

Clause No. 18 in Report No. 1 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on January 23, 2014.

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YORK SMALL BUSINESS ENTERPRISE CENTRE 2013 ACTIVITY REPORT AND PROPOSED 2014 PROGRAM INITIATIVES

Committee of the Whole recommends adoption of the following recommendations contained in the report dated December 12, 2013 from the Executive Director, Corporate and Strategic Planning:

1. RECOMMENDATIONS

It is recommended that:

1. This report be circulated by the Regional Clerk to the local municipal economic development offices and the chambers of commerce and board of trade for use in collaborative program planning.
2. The Executive Director, Corporate and Strategic Planning, be authorized to execute any required funding agreements with the Provincial Government and other funding partners.

2. PURPOSE

This report provides committee with an overview of the activities in 2013 of the York Small Business Enterprise Centre (YSBEC), outlines the proposed 2014 program initiatives and requests authorization of 2014 funding agreements to support the Centre's activities.

3. BACKGROUND

The York Small Business Enterprise Centre advances business creation, innovation and growth in the northern six municipalities

The York Small Business Enterprise Centre in Newmarket serves entrepreneurs and small businesses in the northern six municipalities (Aurora, East Gwillimbury, Georgina,

King, Newmarket, and Whitchurch-Stouffville). The Centre is one of 47 Small Business Centres in Ontario that receive base and supplementary operational funding from the Ontario Ministry of Economic Development and Innovation. The Centre provides advice and education for entrepreneurs in the early stages of business start-up as well as businesses looking for growth through one-on-one consultations and business events and workshops.

The York Small Business Enterprise Centre is a key element in the Economic Strategy Branch's delivery on the economic vitality and business formation / job creation goals established in the *2011 to 2015 Strategic Plan* and the *Economic Development Action Plan*. The Centre cooperates with and compliments the services provided by the other three Small Business Enterprise Centres in Markham, Richmond Hill and Vaughan which are operated independently by their respective municipalities.

Small businesses account for over 84 per cent of businesses in York Region and are significant contributors to the economy

In Ontario, more than half of all Ontarians work for small to medium size businesses representing more than 2.8 million jobs. Small business, classified as 20 and under employees, account for more than 40% of the economic activity in the province. In York Region, small businesses account for over 84% of businesses and are significant contributors to the Region's economy with a major impact on jobs, investment, trade, innovation and prosperity.

The York Small Business Enterprise Centre provides services that directly impact new company formation, business growth, job creation and the development of an entrepreneurial spirit in the Region. These are all key elements of increased economic vitality.

4. ANALYSIS AND OPTIONS

The York Small Business Enterprise Centre is directly influencing the formation of businesses and creation of jobs in the Region

Economic impacts of Small Business Enterprise Centre programs in Ontario are measured utilizing three numerical criteria:

- New business start-ups
- Business expansions
- Jobs created

Table 1 provides the results of economic impact and growth reports provided to the Ministry of Economic Development, Trade and Employment / Ministry of Research and Innovation (MEDTE / MRI) by the York Small Business Enterprise Centre from 2012 to 2013. These numbers are tracked for one-on-one business consultations with existing businesses and entrepreneurs engaging in new start-ups. The YSBEC is trending ahead of 2012 results in all three categories.

Table 1
York Small Business Enterprise Centre Performance Indicators

Activities	Actual 2012	Actual Jan.-Oct. 2013	Projected 2013
New business start-ups	45	43	51
Business expansions	17	29	34
Jobs created	64	63	75

Note: All 2013 figures in this report reflect results to the end of October 2013.

Results are tracked through ongoing follow-up with clients and multiple calls are sometimes required before contact can be made with past clients. As most businesses require time to implement their plans after consultation, follow-ups begin three months after consultations, so actual economic impact numbers are only available to the end of July 2013.

It is important to consider that ongoing numbers may continue to come in from prior months based on future client contacts not yet achieved. Based on second quarter results with projections to year end, 51 new business start-ups are projected, business expansions are projected at 34 and jobs created at 75.

Business consulting advice was provided to 467 clients in the first three quarters of 2013, from all northern six municipalities

The service levels for the York Small Business Enterprise Centre's consultations for 2012 to 2013 are provided in *Table 2*.

Table 2
York Small Business Enterprise Centre Service Levels - Consultations

Client Interaction	Actual 2012	Actual 2013
Client Consultations	432	540
Summer Company Program	13	15
Total	445	555

Since the Centres' inception in 2003, over 3,769 clients have received direct business support consultations, resulting in the formation of 1,052 new businesses and the creation of 1,504 jobs.

The Centre has assisted businesses in being successful across the northern six municipalities

Through 2013, a range of services were delivered to local business. The following provides some examples of successes across the northern six municipalities:

- Whitchurch-Stouffville – Assisted agricultural company establish by providing start-up information, discussing licensing, permits, taxes and possible funding available for new start-ups. They had an extremely successful summer and will be expanding quickly in 2014.
- Georgina – Assisted couple in obtaining their first contract with the LCBO. Worked diligently on marketing, branding and sales pitch
- Newmarket – Provided assistance to new human resources company in initial start-up phase regarding business planning, networking and advertising in York Region. Upon launching he received numerous contracts and plans to expand in the spring.
- Aurora – Assisted local retail store with zoning and licensing issues prior to launch. After starting they returned to Centre to develop a business plan to increase revenue streams, obtain low-cost marketing ideas and tax help.

Events and Workshops continue to drive engagement with the Small Business Enterprise Centre

An important part of driving clients to the Centre's services, as well as educating the broader business community, is the Centre's work to deliver and partner on a range of workshops and seminars. In 2013, the Centre was involved in 74 business related events, including the YRBiz Conference Series, which attracted over 2,400 participants, representing close to a 25% increase over 2012 event participation.

These series of events provide local businesses with tools and strategies on key topics including collaboration, e-business, financing, crowd funding, acquisitions and partnerships. These events help local businesses to stay competitive and ensure they have the information and tools they need to be successful.

Overall, the increase in the attendance at events managed by the Centre was made possible by greater collaboration with external organizations, including the Markham, Richmond Hill and Vaughan Small Business Enterprise Centres, all nine chambers of commerce and municipal economic development offices in York Region, the Women's Centre of York Region, the Green Connections Network, York University, Seneca College, and ventureLAB to name a few.

The N6 Conference Series ‘Business Innovation in Changing Times’ evolved to the ‘YRBiz Series’ and continues to attract significant attendance and profile to the overall program

The highlight of the 2013 event schedule was the N6 Business Innovation in Changing Times conference series which evolved to become the “YR Biz Series.” This change in branding was necessitated by the fact that for the first time, all nine municipalities in York Region participated, along with the southern three Small Business Enterprise Centres.

In 2013, the series became more successful with broader partner engagement across all of the Region’s communities. There were seven events delivered as part of the series and *Table 3* provides an overview of those events and their attendance.

Table 3
YRBiz 2013 Conference Series Events

Event	Attendance	Comments
April 3 rd ‘Digital Manufacturing Summit’	95	First Markham YRBiz event - focussed on manufacturing sector
April 18 th ‘Social Innovation’	88	Full day event – bringing for profit and not for profit together
May 23 rd ‘Sustainability and the Green Economy’	85	First East Gwillimbury event since 2011
August 22 nd ‘Crowdfunding’	72	First Vaughan YRBiz event
September 26 th ‘Winning in an on-line world’	85	Whitchurch-Stouffville event
October 16 th ‘Business and Bandwidth’	133	First Richmond Hill YRBiz event
November 15 th ‘Leadership for Innovation’	197	First Aurora event since 2011 – part of 150 th birthday
Total	755	

Seminars and workshops are rated high in satisfaction by participants

In 2013, participants at each of the events are requested to complete a satisfaction survey on a scale of one to ten. The average satisfaction result was 8.5 out of 10 for the event organization, quality of the presentations, time and location and overall applicability to business requirements.

Collaboration with a range of public and private sector partners has increased

Through the conference series, the Centre has initiated a range of new collaborations with the private sector which has helped set the agenda of the series ensuring topics are top-of-mind for local businesses. This collaboration has also seen the business community take a leadership role in sponsoring the series as well as volunteering in the development and delivery of the series.

To enhance the Centre's reach into the community and to provide a range of expertise into the Centre's programming, three advisory groups with a mixture of public and private sector representatives have been created as follows:

1. Youth Entrepreneurship Mentoring Group – the purpose of this group is to encourage the growth and development of entrepreneurial skills of youth in northern York Region.
2. York Small Business Enterprise Centre Ambassador Group – the purpose of this group is to provide opportunities for industry experts to connect directly with interested businesses with the goal of mobilizing knowledge, ideas and resources to local small businesses.
3. York Small Business Enterprise Centre Partner Group – the purpose of this group is to develop and increase delivery capacity of the Centre.

Volunteers from the business and not-for-profit sectors meet quarterly to provide staff with advice and input into programs, seminar and YRBiz Series topics and speakers, and on potential delivery partners in the community.

All six northern municipalities partner on service opportunities with the Centre

The northern six municipalities that the York Small Business Enterprise Centre serves actively market and collaborate with the Centre:

- All six municipalities market the Centre's workshops at their municipal offices or local chamber of commerce.
- The small business information displays at the six municipalities are restocked regularly with York Small Business Enterprise Centre business information and youth development programs.
- On-call small business consulting was held quarterly in Georgina, King, and Whitchurch-Stouffville in 2013 to more effectively serve remote entrepreneurial business start-ups.

In 2013, the Centre began focused engagement on the agricultural community

Recognizing the importance of the agricultural community, the Centre worked with its municipal and chamber of commerce partners to better engage and assist farm-based businesses in the Region. An outreach strategy was developed to help grow local farm-based businesses, but also to better understand the economic opportunities from this sector within the Region.

As part of this strategy, an event called “Cultivating Connections” was delivered in November in partnership with the Township of King, King Chamber of Commerce, Ontario Ministry of Agricultural Food and Ministry of Rural Affairs and the York Federation of Agriculture. This event brought together 40 producers, farmers and agri-business stakeholders to help foster relationships and connect the community to the Centre’s services.

Assisting new Canadians in embracing entrepreneurship as an employment choice

Given the importance of immigration to the long-term economic success of the Region, the Centre has been working with its partners to better understand the barriers for new Canadians when starting their own businesses and providing them assistance in addressing these issues. The Centre has been working with the Community and Health Services Department on an on-line web portal to support these activities, including market research to support the initiative and the development of a range of community materials.

The YSBEC plans a similar robust program in 2014, with added emphasis on youth programming

Based on feedback from clients, event attendees, and stakeholders, the main program elements of consultation, training seminars and networking conferences, will continue to be provided by the Centre in 2014. However, there will be two new program offerings available at the Centre in 2014, both targeting youth.

Province of Ontario focuses on youth programming through Small Business Centres

In the 2013 budget, the Province of Ontario announced the Youth Jobs Strategy. A program within the Province’s Strategy is ‘Starter Company.’ The program is targeted at assisting young people aged 15 to 29 in operating their own business. By providing mentoring, training and up to \$5,000 in the form of a grant, the Starter Company Program offers an opportunity for young people to either grow their existing businesses, or turn an idea into a new business.

The Small Business Enterprise Centre will deliver this program for the northern six municipalities and utilize it as a tool to encourage more local residents to grow and expand their own businesses. It is anticipated that up to 20 young people will receive grants under this initiative within the northern six municipalities.

New business plan challenge to be launched in 2014

In partnership with The National Bank, the York Small Business Enterprise Centre will launch its first annual Business Plan Challenge. The Challenge is open to all high school students in the northern six municipalities. The program will encourage students to develop a business concept, undertake research to determine its feasibility and write a business plan to turn the idea into a viable business.

The objective is to create opportunities for aspiring young entrepreneurs to develop a realistic, innovative, and comprehensive business plan, and thus develop their entrepreneurial spirit and skills. Prizes donated by the National Bank will be awarded to the top 3 business plans. This program is anticipated to be used to help drive young people into the Starter Company and Summer Company programs offered by the Small Business Enterprise Centre

Authorization of 2014 funding agreements to support Centre activities

In addition to funding from the Region, the Centre also has a number of other funding sources including grants and sponsorships. The largest of these grants comes from the Ontario Ministry of Economic Development Trade and Employment / Ministry of Research and Innovation. In order to facilitate these funding agreements, staff requires authorization to execute agreements with potential funding partners in order to support the Centre's activities.

Link to Key Council-approved Plans

The York Small Business Enterprise Centre facilitates the growth of entrepreneurship and small business in York Region and directly supports the growth and formation of companies and the creation of jobs. This directly supports the objectives in the "Increasing the Economic Vitality" section of the *2011 to 2015 Strategic Plan*.

5. FINANCIAL IMPLICATIONS

The York Small Business Enterprise Centre budget is funded through a mix of sources including base funding from York Region and the Ontario Ministry of Economic Development and Innovation, sponsorship and grants from outside sources, and participant fees collected from various seminars and marketing initiatives.

In 2013, the York Region Small Business Enterprise Centre's total program cost was \$324,088 with recoveries from MEDTE / MRI and fees amounting to \$125,000 for a net cost to the Region of \$199,088.

York Region's share of the operating cost for the Centre has been included in the proposed 2014 Economic Strategy budget allocation. A 2014 funding agreement will be negotiated with the Ontario Ministry of Economic Development Trade and Employment / Ministry of Research and Innovation to secure the provinces' share.

6. LOCAL MUNICIPAL IMPACT

The York Small Business Enterprise Centre serves entrepreneurs and small businesses in the northern six municipalities of Aurora, East Gwillimbury, Georgina, King, Newmarket and Whitchurch-Stouffville. Partnerships have been established with the centres in Richmond Hill, Markham and Vaughan to cross promote events and programs. These partnerships have increased the exposure of the four Small Business Enterprise Centres in York Region and have improved the efficiency and effectiveness of services delivered to small businesses in the Region as a whole.

7. CONCLUSION

The York Small Business Enterprise Centre is a member of a network of 47 Small Business Enterprise Centres across Ontario, created as a partnership between the Region and the Ministry of Economic Development Trade and Employment / Ministry of Research and Innovation to advance business creation, innovation and growth in the northern six municipalities.

Over the past year, the Centre has provided assistance to over 575 clients, helping to establish an estimated 51 new businesses, 34 local expansions and 75 new jobs. The Centre also provides an array of training seminars and conferences designed to drive engagement with small businesses and keep local companies apprised of new technologies and opportunities to grow their businesses. In 2013, over 2,450 people attended these events.

The Centre has developed strong delivery partnerships in the community that provide value for not only its municipal and non-profit partners, but most importantly for the local small business community. This value has been illustrated through survey results completed by event participants and by the northern six municipal economic development staff.

In 2014, the Centre plans to maintain its current suite of consultation and business education/outreach programs while adding new programming designed to engage youth in entrepreneurial activities.

For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy (905) 830-4444, Ext. 71503.

The Senior Management Group has reviewed this report.