

The Corporation of the City of Kawartha Lakes
Committee of the Whole Report

Report Number ED2019-10

Date: March 19, 2019
Time: 1:00 p.m.
Place: Council Chambers

Ward Community Identifier: All Wards

Title: Innovation Cluster Project

Description: The Innovation Cluster Peterborough and the Kawarthas is interested in partnering with the City to locate a new facility in the City of Kawartha Lakes to expand services available to local high growth companies

Author and Title: Rebecca Mustard, Manager of Economic Development

Recommendation(s):

That Report ED2019-10, **Innovation Cluster Project**, be received;

That Staff be directed to work with the Innovation Cluster on potential opportunities to conduct a pilot program in Kawartha Lakes; and

That Staff be directed to report back to Council with a proposed plan for consideration; and

That this recommendation be brought forward to Council for consideration on March 26, 2019.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

In 2017, the City of Kawartha Lakes adopted the Economic Development Strategy to support a stronger and more diversified economy. The strategy identified five key industry clusters that are well positioned to expand existing companies, create jobs and attract new businesses.

The City has a comprehensive economic development program that supports community economic development, growth in key industry clusters, business start-up, attraction and expansion. This program is supported by partnerships with the business community to provide complementary services to support the goals of the strategy.

Research has shown that entrepreneurs that are supported in their business start-up are more likely to succeed than those that are not directly supported. These supports can vary from coaching to networking to financial contributions. The City's Economic Development program offers these services for all entrepreneurs.

Research also shows that high growth companies thrive with specialized support targeted to their needs. High growth companies in turn create jobs and wealth in higher proportions than the majority of start-ups. In Ontario, this is demonstrated through the development of programs in Regional Innovation Centres and the Ontario Centres of Excellence.

An interest in providing coordinated and specialized supports to entrepreneurs was identified in the County of Victoria 1998 Economic Development Strategy under the action of a Kawartha Innovation Centre. Since that time, various work has been undertaken to coordinate services to support entrepreneurs, including the creation of a City funded reserve for such work.

Currently, some specialized support services above and beyond the City's Economic Development program are offered to Kawartha Lakes based companies through the existing Innovation Cluster Peterborough and the Kawarthas.

This report addresses the current opportunity to augment the City's Economic Development Program and provide specialized supports to high growth entrepreneurs.

Rationale:

In the City of Kawartha Lakes and Peterborough area, the Innovation Cluster offers targeted supports to high growth companies. The Innovation Cluster is currently located in Downtown Peterborough with a satellite office at Trent University. Their program offering includes physical office space, specialized

services, coaching, and training. To access these programs, entrepreneurs must be accepted as clients of the Innovation Cluster.

In recent years, the number of Kawartha Lakes entrepreneurs accessing the Peterborough based Innovation Cluster has increased. As such, the Innovation Cluster is interested in pursuing opportunities to partner with the City of Kawartha Lakes to offer programming locally.

Staff have been in discussions with the Innovation Cluster on a potential pilot program to offer specialized services in Kawartha Lakes. As these services are not currently offered locally, it creates an opportunity to identify and work with more local high growth entrepreneurs. Should this option be pursued, Staff will work with the Innovation Cluster to develop a comprehensive schedule of services and deliverables for the project as well as a mechanism for determining the success of the program.

Other Alternatives Considered:

As an alternative to a pilot program, Council could choose to pursue a high growth business incubation program owned and operated by the City. This option is not currently recommended at this time.

Financial/Operation Impacts:

Should Council choose to pursue a project with the Innovation Cluster Peterborough and the Kawarthas, there is an Economic Development Reserve Innovation Centre that may serve this purpose.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

This project aligns with Goal 1- A Vibrant and Growing Economy by increasing support services available to high growth companies in Kawartha Lakes to increase their likelihood of success.

Consultations:

Consultations have been held with the Innovation Cluster, three (3) current Kawartha Lakes based clients of the Innovation Cluster, Ontario Centres of Excellence local Staff, Peterborough and the Kawarthas Economic Development Staff, and the Kawartha Lakes Community Futures Development Corporation.

Attachments:

None

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Department Head: Chris Marshall