



Town of Huntsville Staff Report

Meeting Date: February 25, 2019

To: Council

Report Number: DEV-2019-37

Confidential: No

Author(s): Scott Ovell, Economic Development Coordinator

Subject: Municipal Accommodation Tax Working Group Update - Service Agreement

Report Highlights

This report provides the highlights of the Municipal Accommodation Tax Working Group's preliminary recommendations related to a Service Agreement between the Town of Huntsville and the new 'Eligible Tourism Entity'

Recommendation

Be it Resolved That: the Municipal Accommodation Tax Working Group recommendations contained in the working group meeting minutes dated January 29, 2018, attached to Report DEV-2019-35, be approved;

And Further That: Staff be directed to prepare a draft Service Agreement between the Corporation of the Town of Huntsville and the Town's designated 'Tourism Entity' and forward it to the Town's Solicitor for review;

And Further That: once the agreement has been prepared to the satisfaction of Staff and the Town's Solicitor, Staff are directed to forward it for the consideration of the 'Eligible Tourism Entity';

And Further That: once the agreement has been considered by the Eligible Tourism Entity, it will be presented to Council for final consideration.

Background

During the fall of 2018, consideration of Report Nos. [DEV-2018-167](#) and [DEV-2018-182](#), Council passed [By-law 2018-131](#), which outlined the parameters of Municipal Accommodation Tax program and included an implementation date of April 1st, 2019. To assist with the development of recommendations related to the 'Eligible Tourism Entity', Council appointed a Municipal Accommodation Tax (MAT) Working Group, comprised of the following members:

Kelly Haywood – Huntsville/Lake of Bays Chamber of Commerce
Christine Kropp – Downtown Huntsville BIA
Scott Aitchison – Mayor, Town of Huntsville
Jesse Hamilton - Huntsville Hotel and Motel Association
James Murphy – Explorers Edge (RTO 12)
Director of Corporate Services – Town of Huntsville (support)
Director of Development Services – Town of Huntsville (support)
Economic Development Officer – Town of Huntsville (support)

In December of 2018, Council considered Report No. [Dev-2018-207](#), which outlined the working group's recommendations related to the by-laws to enable the establishment of a Non-Share Capital Corporation which would be designated as the Town's 'Eligible Tourism Entity'.

Discussion

Working Group

This group discussed the core components of a Service Agreement over the course of two meetings. To ensure an efficient and productive discussion, each meeting was focused on the content of a background paper which contained relevant information on the topics to be covered. Minutes were taken to record key decisions. A copy of each of the agendas, background papers and minutes of the meetings are attached as Appendix I.

Need

As identified in Report No. [DEV-2018-167](#) it was recommended that a Transfer Payment/Service Agreement be created between both parties to ensure transparency and accountability related to decision making of the 'Tourism Entity' while also clarifying what the obligations are between both organizations. Additionally it has also become clear that the tax revenue being generated through this program constitute public funds. The public and Council acting on their behalf, have a right to expect and have input on how these funds will be used to enhance tourism in Huntsville.

To create the conditions for a successful pilot project and a continued positive relationship between future Town Councils and the “eligible tourism entity”, transparency and accountability as to how it conducts its affairs is paramount and would be best achieved through the creation of a Service Agreement.

Research

To provide the Working Group with a broad spectrum of the nature of Service Agreements, staff were able to acquire 4 examples of Service Agreements related to Tourism from the following sources:

- City of London and Tourism London;
- City of Barrie and Tourism Barrie;
- District of Muskoka and Muskoka Tourism; and
- Province of Ontario and RTO 12/Explorers Edge

These examples ranged from very specific in nature to high level documents designed to guide the overarching principles of an organization. Based on the information provided and the subsequent discussion between Working Group members the following recommendations/core principles were identified.

Initial Recommendations

Highlights of the MAT Working Group's preliminary recommendations are outlined below.

Use of Funds

The Working Group felt it was very important that the Service Agreement act as a high level document that provide some fundamental principles on where the funds should be directed but should not dictate specific terms as how it should be spent. Through their discussions they identified the following areas:

- Increase visitations to the Town of Huntsville;
- Enhance Huntsville's national and international profile;
- Support product development and industry growth;
- Fund/support bid requirements for major events without additional funding from the Town of Huntsville; and
- To become more competitive with other provincial and national cities in Canada.

Distribution of Monies to fund other Tourism Related Entities

As identified by the Working Group early on, they felt the new 'Tourism Entity' should focus on partnerships with local/regional tourism entities rather than sponsorships and to do so effectively the following should be included in the Service Agreement:

- No requirement to partner with any specific organizations;
- 'Tourism Entity' will determine the distribution of funds from the revenue generated to other tourism organizations;
- Development of an open and transparent application and evaluation process to determine successful recipients of the funding;
- Creation of service agreements with the tourism organizations that receive funding to ensure funds are spent appropriately; and
- Funding support to be linked to strategic priorities of new 'Tourism Entity'

Communication with Town of Huntsville

To ensure continued support and open and effective communication with the Town of Huntsville the following principles should be included in the Service Agreement:

- An annual presentation will be made to Huntsville Town Council outlining achievements and strategic priorities moving forward;
- Town of Huntsville staff and the 'Tourism Entity' will meet prior to budget submissions to determine if partnerships are available;
- Appropriate Key Performance Indicators will be created by the Board and presented to Council to measure annual performance

Next Steps

Once drafted, staff will present the Service Agreement to the MAT Working Group for final input and then plan to present a draft Agreement to the Board of Directors of the new 'Tourism Entity' by the end of March. Based on their input staff will finalize the document and present to Town Council in April with a goal of both parties signing the document by May 1st, 2019.

Options

Council could choose not to proceed with the creation of a Service Agreement - Not Recommended

Capital

N/A

Operational

The legal costs associated with the development of the Service Agreement will be charged to account # 1-5-8200--31350 under the Municipal Accommodation Tax section of the 2019 budget. Once revenue has begun to be collected these expenditures will be recouped by the Town.

Council Strategic Direction / Relevant Policies / Legislation / Resolutions

GC197 - 17

GC219 - 17

GC145 - 18

292-18

By-law 2018-131

Regulation 435/17 of the Ontario Municipal Act, 2001

2017 Town of Huntsville Strategic Plan 2017 and Beyond

Economic Development

GOAL #1: Collaborate with private sector and the broader community to create an economic development strategy that will diversify and strengthen the year round economy, and guide investment of time and resources.

- Engage stakeholders to generate innovative and actionable ideas to stimulate a year round economy.
- Develop brand strategy to market Huntsville as an ideal place to live and work.
- Identify opportunities and tools that would help ensure a vibrant downtown

Financial Management and Governance

GOAL #3: Ensure Municipal operations are streamlined, efficient and effective

Objectives

- Apply business model thinking to Municipal operations to identify potential efficiencies within the municipal system.
- Identify and pursue shared services opportunities with other area municipalities, the District and/or other partners where cost savings and efficiencies can be achieved

Attachments

[Appendix I](#)
[City of Barrie -Tourism Barrie Contract-Final Agreement](#)
[City of London](#)
[District of Muskoka and Muskoka Tourism](#)
[RTO-12-TPA-2018-19-3-1](#)

Consultations

Municipal Accommodation Tax Working Group
Yvonne Aubichon – Director of Corporate Services
Julia McKenzie - Manager of Finance/Treasurer

Respectfully Submitted: Scott Ovell, Economic Development Coordinator

Manager Approval (if required): _____

Director Approval: Derrick Hammond - Director of Development Services

CAO Approval: Denise Corry - Chief Administrative Officer

APPENDIX I

Corporation of the Town of Huntsville

**Municipal Accommodation Tax Working Group
AGENDA**

Meeting to be held on **Tuesday, January 29th, 2018 @ 2:00 pm**
Partners Hall – 37 Main St. East.

1. Review of Last Meetings Minutes

- a) Confirmation of key decisions/proposed recommendations*
- b) Approval of Minutes – November 29th, 2018*

2. Program Overview Diagram

3. Completed Project Milestones

- a) Collection Agency*
- b) Eligible Tourism Entity By-laws –*

4. Updated Project Timelines

- a) Future Council Reports*

5. Service Agreement

- a) Purpose of Service Agreements (SA)*
- b) Principles of SA*
- c) Organizational Purpose*
- d) Relationship between Town of Huntsville and Tourism Entity*
- e) Corporate Strategy and Policies*
- f) Use of Public Funds*
- g) Distribution of Monies to other Agencies*

6. Wrap Up

- a) Next Meeting Date – February 12th, 2019 – 2:00 pm – Partners Hall*

BACKGROUND

Overview

The Municipal Accommodation Tax (MAT) Program was conceived by the Province of Ontario to provide municipalities with an additional revenue generation tool to assist with budget deficiencies particularly related to Tourism and Economic Development. To achieve its goal of enhancing tourism in Huntsville, Council initiated the creation of the MAT program and a new local “eligible tourism entity”. To ensure that the MAT Program is successful at enhancing tourism in Huntsville over the long term, it is important that the “eligible tourism entity” is successful and receives continued support from the Town and its partners.

As all tax revenue received by the Town through local accommodation (hotel and motel) stays are public funds, the public, and Council acting on their behalf, have a right to expect that these funds will be used to enhance tourism in Huntsville. To create the conditions for a successful pilot project and a continued relationship between successive Town Councils and the “eligible tourism entity”, transparency and accountability as to how it conducts its affairs, is paramount.

In order to demonstrate to the public how Council’s goal of enhancing tourism in Huntsville through the MAT Program will be met after the Town transfers funds to the “eligible tourism entity”, a Service Agreement (SA) is necessary.

Purpose of Service Agreements

SAs (or sometimes referred to as a Transfer Payment Agreements) are the type of document or agreement typically used between various levels of government, or between government and external agencies, to guide funding activities intended to provide benefits to the public or achieve specific public policy objectives (e.g. Explorers Edge). These agreements create the administrative accountability framework for the oversight of these types of transfer payments. Typically, the SA outlines the funding agency’s parameters around which the funds are to be used, while the funding recipient works towards identifying and achieving those various Key Performance Indicators (KPI’s).

In this regard, a key component of an SA is financial reporting (which can be monthly, quarterly, semi-annually, etc.) that clearly outlines what activities the funds have been spent on and the related outcomes. This is particularly important when public funds are involved as it ensures there is transparency and accountability.

SA’s can range in their level of autonomy or restrictiveness, depending on whether their purpose is very specific or more broad. They can be designed to be very flexible and open between parties with KPI’s and reporting requirements designed to allow the recipient to have a higher level of organizational autonomy when directing funds towards specific objectives. In some instances the primary requirement or KPI of recipient is to merely provide annual audited statements to the funder.

To ensure the success of the MAT Program, the purpose, intent and components of an SA between the Town of Huntsville and the new “eligible tourism entity” (Non-Share Capital Corporation) must

be clear and concise when outlining the responsibilities of both organizations. Its intent must also be in keeping with the spirit of the program which is to ensure that the “eligible tourism entity” remains creative, nimble and flexible in order to easily adapt to changing market trends. In this regard, it should be drafted to address principles, with the details and implementation being addressed by the “eligible tourism entity”.

Principles of an SA

Identified below are the primary core principles/functions typically found in a Service Agreement between a Funding agency and recipient:

- A. Accountability – The recipient (“eligible tourism entity”) must be accountable for protecting public funds and hold the partners it funds responsible for delivering the activities for which the funds were issued.
- B. Value for money – The recipient (“eligible tourism entity”) must be able to demonstrate that the partnerships entered into, or services acquired, represents an efficient and effective use of public funds.
- C. Risk-based approach – The recipient (“eligible tourism entity”) must be able to demonstrate that the level of oversight it exercises is in proportion to any risks associated with the activity and the partners it funds.
- D. Focus on outcomes – The recipient’s (“eligible tourism entity’s”) activities can be clearly linked and contribute to the achievement of the funding agencies policy objectives.
- E. Fairness, integrity and transparency – The decisions of the recipient (“eligible tourism entity”) on further partnerships and programs as well as its oversight of related funding allocations is fair, impartial and transparent and conforms to applicable legislation and policy direction set by the “eligible tourism entity’s” Board.
- F. Common processes – The recipient (“eligible tourism entity”) uses common processes, tools and templates as used by its partners (i.e. BIA, Chamber and Town) as appropriate, in order to create administrative efficiencies and support consistency in the oversight of payments.
- G. Information sharing – The recipient (“eligible tourism entity”) agrees to collect, manage and share relevant and appropriate information and data amongst necessary parties.
- H. Communication – There is respectful, open and ongoing communication between the funder and transfer payment recipients.

CONSIDERATIONS

In reviewing a variety of similar organizational relationships between various governments and organizations across the province, it is clear that they are long standing and the organizations have, over time, developed strategies and policies that allow them to achieve their objectives. This has enabled the creation of flexible and open SA’s between parties that focus primarily on program evaluation and reporting requirements (which are covered in Principles A-H above).

In this regard, attached to this document are 4 examples of existing Service Agreements between government agencies and their funding partners. They provide an overview of the level of scope that can be contained in an SA. While a few are very directive and detailed oriented, others are more open ended and flexible in nature. Based on previous discussions, it is our understanding that an SA which outlines the partner relationship and requirements or parameters that the “eligible tourism entity” must achieve, but not indicating in detail how the organization must achieve them, would be the preference of the Working Group. This would enable the organization to be nimble

and creative

In view of this, the following components of a SA will require consideration:

Purpose

To help guide the content within a Service Agreement, the parties first must identify what the purpose or mandate is of the organization receiving the funding. Based on previous discussions, the Working Group identified the following overarching principles of the new “eligible tourism entity”:

- Focused on growing the Tourism Sector in Huntsville
- Align priorities with Municipality and other local stakeholders to address community wide issues i.e. workforce development
- Open, Transparent and accessible to stakeholders and the public
- Focused on partnerships to leverage existing resources

These core principles will help guide other sections of the SA to contribute to ensuring an open and transparent organization, while also maintaining a level of autonomy and creativity for the new entity.

Relationship between the Town of Huntsville and Tourism Entity (Principles F-H)

Throughout the process of creating and implementing the MAT program in Huntsville, all parties have been very clear and in agreement on the fact that in order to achieve the above objectives, the new “eligible tourism entity” must be nimble and have the ability to adjust to market changes.

However, there was also an understanding that in order for the organization to be successful, its relationship with current and future Councils and other partners (Business Improvement Area and Chambers of Commerce) are critical. The identification of the nature of this relationship between the Town and the “eligible tourism entity” in the SA will serve to reduce duplication, maximize the use of resources, promote collaboration and ensure the revenue generated from this program has the greatest market impact possible.

Clearly identifying what the reporting, communication and resource expectations (shared services/ resources such as meeting or employee space, waiving of fees, IT support, etc.) are between both parties will allow both entities to be accountable to one another while also taking advantage of this new revenue opportunity.

Questions to Consider:

Should both parties meet prior to budget submissions to clearly outline their plans and eliminate duplication?

What does the administrative relationship look like between the Town and the “eligible tourism entity”? (i.e. Are there any additional resources or shared services the Tourism Entity make look to

request from Town Council that should be outlined? i.e. meeting or employee space, waiving of fees, IT support, etc.)

Strategy

Understanding that in this case, the new “eligible tourism entity” would need to develop a tourism strategy, the SA should identify the need for such a strategy and related policies in order to guide decision making to achieve the goal of enhancing tourism in Huntsville. Developing and implementing such a strategy creates a solid organizational foundation enabling the new entity to easily communicate its objectives and outcomes to the stakeholders.

Questions to Consider:

Should there be requirement in the agreement to complete a 3 – 5 year strategy for the organization?

Should this strategy be developed in partnership with the Town of Huntsville and stakeholders to ensure alignment between parties?

Should the board be required to implement governance polices and adhere to them as part of the TPA? i.e governance policies reviewed by the Working group at the previous meeting

Transparency and Accountability (Principles A-E)

Governance

Given that this is an entirely new program and organization, it is important that the “eligible tourism entity” develop and implement sound governance policies (such as the set previously created by this Working Group). This will result in a clearly defined operating structure for the board and its associates and develop trust amongst its members that the money collected is being spent and allocated in an open and fair manner.

Financial Accountability

This section of the SA deals with the parameters around how the money received by the “eligible tourism entity” will be spent. This provides guidelines on the broad areas that the Town and the “eligible tourism entity” agree where revenues should be allocated (presumably linked to the objectives identified in the organization’s strategy to enhance tourism in Huntsville). In the staff report presented to Council in September, 2018 outlining how the MAT program would work, staff in consultation with the Huntsville Hotel and Motel Association representatives included the following principle:

- Collaboration or partnerships with other partners both locally and regionally.

Based on research with other communities implementing a MAT program there appears to be some consistency with identified funding allocation areas. Typically these objectives are open ended to allow recipients flexibility to be creative.

Sample funding allocation areas Include:

- Increase visitation to a community;
- Product development;
- Fund bid requirements i.e. 55+ winter games, IRONMAN, Hockey Canada; and
- Support municipal tourism related priorities.

Questions to Consider:

What broad funding allocation areas should the MAT revenue be spent on?

- Bid support?
- Tourism product development?
- Tourism related infrastructure?
- Marketing?

Should there be more detailed guidelines on what the money should be used for?

Distribution of Public Tourism Funds to Others

Based on the Working Group's discussion during our first meeting, there was a consensus reached amongst the members that the new "eligible tourism entity" would focus on partnerships as opposed to sponsorships and leverage existing resources to enhance products, events or services.

With that in mind the "eligible tourism entity" will need to create an application process for groups to apply for funds as well as funding agreements or SA's with organizations it supports to support the transparency and accountability goals and related reporting requirements of Council respecting the use of public funds.

Questions to Consider:

Should partnerships be a requirement of this organization, mandatory?

How should the board determine what organizations receive funds?

Should there be a standard application process? If so what should that look like?

Should approvals be tied to strategic priorities both as a funding agency and recipient?

What type of agreement should be created between the "eligible tourism entity" and the recipient to ensure proper management and use of funds?

How should those relationships be managed?

Reporting

Another key component of an SA is financial reporting (which can be monthly, quarterly, semi-annually, etc.) that clearly outlines what activities the funds have been spent on and the related outcomes.

To facilitate smooth and reliable reporting to Council, straight forward and achievable Key Performance Indicators should be included in the TPA.

Questions to Consider:

What aspects of the Tourism Entity budget should the Huntsville Town Council have involvement with:

- Components or content
- Final approval

Should the new 'Tourism Entity' have the ability to provide input on how the Town of Huntsville spends its 30%? If so how should that process take place

How often should the "eligible tourism entity" formally report to Huntsville Town Council, quarterly, semi-annually, yearly?

What type of key performance indicators other than budget reporting to Town Council should be addressed by the entity's reports to Council?

- Website Visits?
- Advertising or Marketing Performance?
- New Products Developed?
- Partnerships Created

Corporation of the Town of Huntsville

Municipal Accommodation Tax Working Group AGENDA

Meeting to be held on **Tuesday, January 29th, 2018 @ 2:00 pm**
Partners Hall – 37 Main St. East.

Present: Scott Aitchison (Mayor, Town of Huntsville), Yvonne Aubichon (Town of Huntsville), Steve Carr (Hotel Association), Derrick Hammond (Town of Huntsville), Kelly Haywood (Huntsville/Lake of Bays Chamber of Commerce), Christine Kropp (Downtown Huntsville BIA), Scott Ovell (Town of Huntsville)

7. Review of Last Meetings Minutes

- a) *Confirmation of key decisions/proposed recommendations –*
Decisions/recommendations Approved
- b) *Approval of Minutes – November 29th, 2018 –* **Minutes Approved**

8. Program Overview Diagram

9. Completed Project Milestones

- c) *Collection Agency -*
- d) *Eligible Tourism Entity By-laws –* **Draft By-Laws presented to working group**

10. Updated Project Timelines

- a) *Future Council Reports*

11. Service Agreement

- a) *Purpose of Service Agreements (SA)*
- b) *Principles of SA*
- c) *Organizational Purpose*
- d) *Relationship between Town of Huntsville and Tourism Entity*
- e) *Corporate Strategy and Policies*
- f) *Use of Public Funds*
- g) *Distribution of Monies to other Agencies*

- Agenda was modified based on input from the working and the first topic addressed was the use of public funds;
- An Overview was provided on why/how these funds need to be viewed as public funds even though they are coming from a private sector source;

- Although discussion took place at the previous meeting questioning the need for Service Agreement all participants concluded that with the amount of money being generated it would be prudent to create an Agreement;
- Town staff provided an overview that they believed the agreement should be focused on the big picture and not delve into the specifics of operations and execution;
- After reviewing the City of London's agreement with Tourism London for the MAT program suggested including the following in the Service Agreement relate to the Use of Funds:
 - **increase visitations to the Town of Huntsville;**
 - **enhance Huntsville's national and international profile;**
 - **support product development and industry growth;**
 - **fund/support bid requirements for major events without additional funding from the Town of Huntsville; and**
 - **to become more competitive with other provincial and national cities in Canada.**
- Discussion then shifted to funding other tourism agencies and after review of the City of London agreement the following principles were suggested to be included in the Service Agreement:
 - **No requirement to partner with any specific organizations; the board should look for partners but should not be required to allocate a specific amount of revenue to partnerships;**
 - **'Tourism Entity' will determine the distribution of funds from the revenue generated to other tourism organizations;**
 - **Development of an open and transparent application and evaluation process to determine successful recipients of funding;**
 - **Creation of service agreements with the tourism organizations that receive funding to ensure funds are spent appropriate; and**
 - **Funding support to be linked to strategic priorities of new 'Tourism Entity'**
- When discussing how the new entity should be engaging with the Town of Huntsville it was agreed that too many reporting requirements to the Town would become administratively onerous and rather proactive communication between parties should be encouraged;
- In addition to this the following principles were identified as needing to be included in the agreement:
 - **A annual presentation will be made to Huntsville Town Council outlining achievements and strategic priorities moving forward;**
 - **Town of Huntsville staff and the 'Tourism Entity' will meet prior to budget submissions to determine if partnerships are available; and**
 - **Appropriate Key Performance Indicators will be created by the Board and presented to Council to measure performance; Allow the board to define what is important for them to measure and what is a realistic indicator of good ROI i.e. room night stays may not be applicable**
- Discussion took place around the standard 'Boiler Plate' components of a Service Agreement and the working group like the overall approach of the City of London's agreement and would leave it to staff to draft the remainder of the document
- The Administrative options for the board were discussed and it was acknowledged there are multiple approaches to take but ultimately the Board of Directors of the new 'Tourism Entity' should have the final say on how they would like to proceed with administration

12. Wrap Up

a) Next Meeting Date – February 12th, 2019 – 2:00 pm – Partners Hall

THIS MUNICIPAL ACCOMMODATION TAX AGREEMENT
made as of the 15 day of October 2018.

BETWEEN:

THE CORPORATION OF THE CITY OF BARRIE
(hereinafter called "the City")

and –

TOURISM BARRIE
(hereinafter called the "TB")

WHEREAS Part XII.1 of the *Municipal Act, 2001* permits the City to impose a transient accommodation tax ("MAT") in respect of the purchase of transient accommodation in the municipality and may enter into agreements with persons or entities to collect the MAT on behalf of the municipality;

AND WHEREAS the Transient Accommodation Tax Regulation 435/17 ("Regulation 435/17") provides that the City shall enter into an agreement respecting financial accountability by the eligible tourism entity receiving the MAT paid by the City, to ensure that amounts paid to the tourism entity are used for the exclusive purpose of promoting tourism;

AND WHEREAS the MAT will be used by the City of Barrie and the eligible tourism entity to mutually develop a long-term vision for tourism that will align with the economic strategy and Council's strategic priorities for the City of Barrie. A Tourism Sector Master Plan will be developed to define the impact, opportunities, business trends and long term vision for growing the tourism sector within the City of Barrie, ensuring the plan aligns with both existing strengths and future tourism opportunities.

AND WHEREAS on June 18th 2018, the Council for the City of Barrie designated Tourism Barrie (TB) as the agent to collect the MAT for the City and further designated Tourism Barrie as the eligible tourism entity which may receive a portion of prescribed MAT revenues pursuant to Regulation 435/17, and City of Barrie By-Law 2018-129.

AND WHEREAS the City, and Tourism Barrie (hereinafter "the Parties"), wish to engage in an agreement to develop and promote Barrie as a tourist destination through the implementation and management of the MAT, as further described in this Agreement, which is a tax levied by the City as permitted by legislative authority from the Province of Ontario;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the covenants and agreements herein contained, each Party hereto agrees with each other Party as follows:

1. **Definitions**

Whenever used in this Agreement, including the recitals set out above, the following words and terms have the meanings set out below:

- a. "Annual MAT Budget" means the annual budget to be prepared by TB as approved by the TB board in consultation with the City, as part of the annual budgeting process , including the marketing funds and operational costs;
- b. "Base Funding Remitted to TB" means the minimum annual amount of funding that must be reallocated to TB as per Reg. 435/17.
- c. "Commencement Date" means January 1, 2019, being the date established by the City on which the application of the MAT to all Room Revenue is effective;
- d. "MAT" means a Municipal Accommodation Tax in an amount equal to four percent (4%) of Room Revenue, subject to exclusions as prescribed by City of Barrie By-Law # 2018-129, attached as Schedule "A", which may be amended by Council from time to time;
- e. "MAT Account" means the account to be established and maintained by TB pursuant to Section 5 of this Agreement;
- f. "Destination Marketing" means the sales and marketing of the City of Barrie as a tourist destination in accordance with a Tourism Sector Master Plan;
- g. "Eligible Accommodator" means the provider of transient accommodation for a continuous period of less than 30 nights provided in a hotel, motel, inn, bed and breakfast, resort, hostel provided within the City of Barrie, unless it is exempt under City of Barrie By-Law # 2018-129;
- h. "Guest(s)" means a guest who purchases a Room from an Eligible Accommodator. For greater certainty, the term "Guest(s)" shall exclude guests who have occupied an Eligible Accommodator 's conference rooms or other facilities but who have not purchased or occupied a Room for overnight accommodation;
- i. "Marketing Fund" means the 50% of the yearly MAT that is reallocated for the specific purpose of sales, marketing and destination development to promote Barrie as a tourist destination;
- j. "Barrie" means that geographic area designated as within the boundaries of the City of Barrie for purposes of charging and collecting a municipal accommodation tax;
- k. "Remittance Form" means the remittance form provided by TB to each Eligible Accommodator , which each Eligible Accommodator shall complete and deliver to TB online or by mail, with the Eligible Accommodator's payment of the MAT;

- l. "Room" shall mean a room which provides overnight accommodation at a Eligible Accommodator's Facility;
- m. "Room Revenue" means the aggregate of the amounts charged to Guest(s) for the use and occupation of rooms for the remittance period in question, excluding no-show revenue, cancellation charges, as well as all taxes and incidental charges incurred at the election of a guest such as charges for food and beverage, in-room movies, telephone, facsimile, internet access, room service, mini-bar charges;
- n. "Taxes" means collectively any applicable harmonized sales tax, a 4% Municipal Accommodation Tax, or any other similar value added tax that may hereafter be imposed by any governmental authority on goods and services;
- o. "Term" means the period commencing on the Commencement Date to October 31, 2021 including the date on which the MAT agreement is otherwise terminated by the City or TB.
- p. Tourism Working Group means the group comprising of; 2 City Councillors, Director of Business Development, Director of Creative Economy, Director of Recreation Services, Director of Finance, a representative from the BIA, 2 representatives from the Hotel Association, 2 representatives from Tourism Barrie and 1 member from the Sports and Tourism Advisory Committee. This group will be involved in the development and implementation of a Tourism Sector Master Plan and assisting Invest Barrie and Tourism Barrie to identify opportunities and initiatives to advance the tourism sector.
- q. The Consumer Price Index (CPI) means the measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

2. Engagement of TB and Payment of MAT

City of Barrie hereby engages TB to administer and enforce the MAT in accordance with the terms of this Agreement. In consideration of the foregoing, commencing on the Commencement Date, and subject only to the exclusion provided for in City of Barrie By-Law #2018-129, each Eligible Accommodator shall pay to TB the MAT thereon in accordance with the provisions of Section 4 of this Agreement. The MAT shall be described as the "Municipal Accommodation Tax" upon all guest invoices and shall be applicable to all Room Revenue generated by each Eligible Accommodator Facility on and after the Commencement Date.

3. Exclusions to MAT

The MAT shall not apply to Room Revenue for thirty consecutive days or greater or any other legislative exclusions as per City of Barrie By-Law #2018-129.

4. MAT Payment/Remittance

- (a) TB shall instruct each Eligible Accommodator to collect the MAT and any applicable tax, effective January 1, 2019 upon all guest invoices, and to remit amounts collected for the remittance period to Tourism Barrie as required below.
- (b) TB shall require Eligible Accommodators to include on every invoice and receipt for the purchase of transient accommodation a separate item for the amount of tax on the transient accommodation imposed on the purchase and to identify this item as "Municipal Accommodation Tax"; and
- (c) TB shall require Eligible Accommodators to submit the Remittance Form which shall include a certification by an officer of the Eligible Accommodator certifying that the Room Revenue for the purposes of calculating the MAT is the same as the Room Revenue which the Eligible Accommodator has used in its calculation of Taxes on Room Revenue for the remittance period; and
- (d) TB shall require Eligible Accommodators to provide a cheque or EFT for the applicable amount of the MAT Remittance owing for the remittance period. The payment of MAT shall be due on the 30th day of the following month. TB may extend in writing the due date permitting quarterly remittance for small Eligible Accommodators with less than 10 rooms or as otherwise approved by the City Treasurer. In the event an Eligible Accommodator fails to make any required payment by the date provided for herein, the provisions of Section 7 will apply.

5. Dedicated Funds/MAT Account

- (a) All monies paid to TB on account of the MAT shall be deposited to the credit of an account (the "MAT Account") in a Canadian chartered bank and shall be segregated and kept separate and apart from other monies belonging to or managed by TB. Any funds disbursed from the MAT Account will be in accordance with this Agreement.
- (b) TB shall maintain proper books and accounts so as to identify the MAT paid by each Eligible Accommodator held in the MAT account as well as details of eligible accommodators that are in arrears.
- (c) TB will provide quarterly reports to the City for reporting purposes, including details of MAT revenues collected, funds disbursed and fund balances on hand as well as details of Eligible Accommodators that are in arrears and other information as required for monitoring collection activity. The City may request additional or more frequent reporting as deemed necessary by the City.
- (d) TB is a "tourism entity" as defined in Regulation 435/17 and will receive 50% of the MAT as outlined in By-Law 2108-129 for the purposes of marketing and destination development. The other 50% collected is the City's portion. Amounts collected by TB will be transferred to the City on or before the end of the month following the Quarterly end on a calendar

- year basis.
- (e) TB will charge an annual service fee not to exceed 2% or \$25K indexed annually to CPI of the total MAT collected per annum.
 - (f) The City will not supplement any MAT funds to be remitted by an Eligible Accommodator to TB that remain unpaid, and will not supplement any reduction in MAT funds as budgeted by TB in any year.
 - (g) TB shall use the MAT only for the purposes of destination marketing which includes TB's reasonable costs incurred in connection with fulfilling its obligations under this Agreement ("Costs"). The amount of the Costs shall be included in the annual MAT budget and may be subject to audit by the City. TB shall maintain proper accounts and records with respect to its administration of the MAT Account including invoices for fees and disbursements debited to the MAT Account as provided for herein.
 - (h) This agreement does not preclude the City of Barrie from entering into MAT Collection Agreements with third party home sharing listing entities. The City of Barrie will retain discretion over how such funds are to be collected and utilized.

6. Audit of MAT remittances

- (a) All Eligible Accommodators are required pursuant to By-Law #2018-129 to maintain all books, records, documents, transactions and accounts with the necessary particulars of sales of accommodation, amount of MAT collected and remitted which shall be available for inspection and audit by TB's designated auditor at the expense of TB or by the City's designated auditor at the expense of the City, with reasonable notice, for the purposes of administering and enforcing the MAT. In the event that such audit reveals that the Eligible Accommodator has failed to remit the correct amount to TB, TB shall provide an invoice to the Eligible Accommodator for payment.

7. Payment Arrears

- (a) TB will administer collection processes and methods as directed by the City Treasurer in order to collect any funds that remain unpaid by Eligible Accommodators; TB shall take all reasonable steps in enforcing the collection of unremitted MAT funds.
- (b) Past due amounts payable by an Eligible Accommodator pursuant to this Agreement shall bear penalties and interest at the rate applicable to property tax arrears. Penalties will be added on the first day of arrears and monthly interest will be charged on the first day of each month thereafter until paid in full.
- (c) Past due MAT and penalties and interest charges shall be deemed by the City Treasurer to be in arrears and may be transferred to the tax collectors' roll of the City to be collected from the Eligible Accommodator in the same manner as municipal property taxes and shall constitute a lien upon the lands. Amounts transferred will continue to incur interest charges as applicable for property tax arrears. Amounts collected by the City and due to TB will be transferred to TB on a quarterly basis.

8. Default

In addition to and not in substitution for any other rights or remedies that the City may have with respect to such matter, in the event any Eligible Accommodator defaults in the performance of any of its obligations pursuant to this Agreement and such default is not remedied within ten (10) business days of written notice of such default:

- (a) The defaulting Eligible Accommodator's rights to membership in TB and to participate in a marketing program shall be suspended until the default has been remedied.

9. Marketing Fund

50% of the total MAT collected will be redirected to TB as the “tourism entity” defined under Regulation 435/17 for marketing and destination development, yearly integrated marketing plan with estimated expenditures will be prepared by TB in consultation. This plan will be required to be developed annually and submitted to the City as part of the annual budgeting process and will include the following:

- a) TB shall maintain a budget and financial records with detailed information on marketing and destination development.
- b) The commitment of Tourism Barrie to support strategic initiatives with the City within the tourism sector in alignment with the Tourism Sector Master Plan once completed.

10. Annual Audit Report

- (a) TB shall undertake an annual audit conducted by a certified public accountant that includes a separate reporting of the MAT Account, including the MAT received by each Eligible Accommodator and remitted to TB; and amounts expended from the MAT account pursuant to . Section 5 of this Agreement. Copies of annual audit reports will be provided to the City by end of the second quarter of the following year.
- (b) Throughout the Term of this Agreement, TB shall maintain their books, records, documents, transactions and accounts associated with the MAT, available for inspection and audit by the City with reasonable written notice. Such audits shall be at the expense of the City.

11. Indemnification

- a. TB indemnify and save harmless the City from any demands from taxation authorities for taxes to be remitted by TB respectively arising from their activities associated with the MAT funds.
- b. TB shall not be liable to the City for any unremitted MAT funds owed by Eligible Accommodators that remain unpaid.

12. Confidentiality

Any confidential business information of an Eligible Accommodator received by the Parties Specifically through MAT procedures from an Eligible Accommodator, such as pricing and cost information, shall be kept confidential by the Parties and shall be used only for the purposes of this Agreement. Any such confidential business information shall not be shared with other Eligible Accommodators and shall be kept by TB in separate segregated confidential files for each Eligible Accommodator. The City is subject to the *Municipal Freedom of Information and Protection of Privacy Act*; information held by or on behalf of the City shall be administered in accordance with the Act.

No party to this Agreement may assign this Agreement without the prior written consent of all of the other parties.

This Agreement shall ensure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto.

13. Each of the Parties shall promptly do, make, execute, deliver, or cause to be done, all such further acts, documents and things as the other Parties may reasonably require for the purpose of giving effect to this Agreement.
14. Time shall be of the essence in this Agreement.
15. Rights and obligations under this Agreement which by their nature should survive will remain in effect after termination or expiration hereof.
16. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

17. Termination

- a. This Agreement may be terminated by TB and the City upon a minimum of one hundred and eighty (180) days-notice to all parties to this Agreement.
- b. All parties may terminate this Agreement in the event of default by any party, and such default not being remedied within the time prescribed (30 days) in a written notice.
- c. All parties may terminate the agreement immediately in the event of insolvency or bankruptcy of another party.

18. Rights on Termination

On the termination of this Agreement, TB shall prepare a final audit report and transfer any unused MAT funds to the City. The City may authorize disbursements of the MAT funds at the City's discretion pursuant to Regulation 435/17 for commitments made by TB in association with the MAT funds up to the date of termination.

19. Notices

Any notice, payment or other communication required or permitted to be given under this Agreement shall be in writing and shall be sufficiently given if delivered in person or by mailing by prepaid registered post, or by e-mail. All such notices shall be deemed to have been delivered to and received by the addressee: (a) on the date of receipt if delivered in person or by prepaid registered post; or (b) received on the date of its transmission, if delivered by e-mail, provided that if such day is not a business day or if it is received after the end of normal business hours on the date of its transmission then it shall be deemed to have been given and received at the opening of business in the office of the addressee on the first business day next following the transmission thereof if delivered by e-mail.

20. Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

21. Severability. Remedies. Waiver

In the event that any one or more provisions contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The remedies contained herein are cumulative and in addition to any other remedies at law or equity. Failure to enforce, or waiver of a breach of, any provision contained herein shall not constitute a waiver of any other breach of such provision.

22. Entire Agreement

This is the complete and exclusive statement of the contract between the Parties and this agreement replaces and supersedes any other agreement among the Parties with respect to the subject matter hereof with effect as and from the Effective Date. Any undisbursed funds received by, paid to or held by TB under any prior agreement shall be held separately and managed in accordance with the terms of that prior Agreement. No waiver, consent, modification, amendment or change of the terms contained herein shall be binding unless in writing and signed by all Parties hereto. In case of a conflict between the terms and conditions on the face of this document and the terms and conditions contained on any invoice or other documents, the terms and conditions of this Agreement shall control.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective officers duly authorized in that behalf on the date below indicated.

SIGNED, SEALED AND DELIVERED

The Corporation of the City of Barrie

Date:

Tourism Barrie

Date:

SCHEDULE "A"

Draft By-Law

BY-LAW NO. 2018-129

A by-law of the City of Barrie to establish a Municipal Accommodation Tax.

WHEREAS the City may, by by-law, impose a tax in respect of the purchase of transient accommodation in the municipality in accordance with Part XII.1 of the *Municipal Act*, 2001, S.O. 2001, Chapter 25, as amended, and the Transient Accommodation Tax Regulation 435/17;

AND WHEREAS at its meeting of DATE, 2018, Barrie City Council approved the establishment of the transient accommodation tax to be imposed on the purchase of accommodations of short duration within the City of Barrie, which will generate revenue which may be shared with designated non-profit entities who promote local tourism as further described in Regulation 435/17;

THEREFORE the Council of the City of Barrie enacts as follows:

Application of Tax

1. (1) A purchaser shall, at the time of purchasing accommodation, pay an accommodation tax in the amount of four percent of the purchase price of the accommodation provided for a continuous period of less than 30 nights provided in a hotel, motel, or inn.
- (2) A provider of transient accommodation shall include on every invoice or receipt for the purchase of transient accommodation a separate item for the amount of tax on transient accommodation imposed on the purchase, and the item shall be identified as "Municipal Accommodation Tax".

Exemptions

2. (1) The municipal accommodation tax imposed by subsection 1(1) does not apply to:
 - (a) The Crown, every agency of the Crown in right of Ontario and every authority, board, commission, corporation, office, or organization of persons a majority of whose directors, members or officers are appointed or chosen by or under the authority of the Lieutenant Governor in Council or a member of the Executive Council;
 - (b) Every board as defined in subsection 1(1) of the *Education Act*;
 - (c) Every university in Ontario and every college of applied arts and technology and post-secondary institution in Ontario whether or not affiliated with a university, the enrolments of which are counted for the purposes of calculating annual operating grants entitlements from the Crown on accommodations provided to students while the student is registered at and attending the institution;
 - (d) Every hospital referred to in the list of hospitals and their grades and classifications maintained by the minister of Health and Long-Term Care under the *Public Hospitals Act* and every private hospital operated under the authority of a license issued under the *Private Hospitals Act*;
 - (e) Every long-term care home as defined in subsection 2(1) of the *Long-Term Care Homes Act, 2007*, retirement home and hospices;

- (f) Every treatment centre that receives provincial aid under the *Ministry of Community and Social Services Act*;
- (g) Every house of refuge, or lodging for the reformation of offenders; REPORT TO THE FINANCE AND CORPORATE SERVICES COMMITTEE Page: 16 File: Pending #: P2/17 & P2/18
- (h) Every charitable, non-profit philanthropic corporation organized as shelters for the relief of the poor or for emergency;
- (i) Short-term shelter accommodation provided by City or its agencies at contracted hotels or motels;
- (j) Every tent or trailer site(s) supplied by a campground, tourist camp or trailer park;
- (k) Every accommodation supplied by employees to their employees in premises operated by the employer; and
- (l) Every hospitality room in an establishment that does not contain a bed and is used for displaying merchandise, holding meetings, or entertaining.

TAX COLLECTED BY SERVICE PROVIDER

- 3. (1) Providers of transient accommodation shall include on every invoice or receipt for the purchase of transient accommodation a separate item identified as "Municipal Accommodation Tax" for the amount of MAT imposed on the purchase.
- (2) Providers of transient accommodation shall collect the MAT from the purchaser at the time the accommodation is purchased and shall remit the MAT to the tax collection agents designated by the municipality pursuant to section 4 within the time prescribed in any MAT notice and shall include monthly statements in the form required by the tax collection agents detailing the number of rooms sold, purchase price and levy collected.

AGENT TAX COLLECTORS

- 4. (1) The collection and administration of taxes to be remitted by providers of transient accommodation, pursuant to section 3, shall be collected by Tourism Barrie, as agents for the municipality, who shall collect the MAT from providers of transient accommodation providers.
- (2) The Mayor and City Manager may designate additional tax collection agents for the municipality and enter into agreements with designated collection agents in consultation with the City Clerk, Director of Finance and Director of Legal Services.

PENALTIES AND INTEREST

- 5. (1) Penalties and interest at the rate applicable to overdue property taxes shall be payable by the providers of transient accommodation on the non-payment of the full amount of the MAT by the due date set out in the notice, and interest may be added on the first day of default and on each month thereafter in which the default continues.

LIENS

- 6. (1) All MAT penalties and interest that are past due shall be deemed by the City Treasurer to be in arrears, and shall be transferred to the tax collectors' roll of the City to be collected in the same manner as municipal property taxes and shall constitute a lien upon the lands.

AUDIT AND INSPECTION

7. (1) Every transient accommodation service provider shall keep books of account, records, and documents sufficient to furnish the City and its designated tax collectors with the necessary particulars of sales of accommodation, amount of levy collected and remittance.

(2) The City's tax collectors designated pursuant to section 4 may inspect and audit all books, documents, transactions and accounts of transient accommodation providers and require transient accommodation providers to produce copies of any documents or records required for the purposes of administering and enforcing this by-law, as required.

OFFENCE AND PENALTIES

8. (1) Every person who contravenes any provision of this by-law is guilty of an offence as provided for in subsection 429(1) of the *Municipal Act, 2001*, and all such offences are designated as continuing offences as provided for in subsection 429(2)(a) of the *Municipal Act, 2001*.

(2) A person who is convicted of an offence under this by-law is liable, to a minimum fine of \$500.00 and a maximum fine of \$100,000 as provided for in subsection 429(3), paragraph 1 of the *Municipal Act, 2001*.

(3) A person who is convicted of an offence under this by-law is liable, for each day or part of a day that the offence continues, to a minimum fine of \$500.00 and a maximum fine of \$10,000.00 and the total of all of the daily fines for the offence is not limited to \$100,000, as provided for in subsection 429(3) paragraph 2 of the *Municipal Act, 2001*.

(4) When a person has been convicted of an offence under this by-law, the Superior Court of Justice or any court of competent jurisdiction thereafter may, in addition to any penalty imposed on the person convicted, issue an order:

(a) prohibiting the continuation or repetition of the offence by the person convicted; and

(b) requiring the person convicted to correct the contravention in the manner and within the period that the court considers appropriate.

FORCE AND EFFECT

9. (1) That this by-law shall come into force and effect on January 1st, 2019.

APPENDIX C

By-law to Authorize an Agreement between the City and Tourism London Regarding the Distribution and Use of Municipal Accommodation Tax Revenues

Bill No.

By-law No.

A By-law to authorize an Agreement between the Corporation of the City of London and Tourism London; and to authorize the Mayor and City Clerk to execute the Agreement.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the "City") to enter into an Agreement with the Tourism London regarding the distribution and use of funding generated from the Municipal Accommodation Tax, (the "Agreement");

AND WHEREAS it is appropriate to authorize the Mayor and City Clerk to execute the Agreement on behalf of the City;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Agreement attached as Schedule "1" to this By-law, being an Agreement between the City and Tourism London is hereby AUTHORIZED AND APPROVED.
2. The Mayor and City Clerk are authorized to execute the Agreement authorized and approved under section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2018

Matt Brown
Mayor

Cathy Saunders
City Clerk

Schedule 1

Municipal Accommodation Tax Financial Accountability Agreement

This Municipal Accommodation Tax Financial Accountability Agreement (“Agreement”) dated this ____ day , 2018 between The Corporation of the City of London (“City”) and Tourism London.

WHEREAS the City has passed a by-law imposing a Municipal Accommodation Tax (“MAT”) pursuant to section 400.1 of the *Municipal Act*, 2001.

WHEREAS O.Reg. 435/17 requires a municipality collecting a Municipal Accommodation Tax to make payments to an eligible tourism entity;

WHEREAS the objective of Tourism London is to promote the City of London as the tourism and meeting destination of choice.

WHEREAS O. Reg. 435/17 requires a municipality and eligible tourism entity to enter into an agreement respecting reasonable financial accountability.

NOW THEREFORE THE AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements set forth, the parties covenant and agree, to and with each other, as follows:

Definitions

“MAT” means the Municipal Accommodation Tax, as defined in the Municipal Accommodation Tax By-law.

MAT

1. Fifty percent (50%) of the net proceeds of the Municipal Accommodation Tax shall be deposited into a fund controlled by Tourism London (the “Fund”).

Use of the Monies in the Fund

2. The monies in the Fund shall be used by Tourism London for:
 - a. Expansion opportunities for Tourism London’s three business units: Sports, Conventions and Leisure Travel (Culture & Entertainment);
 - b. The pursuit of the following objectives and outcomes:
 - i. increase visitations to the City of London;
 - ii. enhance London’s national and international profile;
 - iii. support product development and industry growth;
 - iv. fund bid requirements for major events without additional funding from the City of London; and
 - v. to become more competitive with other provincial and national cities in Canada.

Distribution of Monies from the Fund to Other Tourism Related Entities

3. Tourism London shall establish relationships with other tourism related entities in the City of London for the promotion of tourism in the City of London.
4. The Tourism London Board will determine the distribution of funds from the Fund to other tourism related entities.
5. The Tourism London Board must approve the associated business and strategic marketing plans of these entities in the City prior to distribution of any funds to ensure that the funds will be used for the promotion and development of tourism in the City of London.
6. The Tourism London Board will enter into an agreement to ensure reasonable financial accountability with each tourism related entity that receives money from the Fund.

Management Committee

7. A Management Committee consisting of members of the Tourism London Board shall oversee the following:
 - i. The collection, disbursement and accounting of the Fund in consultation with City administration.
 - ii. The review and approval of all expenditures from the Fund.
 - iii. The preparation a quarterly report to the Board on expenditures from the Fund.
 - iv. The development of a funding allocation plan in support of Tourism London's strategic marketing plan.
 - v. The preparation of an annual report to City administration and Tourism London members on expenditures and initiatives that have received monies from the Fund.
 - vi. The hiring of professionals (e.g. auditors, lawyers) as required to assist in the management of the Fund.
 - vii. The endorsement and establishment of priorities to generate incremental business and approve the application of funds.
 - viii. The establishment of geographic priorities.

Tourism London Board

8. The Tourism London Board will provide an annual audited statement of the Fund to the City as part of the audited financial statements submitted annually by Tourism London to the City.

Indemnification

9. Tourism London shall indemnify and save harmless the City, its officers, employees and agents from and against all claims, demands, losses, costs, damages, actions, suits or other proceedings by whomsoever made, sustained brought or prosecuted, in any manner arising from any wilful or negligent act, or attributable to anything done or omitted to be done by Tourism London, its directors, officers, employees or agents arising from or pertaining to the receipt, disposition or refunding of the monies payable under this Agreement.

Release

10. Tourism London on behalf of itself, its officers and employees releases the City, its officers and employees and their respective heirs, executors, administrators, successors from and against all claims, actions, causes of action, suits, debts, dues, accounts, contracts, demands, costs, expenses, damages, liabilities or other obligations whatsoever and from and against all liabilities, losses, damages, costs, charges, court costs, legal fees on a solicitor and its own client basis, and other expenses of any nature whatsoever which Tourism London, its officers and employees may now have or hereafter can, shall or may have against the Corporation and its representative arising from or pertaining to the making or refunding of the monies payable under this agreement.

Financial Records

11. Tourism London shall keep separate financial records for all amounts incurred, claimed, paid and received and shall retain and preserve all documents, contracts, records, claims and accounts that relate thereto for a period of four years for the Fund.

Inspection of Financial Records and Documents

12. If the City has reasonable grounds for believing that any amount included in any preceding payment has not been expended in accordance with this agreement, Tourism London shall, upon reasonable notice from the City, make available at all reasonable times, and without expense to the City all such documents, contracts, records, claims and accounts for inspection and audit by the City or its auditors.

Provision of Information

13. Upon written request from the City, Tourism London shall provide the City, without expense to it, any information which is available to Tourism London with respect to its annual budget or financial statements.

Return of Payments

14. If the City, during its inspection or audit of any of such documents, contracts, records, claims and accounts determines that any payment made by the City to the Fund has been used by Tourism London for any purpose other than specified in the herein agreement, Tourism London, shall immediately upon request from the City, remit the amounts requested back to the Fund.

Default

15. The following constitute events of default, the proof of which to the contrary lies upon Tourism London:

- (1) Tourism London becomes bankrupt or insolvent, goes into receivership, or takes the benefit of any statute from time to time being enforced relating to bankrupt or insolvent debtors;
- (2) An order is made or resolution passed for the winding up or for the surrender of the charter of Tourism London, it forfeits its charter, or it is dissolved;
- (3) Tourism London ceases actual *bona fide* operation for a period of 30 days;
- (4) Tourism London has knowingly submitted false or misleading information to the City; and
- (5) Tourism London is in breach of the performance of, or compliance with, any term, condition or obligation on its part to be observed or performed hereunder.

Remedies on Default

16. If,

- (1) An event of default as specified in sub articles 15(1), (2), (3), or (4) occurs; or
- (2) An event of default specified in sub article 15(5) occurs and is not remedied within 10 business days after receipt by Tourism London of notice of default, or a plan satisfactory to the City to remedy such event of default is not implemented within such period and fully and diligently carried out,

The City may exercise either or both of the following remedies, in addition to any remedies otherwise available in this agreement or at law, namely:

- (i) Terminate forthwith any obligation by the City to make payments under this agreement; and
- (ii) Require Tourism London to pay all or part of the payment at issue forthwith to the City.

Interim of Suspension of Payment

17. In the event that the City gives Tourism London notice of default, the City shall have no obligation to make any further payments under this agreement prior to the end of the period given to Tourism London to remedy the event of default.

Waiver of Breach

18. In the event of a breach of any provision of this agreement by one party, no action or failure to act by the other party shall constitute a waiver of any right or duty afforded by that party under this agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any such breach, except as may be specifically agreed to in writing.

Termination

19. This agreement shall terminate upon the happening of one of the following events, whichever occurs first:

- (1) An event of default of sub article 15(1), (2), (3), or (4) occurs;
- (2) Notice of termination is given to Tourism London by the City for the failure of Tourism London to remedy, pursuant to article 16, an event of default specified in sub article 15(5);
- (3) The enabling statutory authority for the Municipal Accommodation Tax is repealed or rescinded so as to substantially limit or deprive the City of the ability to collect the Municipal Accommodation Tax;

- (4) The City and Tourism London agree in writing at any time to the termination of this agreement.
- (5) The City gives Tourism London 90 days' notice of its intention to terminate this agreement.
- (6) Upon termination of this agreement, the Fund balance, less legal and binding commitments will revert back to the City for distribution to another tourism related entity.

Severability of Provisions

20. If any of the provisions of this agreement shall be found to be illegal or invalid, such illegality or invalidity, does not render the whole agreement illegal or invalid, but the agreement shall be construed as if it did not contain the illegal or invalid provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly.

Relationship

21. Nothing in this agreement shall constitute Tourism London a local board of the City, or constitute the City and Tourism London general partners or joint ventures, or constitute either the City or Tourism London the agent of the other, or be deemed to authorize the City or Tourism London to contract for or incur any obligation on behalf of the other.

Confidentiality

22. For the purposes of the *Municipal Freedom of Information and Protection of Privacy Act*, the City's access to information hereunder is subject to Tourism London's assertion at all material times that all such documents, contracts, records, claims, and accounts are supplied to the City in confidence.

Assignment

23. Tourism London shall not assign all or any part of its rights or obligations under this agreement to a third party without the City's written consent.

Duration of Agreement

24. This agreement commences on the date hereof and
- (1) Continues in full force and effect for a period of two (2) years, subject to earlier termination of this agreement as provided herein, and
 - (2) At the end of such two year period, if this agreement has not been terminated prior thereto, continues in full force and effect thereafter from year to year, subject to termination during any such year as provided herein.

IN WITNESS WHEREOF the City and Tourism London have hereunto affixed their respective corporate seals, attested by the hands of their respective officers duly authorized in that behalf.

THE CORPORATION OF THE CITY OF LONDON

Per: _____

TOURISM LONDON

Per: _____

THIS AGREEMENT made this 1st day of January, 2015.

PERFORMANCE AND ACCOUNTABILITY AGREEMENT

BETWEEN:

THE DISTRICT MUNICIPALITY OF MUSKOKA

hereinafter referred to as the
"District of Muskoka"

- and -

MUSKOKA TOURISM MARKETING AGENCY

hereinafter referred to as the
"MTMA"

WHEREAS the District of Muskoka created the MTMA in 1985 to function as a regional tourism and marketing agency in the District of Muskoka;

AND WHEREAS since its inception, the MTMA has been the recipient of funding from the District of Muskoka to assist the MTMA in its delivery of tourism and marketing initiatives;

AND WHEREAS the District of Muskoka wishes to continue to provide financial assistance to the MTMA for a one (1) year period, subject to a Performance and Accountability Agreement ("Agreement"), with options for renewal;

AND WHEREAS this Agreement is the instrument under which the District of Muskoka's funding contribution shall be made and performance and accountability indicators established;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Parties agree as follows:

1. DEFINITIONS

1.1 When used in this Agreement, the following terms shall have the meanings ascribed to them below:

- (a) "Event of Default" has the meaning ascribed to it in section 17.1;
- (b) "Fiscal Year" means the period commencing on January 1, 2015 and ending on December 31, 2015;
- (c) "Funding" means the funds available to the MTMA pursuant to this Agreement;
- (d) "Notice" means any communication given or required to be given pursuant to this Agreement;
- (e) "Parties" means the District of Muskoka and the MTMA;
- (f) "Party" means either the District of Muskoka or the MTMA, as the context requires;
- (g) "Schedules" means schedules to this Agreement consisting of:
 - (i) Schedule "A" – MTMA Key Performance Indicators ("KPIs"); and
 - (ii) Schedule "B" – MTMA Reporting Requirements.

2. TERM OF THE AGREEMENT AND RENEWAL

- 2.1 This Agreement comes into force on January 1, 2015 ("Effective Date") and ends on December 31, 2015 unless terminated earlier in accordance with the provisions contained herein. All expenses must be incurred between January 1, 2015 and December 31, 2015.
- 2.2 This Agreement may be renewed for two (2) further terms of one (1) year, upon the MTMA giving one hundred and twenty days (120 days) written notice to the District of Muskoka and subject to the approval of Muskoka District Council, on the same terms and conditions subject to the terms of paragraph 8, possible variations in funding levels, as approved by Muskoka District Council, and such further terms and conditions as Muskoka District Council may impose in its sole discretion.

3. FUNDING

- 3.1 The District of Muskoka agrees, subject to the terms of this Agreement, to provide to the MTMA Funding in the amount of **\$301,945.00**.
- 3.2 Despite section 3.1, the MTMA specifically acknowledges and agrees that:
 - (a) upon reasonable notice and in its sole and absolute discretion, the District of Muskoka may alter or reduce the amount of Funding made available to the MTMA. In making a decision to alter or reduce Funding, the District of Muskoka may consider factors including but not limited to the reporting provided to the District of Muskoka by the MTMA pursuant to this Agreement, the MTMA's performance as measured by the Key Performance Indicators ("KPIs") set out in Schedule "A" of this Agreement, or any material change to the MTMA's method of delivery of service;
 - (b) upon reasonable notice, the District of Muskoka may alter or reduce the amount of Funding made available to the MTMA due to budgetary constraints imposed on the District of Muskoka by Muskoka District Council;
 - (c) the District of Muskoka shall not provide Funding installments unless it is satisfied, in its sole and absolute discretion, with the MTMA's performance as measured by the KPIs set out in Schedule "A" and reporting requirements in Schedule "B" of this Agreement; and
 - (d) all Funding is subject to the approval of Muskoka District Council and may change.
- 3.3 Subject to section 3.2 herein, the District of Muskoka will disburse the Funding to the MTMA on a quarterly basis on the following dates: December 30, 2014, March 27, 2015, June 26, 2015 and September 25, 2015. The MTMA acknowledges having received payment for the first quarter on December 30, 2014.

4. USE OF FUNDING

- 4.1 The MTMA shall only use the Funding:
 - (a) for expenses related to the Board-approved MTMA annual operational plan, for purposes directly associated with the MTMA's delivery of tourism and marketing initiatives;
 - (b) to create and implement measurement programs and tools for the KPIs set out in Schedule "A" of this Agreement;
 - (c) in accordance with the terms and conditions of this Agreement; and
 - (d) in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of MTMA operations and initiatives.

5. ACQUISITION OF GOODS AND SERVICES

- 5.1 The MTMA shall acquire all supplies, equipment and services, paid for by the Funding through an appropriate competitive process. Where the purchase price exceeds \$10,000.00 and where an existing vendor procured through a competitive process satisfactory to the MTMA does not exist, at a minimum at least three (3) written quotes will be obtained unless it can be demonstrated that the supplies, equipment or services to be purchased are specialized and are not readily available.
- 5.2 In carrying out a competitive process, the MTMA shall:
- (a) develop a clear description of the product/service which includes sufficient details concerning the requirements; and
 - (b) apply consistent, transparent and objective evaluation criteria.

6. CONFLICT OF INTEREST

- 6.1 The MTMA shall use the Funding in a manner that no person associated with the MTMA in any capacity will have a potential or actual conflict of interest and shall at all times comply with the MTMA's conflict of interest policy.
- 6.2 A conflict of interest includes a situation in which a person associated with the MTMA or any member of his or her family is able to benefit financially from his or her involvement in MTMA initiatives. Nothing in this section prevents the MTMA from reimbursing volunteers for their reasonable out of pocket expenses incurred in connection with the MTMA initiatives.

7. REPRESENTATIONS, WARRANTIES AND COVENANTS

- 7.1 The MTMA represents, warrants and covenants that:
- (a) it is, and shall continue to be for the term of this Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
 - (b) it has, and shall continue to have for the term of the Agreement, the experience and expertise necessary to carry out its obligations under this Agreement; and
 - (c) it shall provide a minimum of sixty (60) days written notice to the District of Muskoka of any material change to the MTMA's method of delivery of service.
- 7.2 The MTMA represents and warrants that:
- (a) it has the full power and authority to enter into the Agreement; and
 - (b) it has taken all necessary actions to authorize the execution of the Agreement.
- 7.3 The MTMA represents, warrants and covenants that it has, and shall maintain, in writing, for the period during which the Agreement is in effect:
- (a) procedures to enable the successful fulfillment of KPIs as set out in Schedule "A" herein;
 - (b) procedures to enable the preparation and delivery of all reports required pursuant to section 9 and Schedule "B" herein;
 - (c) a code of conduct and ethical responsibilities for all persons at all levels of the MTMA's organization;

- (d) decision-making mechanisms;
- (e) procedures to provide for the prudent and effective management of all Funding, including but not limited to, monitoring, accounting and reporting practices as required pursuant to this Agreement;
- (f) a conflict of interest policy; and
- (g) procedures to deal with such other matters as the MTMA considers necessary to ensure that the MTMA carries out its obligations under the Agreement.

8. FURTHER CONDITIONS AND ACKNOWLEDGMENTS

- 8.1 The MTMA acknowledges and agrees that the District of Muskoka may, acting reasonably, impose further terms and conditions on the use of the Funding that it considers appropriate for the proper expenditure and management of the Funding and the successful fulfillment of KPIs.
- 8.2 The MTMA further acknowledges and agrees that the District of Muskoka may amend the KPI targets, measurements and evaluators as set out in Schedule "A".
- 8.3 Notwithstanding the generality of sections 8.1 and 8.2, The Parties acknowledge that the first year of the Agreement will establish baseline information for determining KPI targets, measurements and evaluators in subsequent years, if the Agreement is renewed pursuant to section 2.2.
- 8.4 The MTMA and the District of Muskoka acknowledge and agree that:
 - (a) the MTMA Board of Directors is responsible for establishing policies, priorities and programs for the MTMA. An annual Board approved operational plan will guide the activities of the MTMA and a copy of this plan will be provided to the District of Muskoka; and
 - (b) at the MTMA Board level, two elected Officials from the District will continue to play a role in decision-making, one of whom will also be part of the MTMA Executive. In addition, senior management staff from the District will continue to play an advisory role to the MTMA Board.

9. REPORTING, ACCOUNTING AND RECORD MAINTENANCE

- 9.1 The MTMA shall:
 - (a) submit to the District of Muskoka all reports in accordance with the timelines and content requirements set out in Schedule "B" herein;
 - (b) submit to the District of Muskoka such other reports as the District of Muskoka may require from time to time;
 - (c) deliver all reports in a form (or following templates or guidelines) satisfactory to the District of Muskoka, as may be communicated by the District of Muskoka from time to time;
 - (d) ensure that all reports and other reports are completed to the satisfaction of the District of Muskoka; and
 - (e) ensure that all reports and other reports are signed on behalf of the MTMA by an authorized signing officer.
- 9.2 The MTMA shall keep and maintain:
 - (a) all financial records, invoices and other financially-related documents relating to the Funding or otherwise to MTMA operations in a manner consistent with generally accepted accounting principles and clerical

practices and will maintain such records and keep them available for review or investigation by the District of Muskoka for a period of seven (7) years from the date of the expiry or termination of this Agreement; and

- (b) all non-financial documents and records relating to the Funding or otherwise to MTMA operations in a confidential manner consistent with all applicable law.
- 9.3 The District of Muskoka, its authorized representatives or an independent auditor identified by the District of Muskoka may, at its own expense, upon twenty-four (24) hours' Notice to the MTMA and during normal business hours enter upon the MTMA's premises to review MTMA operations and the MTMA's expenditure of the Funding and, for these purposes, the District of Muskoka, its authorized representatives or an independent auditor identified by the District of Muskoka may;
- (a) inspect and copy the records and documents referred to in section 9.2; and
 - (b) conduct a full or partial audit or investigation of the MTMA in respect of the expenditure of the Funding and/or MTMA operations.
- 9.4 To assist in respect of the rights set out in section 9.3, the MTMA shall disclose any information requested by the District of Muskoka, its authorized representatives or an independent auditor identified by the District of Muskoka, and shall do so in a form requested by the District of Muskoka, as the case may be.
- 9.5 No provision of the Agreement shall be construed so as to give the District of Muskoka any control whatsoever over the MTMA's records.
- 9.6 The MTMA agrees to cooperate with the District of Muskoka in respect of the exercise of the District of Muskoka's rights set out in section 9.3, and the MTMA will provide any information in respect of the Funding or MTMA operations that the District of Muskoka may reasonably request.

10. ACKNOWLEDGMENT

- 10.1 Unless otherwise directed by the District of Muskoka, the MTMA shall, in a form approved by the District of Muskoka, acknowledge the support of the District of Muskoka in any publication of any kind, written or oral, relating to MTMA tourism and marketing initiatives.

11. FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 11.1 The MTMA acknowledges that the District of Muskoka is bound by the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. 56. ("MFFIPA") and that any information provided to the District of Muskoka in connection with the MTMA or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

12. INDEPENDENT PARTIES

- 12.1 The MTMA acknowledges that it is not an agent, joint venturer, partner or employee of the District of Muskoka, and the MTMA shall not take any actions that could establish or imply such a relationship.

13. LIMITATION OF LIABILITY

- 13.1 The District of Muskoka, and its respective officers, employees and agents, will not be liable to the MTMA, its subcontractors or its respective directors, officers, agents, employees, partners, affiliates, volunteers or independent contractors for any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other

proceedings by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Funding or the Agreement.

14. INDEMNITY

14.1 The MTMA hereby agrees to indemnify and hold harmless the District of Muskoka from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Funding or the Agreement.

15. INSURANCE

15.1 The MTMA hereby agrees to put in effect and maintain insurance for the terms of this Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary insurance that is appropriate for a prudent person in the business of the MTMA would maintain including, but not limited to, the commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy is to include the following clauses:

- (i) the District of Muskoka as an additional insured with respect to liability arising in the course of performance of the MTMA's obligations under, or otherwise in connection with, this Agreement;
- (ii) cross-liability clause;
- (iii) contractual liability coverage; and
- (iv) thirty (30) day written notice of cancellation, termination or material change.

15.2 Upon request of the District of Muskoka, the MTMA will provide the District of Muskoka with a valid Certificate of Insurance that confirms the above requirements. The MTMA will provide the District of Muskoka with a copy of the policy and any renewal replacement certificates as may be necessary.

16. TERMINATION FOR CONVENIENCE

16.1 The District of Muskoka may terminate this Agreement at any time upon giving at least ninety (90) days notice to the MTMA.

17. EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

17.1 Each of the following events shall constitute an Event of Default:

- (a) if in the sole opinion of the District of Muskoka, the MTMA breaches any representation, warranty, covenant or other material term of the Agreement, including failing to use or spend Funding in accordance with this Agreement;
- (b) if in the sole opinion of the District of Muskoka, the MTMA fails to provide reports as required pursuant to section 9.1 or Schedule "B" of this Agreement, including any reporting requirements with respect to KPIs;
- (c) if in the sole opinion of the District of Muskoka, the MTMA has knowingly provided false or misleading information regarding the Funding or in any other communication with the District of Muskoka;

- (d) if in the sole opinion of the District of Muskoka, there has been a material change to the MTMA's method of delivery of service;
- (e) if the MTMA makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver, or
- (f) if the MTMA ceases to carry on business or operate.

17.2 If an Event of Default occurs, the District of Muskoka may, at any time, in its sole discretion, take one or more of the following actions:

- (a) initiate any action the District of Muskoka considers necessary in order to facilitate the successful continuation or completion of MTMA initiatives;
- (b) provide the MTMA with an opportunity to remedy the Event of Default;
- (c) suspend payment of any Funding for such period as the District of Muskoka determines appropriate;
- (d) reduce the amount of the Funding;
- (e) cancel all further installments of Funding;
- (f) demand the repayment of any Funding remaining in the possession or under the control of the MTMA;
- (g) demand the repayment of an amount equal to any Funding the MTMA used, but did not use in accordance with the Agreement;
- (h) demand the repayment of any Funding remaining in the possession or under the control of the MTMA or where Funding has been used contrary to the purposes of this Agreement as set out pursuant to section 4.1 herein, all of it;

and/or

- (i) terminate the Agreement at any time, including immediately, upon giving Notice to the MTMA.

17.3 If, in accordance with section 17.2(b), the District of Muskoka provides the MTMA with an opportunity to remedy the Event of Default, the District of Muskoka shall provide Notice to the MTMA of:

- (a) the particulars of the Event of Default; and
- (b) the period of time within which the MTMA is required to remedy the Event of Default, which period of time shall not be less than seven (7) days, save and except for an event described in section 9.3 herein.

17.4 If the District of Muskoka has provided the MTMA with an opportunity to remedy the Event of Default pursuant to section 17.2(b), and:

- (a) the MTMA does not remedy the Event of Default within the time period provided by the District of Muskoka pursuant to section 17.3;
- (b) it becomes apparent to the District of Muskoka that the MTMA cannot completely remedy the Event of Default within the said time period; or
- (c) the MTMA is not proceeding to remedy the Event of Default in a way that is satisfactory to the District of Muskoka,

the District of Muskoka may extend the period of time within which the MTMA is required to remedy the Event of Default, or initiate any one (1) or more of the other actions provided for in sections 17.2.

17.5 Termination under this section shall take effect as set out in the Notice.

18. FUNDING UPON TERMINATION

18.1 Upon termination of this Agreement pursuant to section 16 herein, the District of Muskoka:

- (a) shall cancel all further Funding installments; and/or
- (b) may demand the repayment of any Funding remaining in the possession or under the control of the MTMA.

19. REPAYMENT OF FUNDING

19.1 If the District of Muskoka demands the payment by the MTMA of any Funding or interest on the Funding pursuant to this Agreement, the amount demanded will be deemed to be a debt due and owing to the District of Muskoka by the MTMA, and the MTMA will pay the amount to the District of Muskoka immediately unless the District of Muskoka directs otherwise.

19.2 The District of Muskoka may charge the MTMA interest on any amount owing by the MTMA at the then current interest rate charged by the District of Muskoka on accounts receivable.

19.3 The MTMA shall pay the amount demanded by cheque payable to The District Municipality of Muskoka.

19.4 The MTMA agrees that any part of the Funding that has not been used or accounted for by the MTMA by the time this Agreement expires or is terminated will be used only for the purposes agreed upon by the District of Muskoka or will be returned to the District of Muskoka immediately on the written request of the District of Muskoka.

20. DISPUTE RESOLUTION

20.1 If any difference of opinion or dispute shall arise between the parties hereto in the interpretation or carrying out, of this Agreement, or any of its provisions, the Parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, open and timely disclosure of relevant facts, information and documents to facilitate these negotiations.

20.2 If the difference of opinion or dispute is not satisfactorily resolved through negotiation, the parties may invoke rights to arbitration, by giving notice to the other party. The arbitrator shall be mutually agreed upon by the parties and shall have significant experience in municipal matters. Failing agreement, the parties will proceed to have an arbitrator appointed by the Court.

20.3 The parties shall share the costs of the arbitrator equally. The arbitrator may, in their decision, award reasonable costs related to the arbitration and the arbitrator's decision and any award of costs shall be final and binding.

20.4 The MTMA shall continue to perform its obligations pursuant to this Agreement notwithstanding any dispute between the parties.

21. NOTICE

21.1 Notice shall be in writing and shall be delivered personally or by pre-paid courier, or sent by e-mail, fax, certified or registered mail or postage-prepaid mail with receipt notification requested and shall be addressed to the District of Muskoka and the MTMA respectively as set out below, or as either Party later designates to the other by Notice:

To the District of Muskoka:

Attn: Samantha Hastings
Commissioner of Planning and Economic Development
70 Pine Street, Bracebridge, Ontario P1L 1N3
Tel: (705) 645-2231 Fax: (705) 646-2207
Email: shastings@muskoka.on.ca

and

Attn: Jamie Clow
District Solicitor
70 Pine Street, Bracebridge, Ontario P1L 1N3
Tel: (705) 645-2231 Fax: (705) 645-5319
Email: jclow@muskoka.on.ca

To the MTMA:

Attn: President
9 Ontario Street
Bracebridge, Ontario P1L 2A7
(mailing address)

1342 Highway 11 North
RR 2
Kilworthy, Ontario P0E 1G0
(Head Office address)
Tel: (800) 267-9700 Fax: (705) 689-9118

and

Attn: Michael Lawley, Executive Director
1342 Highway 11 North
RR 2
Kilworthy, Ontario P0E 1G0
(Head Office address)
Tel: (800) 267-9700 Fax: (705) 689-9118
Email: mlawley@muskokatourism.ca

21.2 All Notices will be effective:

- (a) at the time the delivery is made if the Notice is delivered personally, by pre-paid courier, by e-mail or by facsimile; or
- (b) seven (7) days after the day the Notice was deposited in the mail if the Notice is sent by certified, registered or postage prepaid mail, unless the day the Notice is effective falls on a day when the District of Muskoka is normally closed for business, in which case the Notice will not be effective until the next day that is a day when the District of Muskoka is normally open for business.

22. CONSENT BY DISTRICT OF MUSKOKA

- 22.1 The MTMA acknowledges that the District of Muskoka may impose any terms and/or conditions on any consent it provides pursuant to section 25 herein.

23. SEVERABILITY OF PROVISIONS

- 23.1 The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

24. WAIVER

24.1 The waiver of any rights following any breach of any representation, warranty, covenant, obligation or agreement shall not be deemed to be a waiver of any further breach. No waiver is effective unless in writing.

25. ASSIGNMENT OF AGREEMENT OR FUNDS

25.1 The MTMA shall not assign any part of the Agreement or the Funding without the prior written consent of the District of Muskoka, which consent may be unreasonably and arbitrarily withheld.

26. ENUREMENT

26.1 This Agreement will enure to the benefit and be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns.

27. FURTHER ASSURANCES

27.1 The MTMA shall do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

28. SURVIVAL

28.1 Sections 9 (Reporting, Accounting and Record Maintenance), 10 (Acknowledgement), 11 (MFFIPA), 13 (Limitation of Liability, 14 (Indemnity), 18 (Funding Upon Termination), 19 (Repayment of Funding), 28 (Survival) shall survive the termination or expiry of the Agreement.

29. SCHEDULES

29.1 Schedules "A" and "B" constitute an integral part of this Agreement.

30. COUNTERPARTS

30.1 It is understood and agreed that this Agreement may be signed in counterparts, each of which shall be deemed to be an original, and that such separate counterparts shall constitute together one and the same instrument, notwithstanding the date of execution.

31. TRANSMISSION

31.1 It is understood and agreed that the execution of this Agreement can be transmitted by facsimile document or similar electronic transmission and that communication by such means will be legally binding on all of the undersigned parties.

32. RIGHTS AND REMEDIES CUMULATIVE

32.1 The rights and remedies of the District of Muskoka under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

33. ENTIRE AGREEMENT

33.1 The Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

34. TIME OF ESSENCE

34.1 Time will be of the essence in all respects.

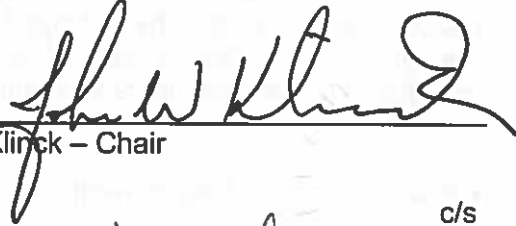
35. AMENDMENT

35.1 The Agreement may only be amended by a written agreement duly executed by the Parties.

IN WITNESS WHEREOF the parties hereto have set their corporate seals under the hands of their duly authorized officers.

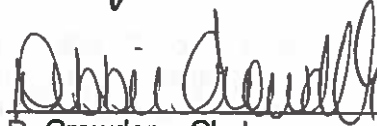
THE DISTRICT MUNICIPALITY OF
MUSKOKA

Per:



J. W. Klinck – Chair

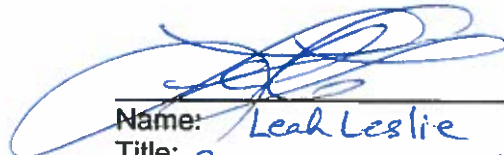
c/s



D. Crowder – Clerk

MUSKOKA TOURISM MARKETING
AGENCY

Per:



Feb 19/15

Name: Leah Leslie

Title: President, Muskoka Tourism
Marketing Agency

I have the authority to bind the corporation

SCHEDULE A

MTMA Key Performance Indicators (“KPIs”)

KPI #1: Website Unique Visitors

This is the strongest measurement of whether or not MTMA is successfully creating interest in Muskoka as a tourism destination. It is the strongest measure of whether or not MTMA's social media effort is resulting in engagement.

KPI #2: Website Outbound Links

This is the strongest measurement of MTMA's ability to engage potential visitors in the Muskoka experience through our website and social media efforts and the strongest measure of our ability to drive business to MTMA's tourism industry partners.

KPI #3: Membership Market Share by Municipality

This is a KPI to measure how many members MTMA has, set yearly increases to membership, and will involve the setting of a per-capita goal of municipality representation. This is the strongest measurement of MTMA's ability to prove value and engage membership as well as a metric to ensure that MTMA's work to increase membership base maintains an equal effort for each municipality.

KPI #4: Membership Net Promoter (Intent To Recommend) Score

This KPI will measure the MTMA's membership's willingness to recommend membership in MTMA to other tourism business. This would be one of numerous questions asked in a yearly (or bi-yearly) survey of MTMA membership that would all be correlated with the KPI question of Intent to Recommend. This is the strongest measurement of whether or not members see value in the efforts of MTMA.

KPI #5: Advertising / Marketing Funding Performance

This is the strongest measurement of whether or not the board and employees at MTMA are able to leverage MTMA's existing marketing dollars each year and to what degree this is expected.

SCHEDULE B

MTMA Reporting Requirements

1. The MTMA shall submit to the Commissioner of Planning and Economic Development and the Chief Administrative Officer of the District of Muskoka with written reports on a quarterly basis ("Quarterly Written Reports").
2. Quarterly Written Reports are due on the following dates: March 31, 2015, June 30, 2015 and September 30, 2015.
3. Quarterly Written Reports shall include the following information:
 - i. KPI Updates;
 - ii. KPI Analysis (what do numbers show, have forecasts been met, why/why not?);
 - iii. Marketing Plan and Program Updates (continuing initiatives, discontinued initiatives, new initiatives, success stories);
 - iv. Operations Update (including any changes to internal operations, staffing, etc.); and
 - v. a Financial Update.
4. The MTMA shall also one provide one semi-annual verbal report to the Planning and Economic Development ("PED") Committee of the District of Muskoka at its meeting in June, 2015 or as soon thereafter as is practicable or as is otherwise agreed.
5. By March 31, 2016, the MTMA shall submit to the District of Muskoka a final annual report. At the request of the Commissioner of Planning and Economic Development and the Chief Administrative Officer of the District of Muskoka, the MTMA shall present highlights of its final annual report to Muskoka District Council.
6. The MTMA shall provide any additional written or verbal reports to District of Muskoka staff and/ or the PED Committee that may be requested from time to time.

ONTARIO TRANSFER PAYMENT AGREEMENT

THE AGREEMENT is effective as of the 1st day of April, 2018.

B E T W E E N :

**Her Majesty the Queen in right of Ontario
as represented by the Minister of Tourism, Culture and Sport**

(the “Province”)

- and -

**REGIONAL TOURISM ORGANIZATION 12 PARRY SOUND /
MUSKOKA**

(the “Recipient”)

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 The agreement, together with:

Schedule “A” - General Terms and Conditions
Schedule “B” - Project Specific Information and Additional Provisions
Schedule “C” - Project
Schedule “D” - Budget
Schedule “E” - Payment Plan
Schedule “F” - Reports, and
any amending agreement entered into as provided for in section 4.1,

constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

2.0 CONFLICT OR INCONSISTENCY

2.1 **Conflict or Inconsistency.** In the event of a conflict or inconsistency between the Additional Provisions and the provisions in Schedule “A”, the following rules will apply:

- (a) the Parties will interpret any Additional Provisions in so far as possible, in a way that preserves the intention of the Parties as expressed in Schedule “A”; and
- (b) where it is not possible to interpret the Additional Provisions in a way that is consistent with the provisions in Schedule “A”, the Additional Provisions will prevail over the provisions in Schedule “A” to the extent of the inconsistency.

3.0 COUNTERPARTS

3.1 The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

4.0 AMENDING THE AGREEMENT

4.1 The Agreement may only be amended by a written agreement duly executed by the Parties.

5.0 ACKNOWLEDGEMENT

5.1 The Recipient acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Project and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);

- (d) the Province is not responsible for carrying out the Project; and
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

- SIGNATURE PAGE FOLLOWS -

The Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO as represented by the Minister of
Tourism, Culture and Sport.**

Date

Name: Richard McKinnell
Title: Assistant Deputy Minister

**REGIONAL TOURISM ORGANIZATION 12 PARRY
SOUND / MUSKOKA**

Date

Name: James Murphy
Title: Executive Director

I have authority to bind the Recipient.

Date

Name: Jeff Suddaby
Title: Chair of the Board of Directors

I have authority to bind the Recipient.

**SCHEDULE “A”
GENERAL TERMS AND CONDITIONS**

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“Additional Provisions” means the terms and conditions set out in Schedule “B”.

“Agreement” means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to section 4.1.

“Budget” means the budget attached to the Agreement as Schedule “D”.

“Business Day” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“Effective Date” means the date set out at the top of the Agreement.

“Event of Default” has the meaning ascribed to it in section A13.1.

“Expiry Date” means the expiry date set out in Schedule “B”.

“Funding Year” means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees, and employees.

“Maximum Funds” means the maximum Funds set out in Schedule “B”.

“Notice” means any communication given or required to be given pursuant to the Agreement.

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A13.3(b), and includes any such period or periods of time by which the Province extends that time in accordance with section A13.4.

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

“Project” means the undertaking described in Schedule “C”.

“Reports” means the reports described in Schedule “F”.

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 **General.** The Recipient represents, warrants, and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Project, the Funds, or both; and

- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 **Execution of Agreement.** The Recipient represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

A2.3 **Governance.** The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to enable the Recipient's ongoing effective functioning;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Project successfully;
- (f) procedures to enable the Recipient to identify risks to the completion of the Project and strategies to address the identified risks, all in a timely manner;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and
- (h) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 **Supporting Proof.** Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

A3.0 **TERM OF THE AGREEMENT**

A3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A11.0, Article A12.0, or Article A13.0.

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 Funds Provided. The Province will:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the payment plan attached to the Agreement as Schedule “E”; and
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Recipient.

A4.2 Limitation on Payment of Funds. Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof as the Province may request pursuant to section A10.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province’s assessment of the information the Recipient provides to the Province pursuant to section A7.1; or
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - (i) reduce the amount of Funds and, in consultation with the Recipient, change the Project; or
 - (ii) terminate the Agreement pursuant to section A12.1.

A4.3 Use of Funds and Carry Out the Project. The Recipient will do all of the following:

- (a) carry out the Project in accordance with the Agreement;

- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only in accordance with the Budget;
- (d) not use the Funds to cover any cost that has or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 **Interest Bearing Account.** If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.

A4.5 **Interest.** If the Recipient earns any interest on the Funds, the Province may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or
- (b) demand from the Recipient the payment of an amount equal to the interest.

A4.6 **Rebates, Credits, and Refunds.** The Ministry will calculate Funds based on the actual costs to the Recipient to carry out the Project, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, it will:

- (a) do so through a process that promotes the best value for money; and
- (b) comply with the *Broader Public Sector Accountability Act, 2010* (Ontario), including any procurement directive issued thereunder, to the extent applicable.

A5.2 **Disposal.** The Recipient will not, without the Province's prior written consent, sell, lease, or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as provided for in Schedule "B" at the time of purchase.

A6.0 CONFLICT OF INTEREST

A6.1 **No Conflict of Interest.** The Recipient will carry out the Project and use the Funds without an actual, potential, or perceived conflict of interest.

A6.2 **Conflict of Interest Includes.** For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships, or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Project, the use of the Funds, or both.

A6.3 **Disclosure to Province.** The Recipient will:

- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential, or perceived conflict of interest; and
- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 **Preparation and Submission.** The Recipient will:

- (a) submit to the Province at the address referred to in section A17.1, all Reports in accordance with the timelines and content requirements as provided for in Schedule "F", or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address referred to in section A17.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

A7.2 **Record Maintenance.** The Recipient will keep and maintain:

- (a) all financial records (including invoices) relating to the Funds or

otherwise to the Project in a manner consistent with generally accepted accounting principles; and

- (b) all non-financial documents and records relating to the Funds or otherwise to the Project.

A7.3 Inspection. The Province, any authorized representative, or any independent auditor identified by the Province may, at the Province's expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Project and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, any authorized representative, or any independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A7.2;
- (b) remove any copies made pursuant to section A7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

A7.4 Disclosure. To assist in respect of the rights provided for in section A7.3, the Recipient will disclose any information requested by the Province, any authorized representatives, or any independent auditor identified by the Province, and will do so in the form requested by the Province, any authorized representative, or any independent auditor identified by the Province, as the case may be.

A7.5 No Control of Records. No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

A7.6 Auditor General. The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 Acknowledge Support. Unless otherwise directed by the Province, the Recipient will:

- (a) acknowledge the support of the Province for the Project; and
- (b) ensure that the acknowledgement referred to in section A8.1(a) is in a form and manner as directed by the Province.

A8.2 **Publication.** The Recipient will indicate, in any of its Project-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

A9.0 INDEMNITY

A9.1 **Indemnification.** The Recipient will indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages, and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits, or other proceedings, by whomever made, sustained, incurred, brought, or prosecuted, in any way arising out of or in connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Indemnified Parties.

A10.0 INSURANCE

A10.1 **Recipient's Insurance.** The Recipient represents, warrants, and covenants that it has, and will maintain, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury, and property damage, to an inclusive limit of not less than the amount provided for in Schedule "B" per occurrence. The insurance policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30-day written notice of cancellation.

A10.2 **Proof of Insurance.** The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage as provided for in section A10.1; or
 - (ii) other proof that confirms the insurance coverage as provided for in section A10.1; and

- (b) upon the request of the Province, provide to the Province a copy of any insurance policy.

A11.0 TERMINATION ON NOTICE

A11.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving at least 30 days' Notice to the Recipient.

A11.2 Consequences of Termination on Notice by the Province. If the Province terminates the Agreement pursuant to section A11.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A11.2(b); and
 - (ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

A12.0 TERMINATION WHERE NO APPROPRIATION

A12.1 Termination Where No Appropriation. If, as provided for in section A4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty, or costs by giving Notice to the Recipient.

A12.2 Consequences of Termination Where No Appropriation. If the Province terminates the Agreement pursuant to section A12.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project and permit the Recipient to offset such costs against the amount

owing pursuant to section A12.2(b).

A12.3 No Additional Funds. If, pursuant to section A12.2(c), the Province determines that the costs to wind down the Project exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

A13.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A13.1 Events of Default. Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section A7.1, Reports or such other reports as may have been requested pursuant to section A7.1(b);
- (b) the Recipient's operations, its financial condition, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver; or
- (d) the Recipient ceases to operate.

A13.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;

- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel further instalments of Funds;
- (f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

A13.3 Opportunity to Remedy. If, in accordance with section A13.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will give Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A13.4 Recipient not Remediating. If the Province provided the Recipient with an opportunity to remedy the Event of Default pursuant to section A13.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A13.2(a), (c), (d), (e), (f), (g), (h), and (i).

A13.5 When Termination Effective. Termination under Article will take effect as provided for in the Notice.

A14.0 FUNDS AT THE END OF A FUNDING YEAR

A14.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article A13.0, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- (a) demand from the Recipient payment of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

A15.0 FUNDS UPON EXPIRY

A15.1 **Funds Upon Expiry.** The Recipient will, upon expiry of the Agreement, pay to the Province any Funds remaining in its possession or under its control.

A16.0 DEBT DUE AND PAYMENT

A16.1 **Payment of Overpayment.** If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay an amount equal to the excess Funds to the Province.

A16.2 **Debt Due.** If, pursuant to the Agreement:

- (a) the Province demands from the Recipient the payment of any Funds or an amount equal to any Funds; or
- (b) the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not the Province has demanded their payment,

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay the amount to the Province immediately, unless the Province directs otherwise.

A16.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

A16.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the “Ontario Minister of Finance” and delivered to the Province as provided for in Schedule “B”.

A16.5 **Fails to Pay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

A17.0 NOTICE

A17.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery, or fax, and will be addressed to the Province and the Recipient respectively as provided for Schedule “B”, or as either Party later designates to the other by Notice.

A17.2 **Notice Given.** Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery, or fax, one Business Day after the Notice is delivered.

A17.3 **Postal Disruption.** Despite section A17.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be given; and
- (b) the Party giving Notice will give Notice by email, personal delivery, or fax.

A18.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A18.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

A19.0 SEVERABILITY OF PROVISIONS

A19.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

A20.0 WAIVER

A20.1 **Waiver Request.** Either Party may, in accordance with the Notice provision set out in Article A17.0, ask the other Party to waive an obligation under the Agreement.

A20.2 **Waiver Applies.** Any waiver a Party grants in response to a request made pursuant to section A20.1 will:

- (a) be valid only if the Party granting the waiver provides it in writing; and
- (b) apply only to the specific obligation referred to in the waiver.

A21.0 INDEPENDENT PARTIES

A21.1 **Parties Independent.** The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

A22.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A22.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A22.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

A23.0 GOVERNING LAW

A23.1 **Governing Law.** The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A24.0 FURTHER ASSURANCES

A24.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A25.0 JOINT AND SEVERAL LIABILITY

A25.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A26.0 RIGHTS AND REMEDIES CUMULATIVE

A26.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A27.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A27.1 **Other Agreements.** If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies (a “**Failure**”);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A28.0 SURVIVAL

A28.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 3.0, Article A1.0 and any other applicable definitions, section A2.1(a), sections A4.2(d), A4.5, section A5.2, section A7.1 (to the extent that the Recipient has not provided the Reports or other reports as may have been requested to the satisfaction of the Province), sections A7.2, A7.3, A7.4, A7.5, A7.6, Article A8.0, Article A9.0, section A11.2, sections A12.2, A12.3, sections A13.1, A13.2(d), (e), (f), (g) and (h), Article A15.0, Article A16.0, Article A17.0, Article A19.0, section A22.2, Article A23.0, Article A25.0, Article A26.0, Article A27.0 and Article A28.0.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE “B”

PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

Maximum Funds	\$1,423,849		
Funding by Category	Base	Proportional	Partnership
	\$500,000	\$757,849	\$166,000
Expiration Date	March 31, 2019		
Amount for the purposes of section 0 of Schedule “A”	n/a		
Insurance	\$ 2,000,000		
Contact information for the purposes of Notice to the Province	Laura Ross Tourism Advisor, Ministry of Tourism, Culture and Sport 1350 High Falls Road Bracebridge, ON P1L 1W9 Phone: 705-646-0641 Email: laura.ross@ontario.ca		
Contact information for the purposes of Notice to the Recipient	James Murphy Executive Director, RTO 12/Explorers' Edge 3 Taylor Road Bracebridge, ON P1L 1S6 Phone: 1-800-835-7303 X 100 Email: james@explorersedge.ca		
Contact information for the senior financial person in the Recipient organization (e.g., CFO, CAO) – to respond as required to requests from the Province related to the Agreement	James Murphy Executive Director, RTO 12/Explorers' Edge 3 Taylor Road Bracebridge, ON P1L 1S6 Phone: 1-800-835-7303 X 100 Email: james@explorersedge.ca		

Additional Provisions:

None

SCHEDULE C

PROJECT DESCRIPTION

Background

- In 2010, the Ministry of Tourism, Culture and Sport supported the establishment of 13 tourism regions to further advance the competitiveness of Ontario's tourism sector. This was a key recommendation from the 2009 Tourism Competitiveness Study.
- Each region is led by a Regional Tourism Organization (RTO) that provides leadership, strategic coordination and delivery of tourism activities at a regional level. RTOs are in place to enhance the economic impact of the tourism sector by leveraging partnerships and collaboration across industry.

Regional Tourism Organizations are to adhere to the program parameters as outlined in the RTO Guide including the following:

Project Objective

Strategic Objective: To profitably grow visitor spending in Ontario

- RTOs are expected to develop and deliver strategies to meet the following destination management priorities (pillars) in their region:
 1. Product Development
 2. Investment Attraction/ Investor Relations
 3. Workforce Development and Training
 4. Marketing
 5. Partnerships
- The Ministry strongly encourages RTOs to work with all tourism partners including other regions, sector-based organizations, municipalities and other organizations on matters of mutual interest. Strong partnerships and a coordinated approach are vital to the future sustainability of tourism across the province.

1. Product Development

- Work with tourism partners to undertake research, surveys and data analysis.

- Collaborate with tourism partners to undertake product or asset inventories; develop itineraries; improve the market-readiness of existing tourism experiences; undertake market-match studies; showcase local distinctiveness; create/develop new niche tourism products to entice and target new visitors (e.g., gardens, culinary, golf, biking, etc.); create tour routes; implement signage; and/or enhance programming and interpretation of experiences.
- Adapt programs into other languages or accessible formats.
- Establish annual targets for each product development strategy, so that the results can be compared to the desired or expected return.

2. Investment Attraction / Investor Relations

- Work with public and/or private sector partners (e.g., municipalities, economic development officers, tourism operators and investors) within the region to identify opportunities for new or existing tourism infrastructure investments.
- Reach out to existing tourism businesses/investors to help support tourism industry investments.
- Collaborate to identify tourism businesses/investor opportunities and encourage business expansion or new business development.
- Help the Province facilitate awareness of existing programs that can assist small and medium sized tourism businesses.

3. Workforce Development and Training

- Work in collaboration with regional partners and other RTOs to develop tourism sector-based strategies that help address the needs of tourism employers and workers and provide visitors with enhanced experiences.
- Identify and participate in projects to address short- and long-term sector skill needs and other workforce development issues.
- Develop linkages with employment and training community partners and government programs to advance workforce development within the tourism sector.
- Establish annual targets for workforce/training strategies, so that the results can be compared to the desired or expected return.

4. Marketing

- Work with tourism partners such as local Destination Marketing Organizations (DMOs), businesses, sector associations and the Ontario Tourism Marketing Partnership Corporation (OTMPC) to create a marketing plan that wisely invests resources to maximum effect.
- Identify target markets (geographic and demographic) and determine marketing strategies and best tactics to implement (e.g., media relations, web presence, social media, tourism operation relations, advertising, collateral, consumer shows, direct marketing, etc.).
- Determine what will be advertised, who will produce it and what will be the estimated production time.
- Determine placement dates to ensure that the selected target markets can be successfully reached.
- Establish annual targets for each market/tactic, so that results can be compared to the desired or expected return.

5. Partnerships

- Regional Tourism Organizations (RTOs) are eligible to receive funding from the ministry based on their ability to leverage funding from regional members and stakeholders for joint projects that fall into the 4 pillars describes above. The intent of the partnership allocation is to encourage collaboration between the RTO and a variety of partners in order to leverage regional resources and to support new or incremental tourism activities that support the implementation of the RTO's business plan.

RTOs are also encouraged to undertake projects and programs that support strategic priorities set by the Ontario government such as:

- Francophone, Indigenous and Multicultural Tourism;
- Wine and Culinary;
- Trails;
- Cycling;
- Great Lakes and Waterways;
- The Accessibility for Ontarians with Disabilities Act; and
- Youth Tourism Initiative

Pillar # 1: Product Development

Objective:	Performance Measures
<p>To enhance visitor experience through well- designed tourism products that meet current and future visitor demand</p>	<p>Change in the # of new products and experiences and/or the number of existing products and experiences enhanced, in market</p>
Activities	Timelines
<p>Product Development Strategy</p> <ul style="list-style-type: none"> • Communicate and review the Product Development Strategy • Solicit feedback and ensure regional stakeholders are familiar with Product Development Strategy • Communication and outreach to International Tour Operators and Indigenous Tourism Association of Ontario based on strategic recommendations • Explore regional product programs linking associated regional product offering. • Test Visiting Friends and Relatives (VFR) and corporate content, and analyze impact on regional product <p>Output: # of tourism stakeholders involved in the feedback / education process (target – 80)</p>	<p>Q1-4</p>
<p>Self-Guided Mobile Tours (Group of Seven Outdoor Gallery, Bike Cottage Country, Cottage Country Beer Trail)</p> <ul style="list-style-type: none"> • Communicate to niche markets product related self-guided mobile tours • Trouble shoot self-guided mobile tours for accuracy and applicability • Develop content specific to each tour • Communicate tours via social media platforms • Engage tourism stakeholders to push out suite of self-guided tours <p>Output: Track web analytics and usage of self-guided mobile tours (benchmark year)</p>	<p>Q1-4</p>

<p>Research</p> <ul style="list-style-type: none"> • Develop annual Tourism Indicator Framework report via online dashboard capturing the data collected across the key performance measures (HST, attractions, occupancy, weather, etc.). Include PKF data. • Network with stakeholders to assemble data related to Organizational Program Performance, Tourism Business Performance, Visitor Intelligence via an Exit Survey. • Continue to track and disseminate Ministry-generated consumer research • Acquire and analyze consumer market research; review for 2019-2020 Business and Operational Plan <p>Output: Sustain the number of section items and indicators included in the Tourism Indicator Framework (target – 6 sections and 6 indicators)</p> <p>Number of views / downloads of the online dashboard (target – 250).</p> <p>Number of participants in the online dashboard (target- 35)</p> <p>Number of research presentations (target - 6)</p>	<p>Q1-4</p>
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Pillar # 2: Investment Attraction/Investor Relations

Objective:	Performance Measures
To increase investment in the tourism industry to enhance visitor experience	# of program / projects created or initiated from investment activities
Activities	Timelines
<p>Investment Seminar Workshops</p> <ul style="list-style-type: none"> • Disseminate relevant Investment Attraction information to stakeholders on a quarterly basis <p>Output: # of attendees at investment seminar / workshop(s) (target 20)</p>	<p>Q1-4</p>

<p>Networking Events</p> <ul style="list-style-type: none"> • Organize investment attraction networking event(s). Q1 & Q3 • Communicate investment attraction opportunities to potential investors <p>Output: # of attendees at networking events (target: X4</p>	<p>Q1-4</p>
<p>Development of Commercial Air Service</p> <ul style="list-style-type: none"> • Communicate commercial regional air service progress ensuring the broader regional group of stakeholders is involved and abreast of developments. Q1 – Q4 • Engagement sessions with the District of Muskoka, Muskoka Airport, Transport Canada, CATSA, regional stakeholders and consultant outreach. Q1, Q3 & Q4 <p>Output: # of regional outreach engagement sessions (target – 5)</p>	<p>Q1-4</p>
<p>Development of Cruise Ship Tourism</p> <ul style="list-style-type: none"> • Communicate cruise ship benefits, opportunities and challenges related to the cruise ship programs in Parry Sound • Support the further development of Great Lakes Cruising by working with Parry Sound stakeholders and MTCS Investment and Development Office to facilitate planning, marketing and destination management <p>Output: # of regional outreach engagement sessions (target – 3)</p>	<p>Q1-4</p>

Pillar # 3: Workforce Development

Objective:	Performance Measures
Facilitate and support the attraction, development and retention of a tourism workforce to enhance the visitor experience.	Employment numbers for Tourism
Activities	Timelines
<p>Workforce Opportunity Scan</p> <ul style="list-style-type: none"> • Review/examine/analyze the current tools related to our regional workforce programs • Workforce Committee meetings • Work with existing organizations to coordinate workforce development, prospect/ opportunities in EE & facilitate/communicate workforce opportunities • Reconciliation via a regional report on the additional research that will be required • Draft of a regional tourism ambassador strategy (consider sub-regions – airport and cruise ship) • Engage sub-regions that are point of entry for international travelers and engage in a consultation and training process. The outcome will be a developed strategy to ensure consistency among international points of entry <p>Outputs: Review of programs completed, draft ambassador strategy completed, number of sub-regions engaged (5), Number of workforce development opportunities communicated (target – 5), # of participants in the development and communication of the workforce overview (target - 15)</p>	Q1-4

<p>Tourism as a Career</p> <ul style="list-style-type: none"> • Continue to promote availability and desirability of careers in tourism industry throughout RTO 12 (25). • Update and network with the workforce development committee • Make necessary website update to rto12.ca related to workforce development • Create content to position the region as a career option related to tourism. <p>Outputs: Website analytics related to workforce development (benchmark year), # of pieces of content related to workforce development (target – 3)</p>	
<p>Stakeholder Skills and Knowledge Training</p> <ul style="list-style-type: none"> • Organize and execute relevant presentations and seminars • Develop and schedule Ask Me Anything (AMA) webinars based on stakeholder needs and feedback • Review Tourism Excellence North (TEN) program and communicate the pilot project out to operators. <p>Outputs: Industry seminars and presentations (target – 6), Industry AMA sessions (target 6), # of stakeholders involved in TEN review (target – 14), Satisfaction rating related to seminars and AMA's (target 80% satisfied or highly satisfied)</p>	

Pillar #4: Marketing

Objective:	Performance Measures
To increase awareness of Ontario as a travel destination and increase conversion in target markets.	Website Analytics Social Media Analytics ROI
Activities	Timelines
<p>Content Development</p> <ul style="list-style-type: none"> • Development of regional content via researching story ideas, interviewing stakeholders, alignment with research (includes interviews, photography development and regional outreach) • Update 2018-2019 Marketing Plan, based on Marketing Committee and stakeholder feedback. Q1 • Circulation of monthly monitor tracking reports that include change in website traffic, traffic sources, media performance, outbound referrals, social engagement etc. <p>Q1 – Q4</p> <ul style="list-style-type: none"> • Assigning staff resources in the communication of use and applicability of the EE logo (Canada 150) on stakeholder communication. Q1 – Q4 • Assigning staff resources in the exploration of collaborative partnerships stakeholders at a federal, provincial and regional level. Q1, Q2, Q3 • Participate in Destination Ontario programs as relevant to include but not limited to the provincial marketing and advertising tactics. Q1- Q4 <p>Outputs: Regional Content developed (target – 20 domestic pieces on Explorers’ Edge website and on applicable microsites and target -45 international pieces), Consumer opt-in for the consumer e-mail database (target – 4,000), Website analytics including: visits (target – 800,000), page views (target – 1.5 million), pages/session (target – 1.51) & average session duration (target – 1.00 minute)</p>	<p>Q1-4</p>
<p>Social Media Marketing</p> <ul style="list-style-type: none"> • Traffic developed content over social media channels monitoring, updating and responding to travel enquiries related to posted information. Q1 – Q4 	<p>Q1-4</p>

<ul style="list-style-type: none"> • Update social media channels with information related to regional product and experiences • Respond and interact with travel enquiries across multiple social media platforms <p>Outputs: Social media analytics: - Facebook Likes (target – 10,000 new)</p> <p>- Twitter followers (target – 1000 new)</p> <p>- Social media mentions (target – 5,000)</p> <p>- Social media comments (target - 2,000)</p> <p>- Social media Post Likes (target – 25,000)</p> <p>- Social media clicks to Website (target – 100,000)</p>	
<p>International Trade Shows</p> <ul style="list-style-type: none"> • Working with Destination Ontario identify and attend international trade shows and communicate regional product. • Pre-show outreach to attendees where applicable • Research tradeshow audiences • Staff and volunteer training • Post show ROI measurement <p>Outputs: # of trade shows (goal 2)</p> <p># of tour leads and content adoption leads (12)</p>	<p>Q1-4</p>
<p>Media/PR Program</p> <ul style="list-style-type: none"> • Participate in selected travel trade and media promotions to facilitate a positive media coverage of RTO12 • Regional outreach to gauge feedback on media opportunities. Q1 • Engage industry partners (Destination Ontario, sub regional partners, operators) on media opportunities. Q1 – Q4 • Meet with media representatives at key marketplaces. Q1 & Q2 • Coordinate media tours. Q1 – Q4 • Track media engagement. Q1 – Q4 <p>Outputs: Increase number of media visits (target – 8)</p> <p>Increase in the number of media contacts in the database (target – 12)</p>	<p>Q1-4</p>

<p>Increase in unique visits to the RTO media communication page (target – benchmark)</p> <p>Increase impressions in earned media and in value of media impressions (target 20% year over year)</p>	
<p>Image Bank</p> <p>RTO 12 will continue to develop video and image bank by expanding image bank selection and size.</p> <p>RTO 12 will identify image bank gaps and arrange photo shoots to acquire necessary images that support marketing activities.</p> <p>Outputs: Increase in stakeholders’ requests to use imagery in travel and tourism marketing.</p> <p>Increase in # of downloads and subscriptions on photography and videography platforms.</p> <p># of photo shoots</p>	<p>Q1-4</p>
<p>Transacting – New Visits</p> <ul style="list-style-type: none"> • Encourage net new visits to the region via international transacting programs associated with product. • Coordinate with stakeholders to field feedback and opportunities for collaboration. Q1 – Q4 • Communicate outcomes with the marketing committee • Q1 – Q4 • Provide stakeholders with information related to transacting programs on a regular basis. Q1 – Q4 <p>Outputs: Signature Tipping Point Program (Fuel and Fun) change in first time visitation (target – 75%) and pre-planned visitation (target – 18%), Redemption rate of vouchers (target – 70%), Transacting Visitor Exit Survey (target – 100 responses), Operator Satisfaction with the transacting program (target – 85% satisfied or highly satisfied)</p>	<p>Q1-4</p>

<p>Transacting – Jack Rabbit</p> <ul style="list-style-type: none"> Identify and work with operators to ensure that accommodation, attraction ticket and package rates are online and recent. Coordinate with stakeholders to field feedback and opportunities for collaboration Q1 – Q4 Explore gaps and opportunities in the area of package development Q1 – Q4 Provide regional outreach and training session(s) to stakeholders on package development and implementation of an online rate and inventory system Q1 – Q4 <p>Outputs: Change in the number of operators with a rate and inventory information on Jack Rabbit (target - 10 operators), Increase Number of packages listed on the Jack Rabbit platform (target - 30), Online referral and reservation system referrals (target – 40,000)</p>	<p>Q1-4</p>

Pillar #5: Partnerships

Objective:	Performance Measures
To become a catalyst in building strategic alignment and promoting collaboration within the industry	<p>% and % change of Industry Stakeholders that are partnering / collaborated in RTO activities</p> <p>% and % change of stakeholders satisfied with RTO activities</p>
Activities	Timelines
<p>International Market Development and Marketing</p> <ul style="list-style-type: none"> Engage and communicate the breadth of tourism product to international markets. Using staff resources in cooperation with third party develop strategy, tactics and deliverables. Q1 Work with third party to establish work plan, key deliverables and dates. Q1 <p>Outputs: # of content pieces produced (target – 10)</p>	<p>Q1-4</p>

<p>Content Development</p> <p>RTO will work with regional stakeholders in the development of content related to regional product offering via collaborative partnerships. Q1</p> <p>Third party content development includes research, interviews and photography (in some cases video). Q1 – Q4</p> <p>Engage agency of record to traffic content on Facebook. Q1 – Q4</p> <p>Solicit feedback on the content partnership. Q-4</p> <p>Outputs: # of content pieces produced (target – 10)</p>	<p>Q1-4</p>

SCHEDULE "D" BUDGET

EXPENSE	Funding
Governance and Operations	
Salaries and Benefits	153,000
Finance and Administration	14,500
Overhead/Facilities	62,000
Travel	45,000
Governance	10,000
Industry Relations/Stakeholder Engagement	11,000
Information Technology	10,000
Sub-Total	305,500
Product Development	
Salaries and Benefits	65,000
Product Development Framework Communication	10,000
Product Development Enhancements	40,000
Research	20,000
Sub-Total	135,000
Investment Attraction	
Salaries and Benefits	20,000
Outreach/Meetings	10,000
Sub-Total	30,000
Workforce Development / Training	
Salaries and Benefits	20,000
Workforce Attraction Communication/Regional Workforce Analysis	33,149
Sub-Total	53,149
Marketing	
Salaries and Benefits	85,000

Social Media Advertising Domestic	58,000
Social Media Advertising International	250,000
Content Development / Guest Authors	25,000
Promotions/Contests/Incentives	10,000
Creative Development	5,000
Project Mgmt. Ad Trafficking	46,200
Strategist (Retainer)	48,000
International FAM Tours & Trade Shows	35,000
Lead Nurturing (E-mail database)	22,000
Image Bank	15,000
Media / PR	10,000
Reservation Platform	65,000
Transacting	50,000
Sub-Total	724,200
Partnerships	
Salaries and Benefits	10,000
Sub-Total	10,000
International Marketing & Development	150,000
Content Marketing	16,000
Sub-Total	166,000
Total	176,000
GRAND TOTAL	1,423,849

SCHEDULE "E"
PAYMENT PLAN

PAYMENT DATE OR MILESTONE	AMOUNT
Signing of the TPA	\$569,540 (40%)
Submission of a satisfactory Final Report for 2017-18 <i>(Due: May 1, 2018)</i>	\$569,540 (40%)
Submission of a satisfactory Progress Report for 2018-19, and Financial Audit for 2017-18 <i>(Due: October 26 ,2018)</i>	\$142,385 (10%)
Submission of a satisfactory Budget to Actuals report for 2018-19 <i>(Due: January 4, 2019)</i>	\$142,384 (10%)

SCHEDULE "F" REPORTS

Name of Report	Due Date
1. Final Report for 2017-18	May 1, 2018
2. Progress Report 2018-19, Audited Financial Statement and Schedule of Revenues and Expenses as per the TPA for 2017-18	October 26, 2018
3. Budget-to-Actuals Report 2018-19 and Final Attestation Form	January 4, 2019
4. Reports specified from time to time	On a date or dates specified by the Province.

Report Details

1. The recipient will complete the Final Report for the 2017-18 fiscal year on the template provided.
2. The recipient will complete the Progress Report for the 2018-19 fiscal year on the template provided. In addition, the recipient will provide an Audited Financial Statement and Schedule of Revenues and Expenses for the 2017-18 fiscal year.
3. The recipient will complete a Budget to Actuals report on the template provided. In addition, the recipient will submit a final attestation form for the 2018-19 fiscal year.
4. Reporting as requested from the Ministry