




**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	January 13, 2016
<b>SUBJECT/REPORT NO:</b>	Small Business Enterprise Centre (SBEC) Program Initiatives (PED16035) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Kristin Huigenbos (905) 546-2424 Ext. 4110
<b>SUBMITTED BY:</b>	Jason Thorne General Manager Planning and Economic Development Department
<b>SIGNATURE:</b>	

**RECOMMENDATIONS**

- (a) That the City of Hamilton authorize and direct the Hamilton Small Business Enterprise Centre (SBEC) to execute and deliver the "Launch Local" program with the Ministry of Economic Development Trade, Employment and Infrastructure (MEDEI) and the Ministry of Research and Innovation (MRI);
- (b) That the City of Hamilton authorize and direct the Hamilton Small Business Enterprise Centre (SBEC) to continue delivery of the "Summer Company Program" in 2016 with the Ministry of Economic Development Trade, Employment and Infrastructure (MEDEI) and the Ministry of Research and Innovation (MRI);
- (c) That the General Manager of Planning and Economic Development Department or designate, be authorized to negotiate and execute, on behalf of the City of Hamilton, all necessary funding agreements, renewals and ancillary documents affecting all programs and initiatives delivered within the Small Business Enterprise Centre (SBEC) programming mandate with content acceptable to the General Manager of Planning and Economic Development and in a form satisfactory to the City Solicitor;
- (d) That Planning and Economic Development Department staff report back to General Issues Committee on the progress of the programs delivered by the Small Business Enterprise Centre (SBEC) on an annual basis.

## **EXECUTIVE SUMMARY**

The renewed Ontario Youth Job Strategy aims to invest \$250 M over the next two years to help young people find jobs or start their own business while helping employers find skilled workers they need to thrive in the global economy.

As a service delivery agent for the Ministry of Economic Development, Employment and Infrastructure (MEDEI), the Hamilton Small Business Enterprise Centre (SBEC) has two new opportunities to leverage investment and create sustainable economic impact within the community:

1. Program delivery of a six-month pilot project "Launch Local"; and,
2. Continued service delivery of Summer Company.

In a recent call for proposal the Ministry of Economic Development, Employment and Infrastructure has awarded the Hamilton SBEC with \$115,102 to successfully deliver a six-month pilot project aimed on increasing entrepreneurship in Hamilton. This project entitled, "Launch Local" will support local economic development sectors, offering a comprehensive training, mentoring and micro-financing program to new and growing businesses in the greater Hamilton region.

The program will focus on the following four sectors;

1. New Canadian
2. Creative Industries
3. Main-Street
4. Aboriginal Business

Demonstrating success in program delivery the Hamilton SBEC has successfully delivered the Summer Company Program to more than 170 youth over the past 15 years. The Summer Company Program is a flagship program offered by the SBEC network, which provides business training, mentoring, and awards up to \$3,000 to help enterprising students, aged 15 to 29, start and run their own summer businesses. This program continues to have resounding impact in building solid entrepreneurial foundations as seen in the 87.3% retention rate of businesses started and surveyed over the past five years.

## ***Alternatives for Consideration – Page 5***

## **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: With the above-noted recommendations supported, the Hamilton SBEC and the City of Hamilton will receive the following funds to facilitate programs, creating economic impact within our community:

1. Launch Local program delivery – \$115,102 over six months for staffing, program marketing, implementation, micro-grants and training to the target audience.
2. Summer Company program delivery – Funding for the 2016 program delivery will be \$55,500 and attributed to staff wages, mentoring and training.

**Staffing:** Report PED16035 will result in the hiring of one six-month contract for the duration of the Launch Local pilot project and one summer student with no effect on the net levy.

**Legal:** Report PED16035 has no immediate legal impact; however, review / advice from Legal Services staff has been ongoing and will be continued through the development and implementation of all programs.

## **HISTORICAL BACKGROUND**

Hamilton SBEC continually explores new programming opportunities and means to bring additional programs and resources to the community in an effort to further expand training, mentoring and financial resources for the broader business community. The above-noted opportunities allow for continued efforts to leverage community partnerships and create sustainable business growth for the greater Hamilton community.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENT**

Report PED16035 has no specific policy implications.

## **RELEVANT CONSULTATION**

The following were consulted in the preparation of this Report:

- Legal Services, City Manager's Office;
- Risk Management, Financial Services Division, Corporate Services Department;
- Finance and Administration, Corporate Services Department; and,
- Business Development, Economic Development Division, Planning and Economic Development Department.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATIONS**

Ontario's Youth Job Strategy parallels the Hamilton Small Business Enterprise Centre (SBEC) program mandate to expand programming and engage community in the education, awareness and exploration on the viability and career options in entrepreneurship.

Recommendation (a) – Execute and Deliver “Launch Local” Pilot Project

Hamilton continues to experience tremendous growth and diversification across all business sectors, through this growth entrepreneurship continues to be the driving force of resurgence in the local economy.

The Launch Local program will fulfil a gap in the local small business marketplace targeting prospective entrepreneurs with a comprehensive training, mentoring and micro-grant program. This program will align with local economic development sectors and expand customized training and learning initiatives based on sectorial-based growth.

Program eligibility will be based on sector-based programming with a focus on:

1. New Canadians;
2. Creative Industries;
3. Main-Street business; and,
4. Aboriginal business opportunities.

Locally these sectors remain key initiatives with little customized program support and resources at the present time.

Recommendation (b) – Deliver the Summer Company Program

The Hamilton SBEC has delivered the Summer Company Program since the program was first introduced in June 2001. Since this time the SBEC has mentored and trained more than 170 youth who have collectively created more than 276 new jobs in Hamilton.

The new agreement for the 2016 program year will see the Hamilton SBEC work with 35 students, issue 35 grants of up to \$3,000 creating more than 40 new jobs during the summer of 2016.

All terms to comply with the agreement with MEDEI under this Program have been reviewed and are within the scope of services already provided within the SBEC program mandate and program delivery in preceding years.

Recommendation (c) – Delegation of Authority to Enter into Funding Agreements

The provincial government provides funding support for the above-noted programs, as well as other programs delivered by the City of Hamilton Small Business Enterprise Centre (SBEC). In order to receive necessary program funding, the City is required to enter into agreements with the funding Ministry. It is recommended that authority be delegated to the General Manager of Planning and Economic Development to negotiate and enter into the funding agreements on behalf of the City as the agreements and / or

renewals are generally standard provincial funding agreements which are relatively frequent and often require a short turn-around.

Recommendation (d) – Staff report back to General Issues Committee on an Annual basis

Annually the Small Business Enterprise Centre will report back to General Issues Committee with an update on all new program initiatives and economic impact measures attributed to program success criteria.

**ALTERNATIVES FOR CONSIDERATION**

The current Programs could not be pursued resulting in lost access to capital, training and mentoring for Hamilton's business community.

**ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN**

**Strategic Priority #2**

Valued & Sustainable Services

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

**Strategic Objective**

2.3 Enhance customer service satisfaction.

**APPENDICES AND SCHEDULES ATTACHED**

N/A

KH/dkm