



**MINUTES** of the meeting of the Board of Directors of Toronto Global  
held at 225 King Street West, Suite 901, Toronto, Ontario  
on Tuesday, September 11, 2018 at 3:00 p.m.

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Present:	Mark Cohon	-	Chair
	Janet Ecker	-	Vice Chair
	Genevieve Bonin		(via teleconference)
	Nitin Kawale		
	Bilal Khan		
	Lisa De Wilde		
	Catherine Roche		
	Sriram Iyer		
	Cecile Chung		
By Invitation:	Toby Lennox	-	Chief Executive Officer, Toronto Global
	Winston Young	-	Chief Financial Officer, Toronto Global, TPLC
	Terrie O’Leary	-	Exec. VP, Business Strategy & Operations, Toronto Global
	Dan Silverman	-	Exec. VP, Investment Attraction, Toronto Global
	Leslie Sutherland	-	Secretary, VP HR & Business Operations, Toronto Global
	Nicole Jarosz	-	Exec. Assist., HR & Business Operations, Toronto Global
	Nicole Guy	-	Recording Secretary, MinuteTakers Inc.
Guest:	Hubert Bolduc	-	President and CEO, Montréal International
	Jim Higgs		-Real Estate Consultant
Regrets:	Satish Rai		
	Tina Lee		
	Ted Egawa		
	Steve Howse		

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1. **CALL TO ORDER**

- (a) *Notice and Quorum* – Proper notice having been given and there being a quorum present, M. Cohon called the meeting to order at 3:04 p.m. and presided as Chair.
- (b) *Conflict of Interest Declaration* – No conflict of interest was declared under the *Municipal Conflict of Interest Act* and the *Ontario Business Corporations Act*.
- (c) *Chair’s Opening Remarks* – T. Lennox and team were congratulated on their award for the Toronto Global social media campaign.

## 2. APPOINTMENT OF BOARD MEMBERS

M. Cohon outlined the process for recruiting new Directors to fill the vacancies on the Board. He provided an overview of the qualifications of the two proposed candidates and noted that they have already been approved by the Mayors and Chairs Committee.

On Motion by J. Ecker and seconded by S. Iyer it was,  
**RESOLVED THAT Jodi Kovitz and Cecile Chung be appointed to the Board of Directors, each for a two-year term.** Motion carried.

## 3. APPOINTMENT OF AUDITORS

The Finance and Audit Committee has recommended that Ernst & Young be appointed as Auditor for the 2019 and 2020 fiscal years.

On Motion by J. Ecker and seconded by N. Kawale it was,  
**RESOLVED THAT Ernst & Young be appointed as Auditors of Toronto Global for a two-year term.** Motion carried.

## 4. APPROVAL OF PREVIOUS MINUTES

The Chair asked for any errors or omissions in the Minutes of the Board of Director's meeting dated June 19, 2018 that were distributed prior to the meeting.

On Motion by J. Ecker and seconded by L. De Wilde it was,  
**RESOLVED THAT the Minutes of the Board of Directors Meeting of June 19, 2018 be accepted as presented.** Motion carried.

## 5. CEO REPORT

T. Lennox provided an operations update for information, with highlights as follows:

- (a) *KPIs* – There are 9 confirmed wins to date, with another 22 awaiting final information required to close. Some diversification of the pipeline is beginning to show, but ICT is still the strongest sector, particularly in artificial intelligence.
- (b) *Office Space* – Some concerns are being raised regarding the team's capacity to continue its momentum and to grow in terms of both staff and space. Options are being investigated.
- (c) *Missions* – The team had previously cut down on travel due to the expense. It was noted that 85% of wins have been associated with in-market work. Missions are being planned beginning in fall 2018, in the Northern UK, Spain and Netherlands. A trip to Japan and Korea is also planned, and a mission to India in partnership with the CCCA.

- (d) *Funding* – The application process for Federal funding is in progress; a five-year agreement is going to be reinvested.. Municipalities are deferring their commitments until after the municipal elections. The Province is still completing its fiscal review and conversations with them are ongoing. Members were invited to provide any assistance they may be able to offer in these efforts. It was suggested that a sub-committee of the Board be struck to focus on funding issues.
- (e) *Direct and Indirect Benefits* – A member inquired what sectors are benefiting from the work of Toronto Global and T. Lennox noted the municipalities that have seen the most success from wins to date from Toronto Global and ICT. It was pointed out that there are also indirect benefits, such as increased jobs and profit for neighbouring businesses, housing in other areas of the region, new infrastructure to support commuters, etc.

## 6. AUDIT COMMITTEE REPORT

W. Young provided a report on the recent Audit Committee meeting, with highlights of discussion noted as follows:

- (a) *Insurance Review* – The Committee reviewed the insurance policy and were satisfied that they have the appropriate coverages. However, they have recommend looking into cyber coverage, and the Toronto Global management team is investigating.
- (b) *Financial Review* – The Q1 financial report was reviewed and approved; a copy will be circulated to the Board. It was noted that there is currently a \$200,000 favourable variance. A reforecast for the remainder of the year was provided and is expected to break even.
- (c) *Third Party Services* – L. Sutherland and her team are investigating solutions for many of the services currently being provided by CreateTO. It is proposed that some of these services be handled internally, which will allow more control over those areas and reduce the burden on CreateTO. The business plan will be updated based on these changes and in preparation for our auditors. A transition plan will be discussed with CreateTO, to be implemented over a year.

## 7. SIGNING AUTHORITY

A resolution updating the signing authorities to reflect the current organization was presented for approval.

On Motion by J. Ecker and seconded by S. Iyer it was,

**RESOLVED THAT signing authorities be approved as presented.** Motion carried.

## 8. OFFICE SPACE DISCUSSION

T. Lennox presented a summary of the current state of the office space and lease. Highlights of discussion were noted as follows:

- (a) *Overview* – It was noted that the current space is sufficient for the remainder of the lease, but is constrained and would not allow for any additional staffing, there is frequently a lack of meeting space, etc. The Landlord has offered the space immediately adjacent to the current Toronto Global office. Jim Higgs, Real Estate Consultant, presented information on vacancy and rental rates and noted that there are not a lot of spaces available suitable for the Toronto Global team’s needs. He noted that if Toronto Global were to take on extra space in the current building, a sublet tenant could be found in the event that funding did not come through or operational needs changed.
- (b) *Oxford Proposal* – T. Lennox outlined the proposal received from the Landlord and the various options for Toronto Global’s use of this space. It was noted that there would be some capital costs involved, particularly the removal of the wall currently separating the spaces. It was recommended that the option for an additional 1,700 square feet be taken, with a capital cost of approximately \$400,000. The approximate renovation cost required to connect the current space is roughly \$300,000 to reconfigure it to accommodate the team at its current size; however, the rent would not be significantly increased in this instance. A third option to take 3,000 additional square feet is also available, with an estimated capital cost of \$450,000. Jim pointed out that the 1,700 square feet will accommodate 8-10 additional staff over the next few years.
- (c) *Location* – A member inquired whether it is critical for the office to remain downtown. It was clarified that the current building presents well to clients, is very easy to access and is centrally located for investors. It is not recommended to move very far to avoid losing talent and having a central location for clients due to access issues and commute time. It was suggested that the cost of moving and renovating a new space may or may not be worthwhile compared to the benefits of remaining here. It was noted that the Toronto Board of Trade is planning to build its own building as the new World Trade Centre; this would provide a partnership and office space opportunity for Toronto Global, but is still a work in progress and not expected to be completed in the next five years.
- (d) *Budget* – W. Young estimated that the cost of taking on the new space is feasible within the current budget, but this is dependent on receiving similar funding going forward, and the timing of funding which would be required for the up-front construction costs.

*Jim was thanked for his attendance and departed at 4:22 p.m.*

- (e) *Discussion* – It was noted that a larger office would allow for more meeting space, which is in high demand. It would also allow Toronto Global to offer temporary space to partners and clients. The team is currently attempting to get more time from the Landlord before a final decision is required. ***Action: Finance and Audit Committee to handle the office space proposal.***

## 9. MONTREAL INTERNATIONAL PRESENTATION

H. Bolduc was welcomed to the meeting to make a presentation on Montréal International and answer questions.

- (a) *Overview* – M. Bolduc provided an overview on the history, partners and stakeholders of Montréal International. Primary focus is on FDI, but MI also does business retention and expansion; it was noted that half of last year's deals were BR&E. MI also does talent attraction for local businesses, and has in-house tech and law teams to help clients bring in their staff. MI audits its own results by surveying clients for each of the three years after closing to determine whether the projected benchmarks at the time of close are being realized. A breakdown of the capital expenditure, sector, and geographic sources results for the previous year was provided for information.
- (b) *International Talent* – MI does recruiting missions to help clients attract talent to Montréal, which clients had identified as an issue. Montréal is attractive to international students, and half of these choose to stay in Montréal when they complete their studies; MI works to increase this number and keep talent in the city.
- (c) *Partnerships* – MI has increased its partnerships to 165, including corporate funding partners. These partners help MI's clients and MI helps their clients. Upon inquiry, it was clarified that for confidentiality reasons, no information is shared between partners; clients are introduced directly to the partner and share whatever information they choose. Non-disclosure agreements ensure confidentiality for all parties.
- (d) *Business Retention and Expansion* – There are 2,000 international companies in the greater Montréal area; 1,000 of these are strategic. MI attempts to visit at least 300 companies per year on a rotating schedule, to follow up and assist with plans for expansion, help with governance, etc. These clients represent approximately half of MI's annual results. M. Bolduc suggested that by not providing this service, Toronto Global is missing out on a lot of opportunities for both its clients and partners. D. Silverman pointed out that often clients that initially land in the City of Toronto may view this as only Phase 1, with the intent to expand out further into the region later; Toronto Global's team attempts to maintain relationships with past clients for this reason.

*M. Bolduc was thanked for his attendance and departed at 5:15 p.m.*

- 10. **NEW / OTHER BUSINESS** – No other business was brought before the meeting.
- 11. **ADJOURNMENT** – There being no further business, the public meeting was concluded at 5:15 p.m. for an in-camera session.

A handwritten signature in blue ink, appearing to be "MC".

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Chair

Mark Cohon, November 22, 2018.

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