global leader in mining supply and services industry”, “advancing one of the most integrated education and innovation ecosystems in Ontario”, and “fostering a robust entrepreneurship ecosystem” as stated goals for achieving a vision of 10,000 new jobs by 2025; and

WHEREAS the construction of new surface operations facility at the NORCAT Underground Training Centre will directly create three to four new positions, support approximately 40 jobs during construction, and indirectly stimulate 30-40 new positions each year through the support for the commercialization of new technologies to the global mining industry; and

WHEREAS the new facility will support more graduates being trained through the various mine training and development program being offered by NORCAT; and,

WHEREAS the new surface facility will advance the stated GSDC Board Priority of advancing the local mining cluster;

THEREFORE BE IT RESOLVED THAT the Greater Sudbury Development Corporation Board of Directors provide funding to NORCAT in the amount of \$150,000 for Year 1 of a two-year commitment (\$150,000 in 2019 and \$150,000 in 2020) from the Economic Development Fund to support the construction of a new surface operations support facility at the Underground Training Centre, conditional upon NORCAT receiving other funding; and

FURTHER, that funding renewal for Year 2 be conditional on a satisfactory CED Committee review of progress on deliverables; and

FURTHER that, as part of Year 1 deliverables, NORCAT agrees to host a media event onsite that recognizes the GSDC's contribution to the project, and

FINALLY, that the Resourceful City logo be supported and used on all of its communication materials in acknowledgement of this contribution.

TDC Work Plan:

As Marett was unable to attend, Peter Nykilchuk provided an update as he was the Chair of the last meeting. A full memo included in the package which outlined the following three Tourism Development Committee (TDC) recommendations:

2019 - 037 – Peter Nykilchuk / Marett McCulloch

WHEREAS the Tourism Development Committee (TDC) provides advice and recommendations as a subcommittee of the Greater Sudbury Development Corporation (GSDC) Board for investments to strengthen and support the city's tourism sector and increase visitation and occupancy; and

WHEREAS the Tourism Strategy and Work Plan approved by the GSDC on May 8th, 2019 outlined a base for initial investments starting in 2019; and

WHEREAS the GSDC has prioritized the importance of targeted attraction of meetings, conventions and sport tourism hosting opportunities for the community as one of the objectives in *From the Ground Up*;

THEREFORE BE IT RESOLVED THAT the GSDC approve the TDC's recommendation to invest in the hiring of up to two (2) staff to support the plans set out in the Tourism Strategy, specifically as it relates to dedicated attention to the meetings, conventions, and sport tourism market; and

FURTHER that in order to attract quality candidates in a competitive market, the GSDC board supports the investment in staffing contracts for up to two (2) year terms, not to exceed total wages and benefits of \$80,000 in 2019 and \$170,000 in each of 2020 and 2021; and

THAT these positions include specific deliverables and performance metrics that are reported back to the GSDC as part of TDC updates on a quarterly basis.

CARRIED

It was noted that the Major Events Development Officer had been previously funded through the GSDC. Implementation of the Municipal Accommodation Tax funds will allow for funding through the TDC going forward.

2019 - 038 – Peter Nykilchuk / Marett McCulloch

WHEREAS the Tourism Development Committee (TDC) provides advice and recommendations as a subcommittee of the Greater Sudbury Development Corporation (GSDC) Board for investments to strengthen and support the city's tourism sector; and

WHEREAS the Tourism Strategy and Work Plan approved by the GSDC on May 8th, 2019 outlined a base for initial investments starting in 2019, including a marketing and promotional plan with specific areas of focus intended to increase visitation and hotel occupancy;

THEREFORE BE IT RESOLVED THAT the GSDC approve the TDC's recommendation to invest in the marketing and promotion plan presented which sets out tactics in the priority markets, to the maximum budgeted amounts as presented in the 2019 Work Plan, to be implemented by Economic Development staff with the guidance of the TDC; and

THAT the plan includes measurable tactics and clear performance metrics that are reported back to the GSDC as part of TDC updates on a quarterly basis.

CARRIED

2019 - 039 – Peter Nykilchuk / Wendy Watson

WHEREAS the Tourism Development Committee (TDC) provides advice and recommendations as a subcommittee of the Greater Sudbury Development Corporation (GSDC) Board for investments to strengthen and support the city's tourism sector; and

WHEREAS the ability to be proactive, respond to new prospects and pivot with marketing opportunities that presents itself requires timely investments and decision making;

THEREFORE BE IT RESOLVED THAT the GSDC authorize staff to implement investment decisions, within the total budget approved, and

FURTHER THAT any new project request made to the GSDC for tourism development that aligns with the Tourism Strategy 2019-2023 be vetted by the TDC; and

THAT together with staff, the TDC adapts the existing Community Economic Development (C.E.D) funding guidelines and templates to be utilized in order to determine eligibility, evaluation and presentation for projects to be brought forward to the GSDC for approval; and

THAT the GSDC authorize the TDC, together with staff, make investment decisions on new requests up to \$10,000, and

THAT each investment includes clear performance metrics for regular results reporting to the GSDC as part of the TDC's quarterly updates to the GSDC Board.

CARRIED

Governance
Update:

Staff with no other agenda items left the meeting.

Timelines were revisited as a reminder back to the instigation of the governance initiative. The City's Auditor General provided a report in February 2017 on GSDC Board practices, recommending a review and thereby prompting the hiring of an independent consultant, Mr. John Dinner, to provide third party governance advice. Mr. Dinner met with Board members in November 2017 to gather information for his report via Key Informant interviews.

A confidential report was provided by the consultant, spurring the creation of an ad hoc governance committee of the GSDC board which was tasked with providing next steps.

Three scenarios were presented from subsequent committee meetings; however, none were agreed on by all Board members. As a result, sitting Council members were consulted in April with the request to review the report from Council's perspective and provide any recommendations as feedback for next steps.

From this point, the ad hoc committee was no longer involved in discussions between the Council members of the GSDC Board. The Chair subsequently received a call from Mayor Bigger in June to inform him that a notice of motion was to be put forward at Council on June 11th to be voted on June 25th.

With the background established, the floor was opened for comment.

Concerns were voiced regarding the proposed objective of increasing the transparency of the Board. It was reminded that Council has not yet voted on the motion and so procedurally, the notice of motion being read in open council is a measure of transparency and is for public knowledge.

The intent of bringing the motion forward was to positively position and elevates economic development initiatives in the community. Appreciation of Board members and their volunteerism was acknowledged. The intent is to continue the mission of the Board, only under a new structure, which would include a select cabinet as an avenue to involve the local community members.

The Hotel and Accommodation Association of Sudbury (HAAS) group concerns were noted regarding legality and potential conflict of interest surrounding the collection of Municipal Accommodation Tax (MAT); if Council is the Board, then will it be the City receiving the tax in its entirety? Through the legislation, the City cannot direct the MAT funds and is looking at its options.

Terms of reference are to be developed for the Select Cabinet, and staff advice is being sought for consideration at this time for Council's discussion.

It was noted that the four Council representatives on the GSDC board bring different opinions and perspectives to bear on this discussion. Board members themselves represent diverse backgrounds and expertise, and concerns were noted regarding the ability and experience of Council itself with regard to business opportunities and economic development.

The timelines of Council's discussion and the motion itself were discussed. The conversation is now one of Council and the plan to move ahead with a cabinet which looks similar to the Board is the preferred option.

It was agreed that it is the prerogative of Council to discuss economic development; however, several members of the Board expressed objections with the process by which the motion was decided and brought forward.

Questions arose concerning who will be responsible for creating the Terms of Reference for the Select Cabinet and the Board itself. Details have yet to be decided.

With regard to meeting schedules, it was noted that both Council and the GSDC have the ability to call additional emergency meetings at any time should a matter of urgency arise.

Staff is regularly consulted for their expertise and the select cabinet would bring the opportunity to engage private sector knowledge. Council is elected to represent the best interest of the citizens of Greater Sudbury and the motion is worthy of open council debate.

Council representatives reiterated their appreciation for the efforts and commitment of GSDC board members and emphasized that no disrespect was intended; in forming the motion, it was hoped that Economic Development would be in a stronger position to meet opportunities brought forward without dollar threshold limitations.

Clarification was requested around how a select cabinet of community representative would act any differently than the current operations of the GSDC. Again, specific details have yet to be determined.

In terms of private and confidential proponents, issues of confidentiality need to be considered. In matters of commercial issues, closed session is allowable under City Council rules. The matter would then come to open Council.

The strict timeline was meant to be respectful to the Board with regard to the requirement to hold the Annual General Meeting (AGM) in June of each year.

Council is accountable about staff and the lack of clarity between staff and the Board is apparent to some members of Council. It was reiterated that the intent is to maintain the GSDC as a corporation, and as such, the work will continue as a separate arms-length board.

It was noted that the Board was originally created as an arms-length advisory board in order to avoid conflict of interest. Much of the discussion centers on larger projects, however, the GSDC support many smaller projects which support the local community and economy. Concern was noted that these smaller projects may not have an avenue of support going forward should there be a change in Board membership.

The GSDC Executive Committee has written an open letter to Council to express concerns; as it cannot be issued on behalf of the full Board due to Council representation, it will be circulated and those who are comfortable can sign to show support.

The passion and commitment of the Board members was recognized and commended.

Recourse was questioned, should Council reject the motion on the 25th.

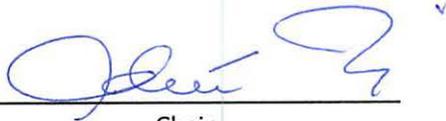
Projects which leveraged significant funding were cited to restate the impact the GSDC has had on the local economy. A suggestion was made that Council and the Board can still work together in the creation of by-laws and terms of reference.

Other Business

It was agreed that the 2019 Annual General Meeting will take place on Wednesday, June 26th.

Adjourned 1:43 p.m.

Next meeting June 26th, 2019.



Chair



Secretary