

The Corporation of the City of Kawartha Lakes

Committee of the Whole Report

Report Number ED2019-015

Date: June 4, 2019

Time: 1:00 p.m.

Place: Bobcaygeon Service Centre

Ward Community Identifier: All Wards

Title: Incubation Pilot Program Funding Support

Author and Title: Rebecca Mustard, Manager of Economic Development

Recommendations:

That Report ED2019-015, **Incubation Pilot Program Funding Support**, be received;

That the project titled Kawartha Lakes Innovation Cluster Pilot Project be approved for an application to the Kawartha Lakes Community Future Development Corporation with a total project costs of up to \$100,000 with the City's 50% contribution from the Economic Development Innovation Reserve;

That the Mayor and Clerk be authorized to execute any documents and agreements required by the approval of this application; and

That this recommendation be brought forward to Council for consideration at the June 18, 2019 Regular Council Meeting.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

At the Council Meeting of March 26, 2019, Council adopted the following resolution:

CR2019-227

That Report ED2019-010, **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.

Carried

This report contributes to that direction.

Rationale:

The Kawartha Lakes Community Futures Development Corporation (KLCFDC) recently released the Business and Community Innovation Project funding program. The Program is available across Eastern Ontario and funds innovative economic development programs that lead to a diversified and competitive rural economy. The Program has a focus on innovation, technology adoption, and digital connectivity and funds projects of up to \$50,000 to a maximum of 50% of total eligible costs. Program applications close on June 6, 2019.

Following the Council Resolution of March 26, 2019, Staff at both the City and Innovation Cluster has been exploring opportunities to conduct a pilot program in Kawartha Lakes. This pilot program complements the City's current Economic Development program by providing specialized support services to high growth, innovation focused companies in Kawartha Lakes.

The KLCFDC Business and Community Innovation Project funding aligns with the objectives of the Kawartha Lakes Innovation Cluster pilot project. To access the funding, Staff recommends applying for the KLCFDC program in parallel to working with the Innovation Cluster in the development of the pilot program. As the KLCFDC program application close is June 6, 2019, should a positive Committee of the Whole recommendation be made, Staff will pursue the application conditional on Council approval at the June 18, 2019 Council Meeting.

The proposed KLCFDC application will cover the overall scope of the Kawartha Lakes Innovation Cluster pilot project and provide matching funding to the City reserves identified for this initiative. The pilot program is proposed to include;

- Physical office location in Kawartha Lakes inclusive of a high growth, innovation business incubator;
- Specialized services available in Kawartha Lakes including workshops/ training, access to knowledge partners/expert advisors, mentorship/advisory services, and other programs;
- Increased local access to, and potential growth of, angel investors;
- Coordinated marketing and awareness of high growth, innovation businesses in Kawartha Lakes and specialized services to support the high growth potential of these businesses.

The pilot program is proposed to operate until December 2020. Staff will continue to work with the Innovation Cluster to develop the pilot program for Council's consideration. Should the pilot program proceed, Staff will report back to Council in late 2020 with an update on the program success and future program and budget considerations.

Other Alternatives Considered:

Council could choose not to support the recommendation. Alternatively, Council could also choose to fund the project in its entirety. Neither direction is recommended as the additional partnership with the KLCFDC strengthens the objectives and outcomes of the project.

Financial/Operation Impacts:

Funding through the KLCFDC Program is 50% of eligible project costs. Staff are requesting Council approve up to \$100,000 in total project cost with 50% contribution from the Economic Development Innovation Reserve and the remaining 50% contribution from the KLCFDC Program.

Relationship of Recommendation 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:

Director of Development Services
Kawartha Lakes Community Futures Development Corporation
Innovation Cluster

Attachments:

None

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Department Head: Chris Marshall