

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee
From: Scott Mathers, MPA, P. Eng
Deputy City Manager, Planning and Economic Development
Subject: TechAlliance 2024-2027 Grant Agreement
Date: December 12, 2023

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, the by-law attached as Appendix A, **BE INTRODUCED** at the Municipal Council meeting of December 19, 2023:

- (a) To **APPROVE** a Grant Agreement with the TechAlliance of Southwestern Ontario from 2024 to 2027;
- (b) To **AUTHORIZE** the Mayor and Clerk to sign the Agreement; and
- (c) To **AUTHORIZE** the Deputy City Manager, Planning and Economic Development, or written designate to act as the City Representative purposes of the Agreement.

Executive Summary

The purpose of this report is to seek approval to proceed with the Grant Agreement between the City of London and TechAlliance of Southwestern Ontario for the period of January 1, 2024, to December 31, 2027.

TechAlliance of Southwestern Ontario (operating as TechAlliance), was formed in 2002 following the amalgamation of the London High Tech Association, London Venture Group (LVG), IT London Council, Life Sciences Council and Advanced Manufacturing Members. In 2011, TechAlliance formally became a Regional Innovation Centres (RIC) in Ontario. Headquartered in downtown London, Ontario, in one of North America's top 10 emerging tech markets, TechAlliance's current operating budget is funded by municipal, provincial and federal investment, in addition to revenue from private sources.

The current Grant Agreement between the Corporation and TechAlliance expires December 31, 2023.

Linkage to the Corporate Strategic Plan

Council's Strategic Plan for the City of London, 2023-2027, identifies Economic Growth, Culture, and Prosperity as a Strategic Area of Focus. This Grant Agreement aligns with the following Outcome, Expected Results and Strategies:

Outcome: London encourages equitable economic growth and diversification.

Expected Result: Small and growing businesses, entrepreneurs and non-profits are supported to be successful.

Strategies:

- Strengthen existing and introduce new partnerships and programs that support small and growing businesses, cultural and non-profit organizations, and entrepreneurs.
- Improve City of London processes and supports for businesses and entrepreneurs.

Expected Result: Increased economic activity from the core and the greater

community.

Strategies:

- Support economic development initiatives through key business organizations including the London Chamber of Commerce, Pillar, LEDC, TechAlliance, SBC, and Business Improvement Areas.

Expected Result: London is a regional centre that proactively attracts and retains talent, business, and investment.

Strategies:

- Foster and leverage strategic partnerships that promote collaboration, innovation, and investment in business and employment.
- Strengthen London's position as a regional centre for economic opportunity, and connectivity.

The work of TechAlliance and the terms of the funding outlined in this Grant Agreement will help to advance and support the achievement of these Outcomes.

Analysis

1.0 Background Information

1.1 Previous Reports

- Strategic Priorities and Policy Committee, May 6, 2019, TechAlliance 2019-2023 Grant

2.0 Discussion and Considerations

2.1 TechAlliance - Background

TechAlliance of Southwestern Ontario (operating as TechAlliance), was formed in 2002 following the amalgamation of the London High Tech Association, London Venture Group (LVG), IT London Council, Life Sciences Council and Advanced Manufacturing Members. In 2011, TechAlliance formally became a Regional Innovation Centres (RIC) in Ontario. Headquartered in downtown London, Ontario, in one of North America's top 10 emerging tech markets, TechAlliance's current operating budget is funded by municipal, provincial and federal investment, in addition to revenue from private sources. With strategic priorities that include fostering a vibrant community of innovation; accelerating venture growth and corporate innovation across Southwestern Ontario; and through collaboration and operational excellence empower entrepreneurial prosperity. TechAlliance is the lead convenor of the region's innovation corridor, supporting the highest priority needs of early-stage startups through to made-in-London unicorn companies, across 30 different sectors including but not limited to SaaS, health innovation, agtech, advanced manufacturing, fintech, AI, automobility, cleantech and gaming.

Mission: To champion, coach and amplify businesses, creating a vibrant technology community.

Vision: To empower world-class ventures and fuel growth in Canada's innovation economy.

Among its supports, TechAlliance focuses on helping companies attract talent, attract capital, and attract customers, through expert venture growth advising team, and by connecting the ecosystem through experiences that offer networking and learning for TechAlliance companies. Alongside the Board of Directors and team, TechAlliance helps local companies tackle the commercialization and protection of IP, build novel innovation, develop sales playbooks and capital pitch development, nurture human capital, leadership and workplace culture, attract talent, operational excellence, and more.

Anchored in a culture of diversity and inclusion, TechAlliance advocates with precision for the innovation economy to all levels of government, amplifies the stories of its stakeholders, and raises the profile of London's economic strength, all while widening pathways to investable wealth.

2023 accomplishments:

- Engaged more than **5,000** innovators, entrepreneurs, thought leaders and industry experts.
- Engaged more than **1,200** students (Micro Placements in Tech)
- Awarded 2 recipients **\$40,000** each to accelerate the growth of London's creative industries
- Provided **8,900+** advisory and educational hours to early stage startups and scaled companies
- Facilitated **5,000+** connections for entrepreneurs and tech talent for strengthened network and best practice sharing
- Hosted **45** educational, networking, and community experiences
- Raised **\$106.2M** in capital by innovative companies
- Created, posted, and promoted **2,600+** jobs, for prospective or current talent pool
- Increased introductions and referrals made between talent, potential employers, and ecosystem partners by **123%**

2.2 Proposed TechAlliance Grant Agreement, 2024-2027

The new Agreement, attached as Schedule A to Appendix A to this report, is proposed to commence on January 1, 2024 and continue until December 31, 2027.

Schedule A1 of the attached Agreement to Appendix A outlines the purpose of the funding and the relation to Council's Strategic Plan.

Schedule B of the attached agreement to Appendix A outlines the maximum contribution of the City.

2.3 Benefits of the TechAlliance Grant Agreement

As a grassroots organization that exists to help raise the profile and competencies of the region's technology industry, TechAlliance provides a wide range of services, including business advice, professional services, access to capital, networking, business intelligence, customers, infrastructure, human resources, educational training, and marketing and communications.

This Grant Agreement between the City of London and TechAlliance sets out a framework for how funds will be disbursed, monitored and how outcomes and key performance indicators will be reported to Council and the community, and will encourage open dialogue, collaboration and coordination between TechAlliance, the Small Business Centre and the LEDC.

3.0 Financial Impact/Considerations

The City's 2023 contribution to TechAlliance was \$210,410.

It is recommended that for the Funded Activity under this Agreement, the Corporation shall pay TechAlliance the amount subject to the City of London Budget approval, beginning in 2024 and thereafter annually during the term of this Grant Agreement:

1. \$216,722 plus HST for the twelve-month period ending December 31, 2024,
2. \$223,224 plus HST for the twelve-month period ending December 31, 2025,
3. \$229,921 plus HST for the twelve-month period ending December 31, 2026, and
4. \$234,519 plus HST for the twelve-month period ending December 31, 2027.

Conclusion

TechAlliance provides key services and supports to entrepreneurs in our community that contribute and help advance the 'Economic Growth, Culture, and Prosperity' Strategic Area of Focus and the associated Outcomes and Expected Results outlined in Council's 2023-2027 Strategic Plan.

This Agreement between the City of London and TechAlliance ensures clarity in roles and expectations and is a key step in ensuring transparency and accountability in the use of City funds that support economic development in our community. The terms of this Grant Agreement also put a key focus on collaboration and open dialogue between the City-fund organizations that provide economic development services in our community.

This Agreement has been reviewed with the assistance of the City Solicitor's Office, Risk Management and Financial Planning and Business Supports.

Prepared by:

**Cathy Parsons, MBA
Manager, Economic Partnerships**

Reviewed by:

**Stephen Thompson, MAES, RPP, MCIP,
Ec.D.(F), CEcD
Director, Economic Services and Supports**

Recommended by:

**Scott Mathers, MPA, P.Eng
Deputy City Manager, Planning and
Economic Development**

c. Christina Fox, Chief Executive Officer, TechAlliance

APPENDIX A

Bill No.

By-law No.

A By-law to approve a Grant Agreement with TechAlliance of Southwestern Ontario.

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 section 10 of the *Municipal Act, 2001* provides that the City may provide any service or thing that the City considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting economic, social and environmental well-being of the City, and the health, safety and well-being of persons;

AND WHEREAS section 107 of the *Municipal Act, 2001* provides that, subject to section 106, a municipality may make grants, on such terms as to security and otherwise as the council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS council considers it to be in the interests of the municipality to provide a grant to TechAlliance of Southwestern Ontario under the terms as set out in the proposed agreement attached;

AND WHEREAS TechAlliance of Southwestern Ontario is a non-profit corporation without share capital;

AND WHEREAS section 23.1 of the *Municipal Act, 2001* provides that sections 9 and 10 of that Act authorize a municipality to delegate its powers and duties to a person;

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

1. The Grant Agreement with TechAlliance of Southwestern Ontario, substantially in the form attached as Schedule A to this by-law, is approved.
2. The Deputy City Manager, Planning and Economic Development, or written designate is delegated the power to act as the City Representative for the purposes of the Agreement approved in section 1 above.
3. The Mayor and the City Clerk are authorized to execute the Agreement approved in section 1 above.
4. This by-law shall come into force and effect January 1st, 2024.

PASSED in Open Council on December 19, 2023

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First reading -
Second reading -
Third reading -

SCHEDULE A

Grant Agreement

THIS AGREEMENT with effect as of the 1st day of January, 2024.

Between

The Corporation of the City of London
(the "City")

-and-

TechAlliance of Southwestern Ontario
(the "Recipient")

WHEREAS s. 107 of the *Municipal Act, 2001*, S.O. 2001, c. 25, provides that a municipality may make grants, on such terms and conditions as to security and otherwise as the council considers appropriate, to any person, group, or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS the Recipient has made a request to the City for a grant to assist the Recipient in the Recipient's activities as described in **Schedule A1** ("the Funded Activity");

AND WHEREAS Council has approved that a grant be made to the Recipient in connection with the Recipient's activities upon such terms and conditions as are more particularly described in this Agreement;

NOW THEREFORE in consideration of the mutual covenants and other terms and conditions in this Agreement, the parties agree each with the other as follows:

1. Definitions & Schedules

1.1 Definitions

In this Agreement, the following definitions apply:

"City Representative" means an individual delegated by by-law to act as City Representative for the purposes of this Agreement;

"Eligible Expenditures" means the expenditures that are listed in the Funded Activity Budget (**Schedule B**), and in compliance with the Conditions Governing Eligible Expenditures set out in **Schedule B**.

"Vulnerable Person" means an individual who has difficulty protecting themselves from harm, and/or may be reliant on others because of age, mental disability, physical disability, or circumstances, and includes but is not limited to minors.

1.2 Schedules Forming Part of Agreement

The following Schedules, marked with an "X" (or where not marked with an "X", attached to this Agreement), form part of this Agreement:

Schedule A1: Description of Funded Activity - **Operating Grant**

Schedule B: Maximum Contribution & Eligible Expenditures – **Operating Grant**

and the parties agree that all references in this Agreement to "this Agreement" shall be deemed to include such Schedules.

2. Term

2.1 The Agreement shall commence on the Funded Activity Start Date, and shall terminate on the Funded Activity End Date as set out in Schedule A1 ("the Term"), or shall terminate on such earlier date as set out in this Agreement.

3. Grant

3.1 (a) Subject to the terms and conditions of this Agreement, the City shall make a grant to the Recipient as set out in **Schedule B**, which amount shall be payable as set out in **Schedule B**.

b) Payment of any grant under this Agreement is subject to the availability of funds in the City's current approved budget.

4. Use of Grant

4.1 The Recipient covenants and agrees that the Recipient shall use the grant solely for the purpose of paying the Eligible Expenditures in connection with the Funded Activity and for no other purpose.

5. Repayment of Grant

- 5.1 The City, in its sole discretion, may require the Recipient to repay to the City some or all of the grant based upon the City's assessment of the current year's final audited statement provided to the City under this Agreement.
- 5.2 If the Recipient uses some or all of the grant funds for purposes other than Eligible Expenditures, the Recipient covenants and agrees that it shall return such funds to the City.
- 5.3 If the Recipient does not comply with the provisions of this Agreement, the Recipient shall be considered in default of this Agreement and all grant funds the City advanced to the Recipient shall be deemed to be a loan and shall be immediately due and payable in full upon the written demand of the City Representative.
- 5.4 The City reserves the right to demand interest on any amount owing by the Recipient at the then current rate charged by the City on accounts receivable.
- 5.5 The Recipient shall return all unexpended grant funds to the City within 90 days of the end of the Term, unless the City Representative has given prior written approval for such grant funds to be spent on a specific program or activity.

6. Eligibility for Funding

- 6.1 **Reporting and By-laws** – To remain eligible for funding, and if required by the City Representative, the Recipient shall submit the reports and by-laws as set out in Schedule A1, on or before the date set out in Schedule A1 to the City Representative in a form and content satisfactory to the City Representative. The reports shall include a financial statement for the period covered by the reports.
- 6.2 **Annual Presentations** – To remain eligible for funding, and if required by the City Representative, the Recipient shall make a presentation to Council, or a Committee of Council. The form and the content of the presentation must be provided to the City Representative in advance of the presentation, and the City Representative may request any changes to the form and content of the presentation.
The annual presentations are to provide Council with an:
 - update on key highlights and initiatives, consistent key performance metrics.
 - overview of how the funding is being used to advance and contribute to Council's 2023-2027 Strategic Plan and the Strategic Area of Focus 'Economic Growth, Culture, and Prosperity.'
- 6.3 **Joint Meetings** - As required by the City Representative, the TechAlliance of Southwestern Ontario's Chief Executive Officer shall participate in joint meetings at the request of the City Representative with:
 - i. the Deputy City Manager, Planning and Economic Development;
 - ii. the LEDC President and Chief Executive Officer; and
 - iii. London Community Small Business Centre's Executive Director.

7. Right of Audit

- 7.1 (a) The City auditor or anyone designated in writing by the City auditor may audit and inspect accounts, records, receipts, vouchers, and other documents relating to the grant and shall have the right to make copies thereof and take extracts. For the purposes of this clause, audit includes any type of audit.

(b) The Recipient shall make available all facilities, physical and otherwise, for such audits and inspections and shall furnish the City and its authorized representatives with all such information as it, or they, may from time to time require with reference to such accounts, records, receipts, vouchers, and other documents.

(c) The Recipient shall cause all such accounts, records, receipts, vouchers, and other documents required under this clause, to be preserved and kept available for audit and inspection at any reasonable time, and from time to time, until the expiration of seven years from the date of disbursement of the grant under this Agreement, or until the expiration of such lesser or greater period of time as shall be approved in writing by the City.

8. Official Notification

- 8.1 (a) Any notice required or permitted to be given under this Agreement shall be given or provided by personal delivery, mail, courier service, or fax at the postal address or fax number, as the case may be, of the receiving party as set out below:

The City
City Clerk
300 Dufferin Avenue
London, Ontario N6A 4L9

The Recipient
As set out in **Schedule A1**

- (b) Any notice that is delivered personally or by courier service shall be deemed to have been received

upon delivery, or if sent by mail five working days after the date of mailing, or in the case of fax, one working day after they are sent.

(c) Either party to this Agreement may, at any time, give notice under this section to the other of a change of address and thereafter such changed address shall be substituted for the previous address set out in subsection (a).

9. Informing the Public of the City's Contribution

9.1 (a) The Recipient acknowledges that the City may publicize the name of the Recipient, the amount of the contributions and the nature of the activity supported under this Agreement.

(b) The Recipient shall recognize the City as a funding contributor in all Funded Activity-related publicity.

10. Termination

Termination Without Default

10.1 Despite any other provisions in this Agreement, the City may terminate this Agreement for any reason, effective upon the giving of 15 days' prior written notice to the Recipient.

Termination Where Default

10.2 The following constitute events of default, the proof of which to the contrary lies upon the Recipient:

- (a) the Recipient 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;
- (b) an order is made or resolution passed for winding up or for the dissolution of the Recipient or it is dissolved;
- (c) the Recipient ceases actual bona fide operation for a period of 30 days;
- (d) the Recipient has knowingly submitted false or misleading information to the City;
- (e) the Recipient is in breach of the performance of, or compliance with, any term, condition or obligation on its part to be observed or performed under this Agreement;
- (f) the Recipient refuses or neglects to comply with any reasonable requirement from the City Representative which he or she is entitled to stipulate under this Agreement;
- (g) the Recipient assigns or transfers or attempts to assign or transfer this Agreement; or
- (h) the Recipient ceases to be a non-share capital, non-profit corporation.

10.3 If an event of default occurs, all of the grant funds paid in the calendar year in which the default occurs and any grant funds advanced thereafter shall be deemed to be a loan and all such funds shall be immediately due and payable in full upon the written demand of the City Representative. The City reserves the right to demand interest on any amount owing by the Recipient at the then current rate charged by the City on accounts receivable.

10.4 If an event of default occurs, the City may, at any time, take one or more of the following actions in addition to any other remedy that may be available to it:

- (a) provide the Recipient with an opportunity to remedy the event of default;
- (b) terminate this Agreement at any time, including immediately, upon the City Representative giving written notice to the Recipient.

10.5 If under section 10.4 the City has provided the Recipient with an opportunity to remedy the event of default and the Recipient does not remedy the event of default within the time specified by the City in the notice, the City may in its sole discretion extend the notice period or terminate this Agreement.

10.6 Where the City has terminated this Agreement, the City shall have no further responsibility or liability under this Agreement and any termination by the City shall be without compensation, penalty or liability on the part of the City, and shall be without prejudice to any of the City's legal or equitable rights or remedies.

10.7 The Recipient acknowledges and agrees that the provisions in this Part 10 are for the sole benefit of the City and may be waived in whole or in part by the City Representative at any time.

11. Indemnity

11.1 The Recipient shall indemnify and save the City, its officers, directors, employees, agents and Councillors, harmless from and against all claims, actions, losses, expenses, costs or damages of every nature and kind that the City may suffer, caused or alleged to be caused by any wilful or

negligent act, omission or delay on the part of the Recipient or its officers, directors, employees, contractors or agents, in connection with anything purported to be or required to be done by the Recipient in connection with this Agreement or the Funded Activity.

12. Insurance

12.1. Throughout the term of this Agreement, the Recipient agrees to obtain and maintain at its sole expense:

(a) Comprehensive general liability insurance on an occurrence basis for an amount of not less than Two Million Dollars (\$2,000,000.00) and shall include the City as an additional insured to cover any liability resulting from anything done or omitted by the Recipient or its employees, or agents, in carrying out the Funded Activity, such policy to include non-owned automobile liability, personal liability, personal injury, broad form property damage, contractual liability, owners' and contractor's protective products and completed operations, contingent employers liability, cross liability and severability of interest clauses. The Recipient shall submit a completed standard Insurance Certificate (Form #0788).

(b) In addition, those Recipients with Grants greater than Ten Thousand Dollars (\$10,000) shall furnish the City with a Blanket Position Policy or equivalent Fidelity Bond in an amount not less than the maximum single payment amount or fifty percent (50%) of the City's contribution of this grant; whichever is greater, to a maximum of One Hundred Thousand Dollars (\$100,000). The City shall be shown on the Policy as a named Obligee as their interest may appear with respect to any loss or misuse of funds held by the Recipient as described in this Agreement.

(c) The City reserves the right to request such higher limits of insurance or other types of policies appropriate to this Agreement as it may reasonably require.

(d) Failure to satisfactorily meet these conditions relating to insurance shall be deemed a breach of this Agreement.

(e) On the signing of this Agreement and within thirty (30) calendar days after any subsequent change or renewal of its insurance coverage, the Recipient shall provide the City with evidence that it has obtained the insurance coverage required under this section.

The Recipient shall notify the City forthwith of any lapse, cancellation or termination of any such insurance coverage.

13. Services to Vulnerable Persons

13.1 The Recipient shall ensure that where services are provided to Vulnerable Persons, it obtain police clearance certificates for those individuals working with Vulnerable Persons. Failure to do so may result in immediate termination of this Agreement.

13.2 Where the Recipient provides services to Vulnerable Persons, it shall ensure it has appropriate policies and procedures in place with respect to providing services to those Vulnerable Persons.

14. Compliance with Laws

14.1 The Recipient shall carry out the Funded Activity in compliance with all applicable federal, provincial and municipal laws, by-laws, policies, guidelines, rules and regulations. The Recipient shall obtain, prior to the commencement of the Funded Activity, all permits, licences, consents and other authorizations that are necessary to the carrying out of the Funded Activity.

15. *Municipal Freedom of Information and Protection of Privacy Act and The Municipal Act, 2001*

15.1 The Recipient acknowledges that all records in the City's control (including any records provided by the Recipient to the City) are subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, and such records may be disclosed by the City to the public upon request under that Act. The Recipient further acknowledges that pursuant to the *Municipal Act, 2001*, the proceedings of City Council are matters of public record. The Recipient acknowledges that the City does not make any covenants with respect to maintaining the confidentiality of any records the Recipient provides to the City.

16. Assignment

16.1 The Recipient shall not assign this Agreement or any interest in this Agreement without the prior written consent of the City, and for the purposes of this Agreement, assignment shall include any transfer in the majority ownership or controlling interest in the Recipient, whether through the sale of shares, direct acquisition of assets or otherwise.

17. Relationship Between the Parties

17.1 The Recipient is not in any way authorized to make a promise, agreement or contract on behalf of the City. This Agreement is a funding agreement only, not a contract for services or a contract of service

or employment. The City's responsibilities are limited to providing financial assistance to the Recipient towards the Eligible Expenditures. The parties hereto declare that nothing in this agreement shall be construed as creating a partnership, an employer-employee, or agency relationship between them. The Recipient shall not represent itself as an agent, employee or partner of the City.

18. Facsimile Copy of Recipient's Signature Sufficient

18.1 A facsimile copy of the Recipient's signature on this Agreement shall be sufficient and binding.

19. Executed in Counterparts

19.1 This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together, and shall constitute one and the same Agreement.

20. Headings

20.1 The headings in this Agreement are for ease of reference only and shall not be taken into account in the construction or interpretation of any provision to which they refer.

21. Entire Agreement

21.1 This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, arrangements, letters of intent, understandings, negotiations and discussions, whether oral or written, of the parties pertaining to the Funded Activity. The Recipient acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms and conditions.

22. Waiver

22.1 Failure by either party to exercise any of its rights, powers or remedies shall not constitute a waiver of those rights, powers or remedies.

23. Circumstances Beyond the Control of Either Party

23.1 Neither party shall be responsible for damage caused by delay or failure to perform under the terms of this Agreement resulting from matters beyond the control of the parties including strike, lockout or any other action arising from a labour dispute, fire, flood, act of God, war, riot or other insurrection, lawful act of public authority, or delay or default caused by a common carrier that cannot be reasonably foreseen or provided against.

24. Payment of Grant is Subject to City Budget Approval

24.1 (a) Any payment under this Agreement is subject to the approval by City Council for the fiscal year in which the payment is to be made. In the event that the City Council cancels or reduces the level of funding for the grants for any fiscal year in which payment is to be made under the Agreement, the City may terminate the Agreement in accordance with the termination provisions of this Agreement or reduce the amount of its contribution payable under the Agreement in that fiscal year by such amount that it deems advisable.

(b) Where, pursuant to this section, the City intends to reduce the amount of its contribution under the Agreement, it shall give the Recipient not less than 1 months' notice of its intention to do so. Where, as a result of reduction in funding, the Recipient is unable or unwilling to complete the Funded Activity, the Recipient may, upon written notice to the City, terminate the Agreement. The Recipient shall not hold the City liable for any reduction or termination of funding.

25. Governing Law

25.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

26. Canadian Currency

26.1 Any reference to currency is to Canadian currency and any amount advanced, paid or calculated is to be advanced, paid or calculated in Canadian currency.

27 Other Agreements

27.1 If the Recipient:

- (i) has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with the City;
- (ii) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (iii) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (iv) such Failure is continuing,

the City may suspend the payment of the grant for such period as the City determines appropriate or terminate the Agreement at any time, including immediately, upon giving Notice to the Recipient.

28. Execution of Agreement.

29.1 The Recipient 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.

29. Survival

29.1 The provisions relating to liability, indemnity, Right of Audit and Repayment of Grant shall survive termination or expiry of this Agreement for a period of 7 years from the date of termination of this Agreement.

IN WITNESS WHEREOF the parties to this Agreement have set their hands and seals:

SIGNED SEALED AND DELIVERED

For the City:

THE CORPORATION OF THE CITY OF LONDON

Mayor (Josh Morgan)

City Clerk (Michael Schulthess)

For the Recipient, by the following authorized officer(s):

TECHALLIANCE OF SOUTHWESTERN ONTARIO

(Signature)

(Print Name)

(Print Title)

I/We have authority to bind the Corporation

(Signature)

(Print Name)

(Print Title)

I/We have authority to bind the Corporation

SCHEDULE A1

Operating Grant

THE FUNDED ACTIVITY

Full Legal Name of Recipient: TechAlliance of Southwestern Ontario

Address for Service of Notice: Unit A-333 Dufferin Ave, London, ON N6B 1Z3

Primary Contact Name: Christina Fox Phone #: (519) 615-2369

Fax #: (519) 858-5077 E-mail: christina.fox@techalliance.ca

Funded Activity Start Date (date for which funding will be commenced): January 1st, 2024

Funded Activity End Date (date for which funding will end): December 31st, 2027

FUNDED ACTIVITY DESCRIPTION:

As a Regional Innovation Centre (RIC) resource hub for tech companies, TechAlliance of Southwestern Ontario (operating as TechAlliance), was formed with the mandates to foster growth in London's technology industry in the areas of biotechnology, information technology, and advanced manufacturing. Particularly, it has committed to delivering business acceleration, development and collaboration programs, events, and services throughout the Southwestern Ontario region, including London, St. Thomas, Woodstock, Sarnia, and the counties of Elgin, Huron, Lambton, Middlesex and Oxford.

The funded activities are set out as follows:

To help advance and contribute to the City of London's Strategic Plan 2023-2027 and the Strategic Area of Focus 'Economic Growth, Culture, and Prosperity'. This includes the following Outcome, expected results, strategies and identified metrics:

Outcome: London encourages equitable economic growth and diversification.

Expected Result: Small and growing businesses, entrepreneurs and non-profits are supported to be successful.

Strategies:

- Strengthen existing and introduce new partnerships and programs that support small and growing businesses, cultural and non-profit organizations, and entrepreneurs.

Strategic Plan Metrics:

- Funding invested to support starting and scaling-up for small businesses entrepreneurs, and non-profits
 - Number of jobs created
- Improve City of London processes and supports for businesses and entrepreneurs.

Expected Result: Increased economic activity from the core and the greater community.

Strategies:

- Support economic development initiatives through key business organizations including the London Chamber of Commerce, Pillar, LEDC, TechAlliance, SBC, and Business Improvement Areas.

Expected Result: London is a regional centre that proactively attracts and retains talent, business, and investment.

Strategies:

- Foster and leverage strategic partnerships that promote collaboration, innovation, and investment in business and employment.
- Strengthen London's position as a regional centre for economic opportunity, and connectivity.

Strategic Plan Metrics:

- Number of jobs created

REPORTING

The Recipient shall provide the following reports to the City Representative, on or before the dates set out below, or on such other date as agreed to in writing by the City Representative:

1. Audited Financial Statement - due on or before September 30th annually.

The Audited Financial Statement shall be signed by the Recipient's auditor.

2. Projected Income Statement - due on or before September 30 annually.

BY-LAWS

The Recipient shall provide the following by-laws to the City Representative, if requested by the City Representative, on or before the dates set out below, or on such other date as agreed to in writing by the City Representative:

1. Consolidated by-laws due on or before the end of the first year of the Agreement.

SCHEDULE B

Operating Grant

MAXIMUM CONTRIBUTION & ELIGIBLE EXPENDITURES

1. MAXIMUM CONTRIBUTION OF THE CITY

1.1 For the Funded Activity under this Agreement, the Corporation shall pay TechAlliance the amount subject to the City of London Budget approval, beginning in 2024 and thereafter annually during the term of this Grant Agreement:

1. \$216,722 plus HST for the twelve-month period ending December 31, 2024,
2. \$223,224 plus HST for the twelve-month period ending December 31, 2025,
3. \$229,921 plus HST for the twelve-month period ending December 31, 2026, and
4. \$234,519 plus HST for the twelve-month period ending December 31, 2027.

1.2 2. DISBURSEMENT OF GRANTS

2.1 Subject to the Recipient's compliance with the provisions of this Agreement, the grant shall be disbursed to the Recipient over the Term of this Agreement, as set out below.

2.2 The grant will be payable as follows, subject to the Recipient's compliance with the provisions of this Agreement:

One payment of grant funds annually for the entire Term, to be paid within 30 days of execution of this Agreement in 2024, and thereafter within 30 days after submission of the reports in accordance with Schedule A1 Reporting.

3. ELIGIBLE EXPENDITURES

3.1 Funded Activity Budget

Eligible Expenditures include the Recipient's operating expenditures, including, but not limited to, operating expenditures in the following categories and subject to the conditions and restrictions in the section below:

- i) Administration
- ii) Personnel
- iii) Marketing
- iv) Development and Special Projects
- v) Operations

4. CONDITIONS GOVERNING ELIGIBLE EXPENDITURES

4.1 Eligible Expenditures are subject to the following conditions and restrictions:

- (a) expenditures must be incurred during the fiscal year of each of the multi-year agreement years;
- (b) expenditures must, in the sole opinion of the City Representative, be reasonable;
- (c) the portion of the cost of any goods and services purchased by the Recipient for which the Recipient may claim a tax credit or reimbursement are not eligible;
- (d) fines and penalties are not eligible;
- (e) the cost of alcoholic beverages are not eligible.

5. TERMS OF PAYMENT

5.1 Subject to subsections (2) and (3), the City will make payment of the grant funds by way of advance payments. Each payment shall cover a specific period as set out in paragraph 2.0 of **Schedule B** (hereinafter referred to as the "Payment Period") from the start to the end of the Term.

5.2 Each advance shall cover the Recipient's estimated financial requirements for each Payment Period. Such estimate shall be based upon a cash flow forecast that, in the sole opinion of the City Representative, is reliable and up-to-date.

5.3 If the amount of an advance payment for a Payment Period exceeds the actual amount of Eligible Expenditures incurred by the Recipient during the Payment Period, the City reserves the right to deduct the excess amount from any subsequent advance payment to be made under this Agreement, or to require repayment of that part of the grant funds.

5.4 The City may withhold any payment due to the Recipient under this Agreement if any one or more of the following are applicable:

- (a) If the Recipient has failed to submit when due any report required by the City under this Agreement;
- (b) If the Recipient has budgeted on a deficit basis or is operating on a deficit basis;
- (c) pending the completion of an audit of the Recipient's books and records, should the City decide to undertake such an audit;
- (d) if the Recipient is not in compliance with any applicable laws, regulations, by-laws, Council Policies, or if applicable the vulnerable person requirements;
- (e) in the event that an audit of the Recipient's books and records indicates mismanagement or use of funds, in the sole opinion of the City Representative;
- (f) the Recipient is in breach of the performance of, or compliance with, any term, condition or obligation on its part to be observed or performed under this Agreement.