

City of Mississauga Corporate Report



Date: October 24, 2023 To: Chair and Members of General Committee	Originator's files:
From: Jodi Robillos, Commissioner of Community Services	Meeting date: November 15, 2023

Subject

Tourism Mississauga – Annual Report and 2024 Business Plan and Budget

Recommendation

That the Corporate Report dated October 24, 2023 from the Commissioner of Community Services entitled “Tourism Mississauga – Annual Report and 2024 Business Plan and Budget” be approved in accordance with the following:

- a) That the 2024 Business Plan and Budget for Tourism Mississauga with a gross cost of \$8,433,000, and a net cost of zero – funded from Municipal Accommodation Tax be approved.
- b) That the staff complement supporting Tourism Mississauga be increased by three full time positions.
- c) That the auditor for the City (or designate) be appointed as the auditor for Tourism Mississauga to hold office until the completion of the next annual meeting, or until a successor is appointed, and such auditor shall have all the rights and powers of an auditor provided under the *Municipal Act, 2001*.
- d) That the City Clerk be authorized as the delegated signing authority to sign all necessary Tourism Mississauga resolutions to represent the annual general meeting for Tourism Mississauga and to give effect to Council's decision as the sole voting member to approve the 2024 Budget and Business Plan, appoint the auditor and approve the election of Directors to the Board for a three-year term.
- e) That the Signing Authority Policy approved by the Tourism Mississauga Board on October 23, 2023, pursuant to By-law 0232-2022, and Signing Authority Resolution 0001-2023, be approved.

- f) That Tourism Mississauga be authorized to negotiate and execute an agreement with Tribu Experientiel Inc. for the annual sports festival Jackalope for 2024 to 2026 inclusive, including any ancillary agreements, in a form satisfactory to the Legal Services as outlined in this report.
- g) That all necessary by-laws be enacted.

Executive Summary

- Tourism Mississauga is a Municipal Services Corporation that was formed to promote tourism in Mississauga. The Corporation is controlled 100 per cent by the City of Mississauga ("City"), funded by Municipal Accommodation Tax ("MAT"), with Council acting as the sole voting member.
- According to Tourism Mississauga By-law No.1, Council is required to approve the business plan and budget on an annual basis. On February 1, 2023, Council approved the 2023 Business Plan and Budget (Resolution 0024-2023) with the business plan having a continued focus on Tourism Recovery Services and the implementation of new tools and processes.
- The 2024 Business Plan and Budget (Appendix 1) has a continued focus to build on brand awareness and the momentum created by the return of business events, sports and domestic and international leisure travel audiences to help to continue to drive recovery. The proposed budget recommends a substantial increase in sales, marketing, communications and attraction development and investment, along with three additional full-time equivalent ("FTE") positions totaling approximately \$215,295.
- Tourism Mississauga has no impact on City budget as it is funded entirely from the MAT reserve. The 2022 financial statements audit report conducted by KPMG LLP is attached as Appendix 2.

Background

On July 3, 2019, Council authorized the establishment of Municipal Services Corporation for the purpose of promoting Mississauga as a tourism destination, and to comply with the provincial regulations regarding the MAT use of funds.

Tourism Mississauga was established as the official destination marketing organization for Mississauga. As the sole voting member, Council acts as the primary shareholder or owner, approving decisions and recommendations of the Board of Directors. According to Tourism Mississauga By-law No.1, Council is required to approve the business plan and budget, be

presented with an annual auditor report and approve the election of Directors on an annual basis.

On February 1, 2023, Council approved the 2023 Business Plan and Budget (Resolution 0024-2023) with the business plan having a continued focus on Tourism Growth and Development and the implementation of new tools and processes. Key 2024 highlights and initiatives included:

- Positioning Mississauga as a leisure destination through incentive programs and marketing campaigns;
- Providing financial and in-kind marketing support for festivals and events;
- Undertaking sales activations to attract future meetings and conferences;
- Hosting successful sport tourism events in Mississauga;
- Enhancing destination marketing tools;
- Destination Development in the form of Major Event Sponsorship and Development of Demand Drivers (i.e. Attractions);
- Stakeholder engagement and industry collaboration.

Comments

2024 Business Plan and Budget

The focus for the 2024 Business Plan and Budget (Appendix 1) is to build on brand development and the momentum created by the return of business events, sports and domestic leisure travel audiences to help to continue to drive recovery. Tourism Mississauga's service model will continue to be delivered across three distinct strategic areas, to include Destination Development, Destination Marketing and Destination Management. Highlights of the business plan include the following:

- Sales and marketing tactics that will build a story that will support the attraction of sport and business related events and festivals in the City of Mississauga that result in large economic spin-offs;
- Marketing and communication initiatives that promote Mississauga as a stand-alone destination;
- Opportunities to develop strategic partnerships and leverage additional resources to advance tourism initiatives; and
- 2022 financial overview & 2024 proposed budget.

The proposed budget recommends a substantial increase in sales, marketing and communications investment to position Mississauga as a tourism destination by promoting product offerings and experiences. In addition, the proposed budget requests three additional FTEs, totaling approximately \$215,295.

The new FTEs, as with all Tourism Mississauga staff, would be City employees and include a Communications Coordinator, Visitor Service Coordinator and a Travel Trade/Sales Coordinator. Through leveraging the MAT funding, these positions will help to increase tourism activity in the City and successfully execute the approved tourism plan and tactics.

2022 Financial Statements

According to Tourism Mississauga By-law No.1, the financial statements and the report from the auditor are to be presented to Council on an annual basis. The 2022 financial statements audit report conducted by KPMG LLP is attached as Appendix 2.

Approval of Auditor

According to Section 68 of the *Not-for-Profit Corporations Act, 2010* (Ontario), the members of a not-for-profit corporation are required to appoint an auditor to hold office until the close of the next annual meeting. In order to meet this legislative requirement, staff is requesting that Council reconfirm that the auditor for the City (or designate) shall be the auditor for Tourism Mississauga.

Annual General Meeting

As a municipal services corporation, Tourism Mississauga is required to have an annual general meeting for Council as the sole voting member. According to Tourism Mississauga By-law No.1, Meetings of the membership can be captured by way of a resolution, in lieu of a meeting. Subject to Council's approval of the recommendations in this report, resolutions will be prepared to be signed by the City Clerk which will represent the annual general meeting for 2023 for Tourism Mississauga.

Board of Directors

The role of the Board of Directors is to provide financial oversight (develop a budget and allocation of resources); program planning (develop a business plan and/or strategic plans); develop/adopt policies; and performance measurement and monitoring.

The Board of Directors is composed of three City Councillors and 14 external stakeholders. These stakeholders represent relevant tourism sectors in the City, namely Accommodations/Hotels, Retail/Restaurant, Attractions/Festivals/Events, Sport/Event/Organizations and Services/Organizations/Venues.

The Board of Directors was established with staggered terms to ensure a minimum two thirds of experienced board members. Each member is entitled to serve three consecutive terms of three years each.

Signing Authority

On October 23, 2023, a Signing Authority Policy for contributions and/or sponsorship agreements was approved by the Tourism Mississauga Board pursuant to the City's By-law 0232-2022, and the CEO of Tourism Mississauga or designate was appointed as signing officer

of Tourism Mississauga to execute any documents on behalf of Tourism Mississauga where the transaction or activity to which the document relates has been approved by the Board as outlined in the attached Resolution (Appendix 3).

Destination Development

In support of Tourism Mississauga's mandate of driving vibrancy and economic prosperity through visitation, Tourism Mississauga will enter into a multi-year sponsorship agreement with the Jackalope action Sports Festival. The event's programming (mostly free admission) will include (but not limited to) competitions, demonstrations and learn-how of skateboarding, bouldering, BMX, Breakdancing (events that will be featured for the first time in the 2024 Paris Olympics) with sponsorship costs of up to \$2M, these funds will come from the Tourism Mississauga 2024 approved budget. Both the sponsorship and execution agreements will require Tribu Experientiel Inc. to maintain appropriate information coverage and to indemnify the Board.

Financial Impact

Tourism Mississauga has no impact on the City tax levy as it is funded entirely from the MAT reserve; specifically the 50% of the net annual MAT collected that is legislated to be directed to a not for profit tourism entity. The proposed budget which has been approved by the Board of \$8,433,000 gross cost, and a net cost of zero – funded from MAT.

The budget proposes that the complement supporting Tourism Mississauga be increased by three FTEs to a total of 13 FTEs as outlined in Appendix 1.

Conclusion

Tourism Mississauga will continue to drive tourism in Mississauga, with the mandate to continue the successful implementation of the Council-approved Tourism Master Plan. With Council's approval of the 2024 Business Plan and Budget, Tourism Mississauga can continue to drive economic benefits and vitality for the city.

Attachments

Appendix 1: Tourism Mississauga 2024 Business Plan and Budget

Appendix 2: Tourism Mississauga 2022 Financial Statements

Appendix 3: Signing Authority Resolution



Jodi Robillos, Commissioner of Community Services

Prepared by: Victoria Clarke, CEO, Tourism Mississauga