2
YORK REGION SMALL BUSINESS ENTERPRISE CENTRE PROGRAM UPDATE

The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report dated February 1, 2007, from the Commissioner of Planning and Development Services:

1. RECOMMENDATIONS

It is recommended that:

1. The continuing operation of the York Region Small Business Enterprise Centre program be subject to confirmation of funding sources and conditional on budget approval.

2. The Regional Chair and Regional Clerk be authorized to sign the necessary funding agreements, at a net Regional cost of $15,000, with the Provincial Government and other sponsors, subject to review by Legal Services.

2. PURPOSE

The purpose of this report is to provide Regional Council with an update on the York Region Small Business Enterprise Centre, and to present the work program for 2007.

3. BACKGROUND

In March 2002, Regional Council approved the establishment of the York Region Small Business Enterprise Centre (YRSBEC) at the Regional Administration Centre. Staff were authorized to submit an application to the Province for funding support to operate the Centre. Pursuant to discussions with the Ministry, a Letter of Agreement was signed between the Province and the Region in February 2003, and a Small Business Consultant was retained in June 2003 to start up and manage the operation of the Enterprise Centre.

Since its establishment, the Region has continued to receive annual funding support from the Province for the operation of the YRSBEC. As demand for the services of the Enterprise Centre continued to grow, a part-time Small Business Assistant was hired in 2006 to assist the Consultant with the day to day operations.

The York Region Small Business Enterprise Centre provides assistance in the creation of new enterprises and the development of early growth stage businesses. The Centre in Newmarket serves entrepreneurs and small businesses in the northern six municipalities

and complements the services provided by the other three Small Business Enterprise Centres in Markham, Richmond Hill and Vaughan which are operated independently by the respective municipalities.

4. ANALYSIS AND OPTIONS

4.1 2006 Activities

In 2006, the York Region Small Business Enterprise Centre remained an important resource for start-up and existing small businesses. The following are some of the activities undertaken in 2006:

Activities	Actual	Original Forecast Targets
General Enquiries	6,373	6,000
Consultations	257	250
Seminars & Workshops	12	12
Bridges to Better Business	1	1
Summer Company	47 applications, 10 approvals	-
*Business Plan Challenge**	43 applications 1 Provincial Finals	-
Enterprising Women's Conference	1	1

* Joint event with Vaughan Enterprise Centre and Richmond Hill Small Business Enterprise Centre

The larger than anticipated number of general enquiries is indicative of the tremendous demand for small business support services in the northern part of the Region.

4.1.1 Economic Impact

- Businesses registered: 96
- New business start-ups: 67
- Business expansions: 10
- Jobs created: 102

4.1.2 Achievements

As a result of direct intervention by the Small Business Consultant, the following are examples of some of the new businesses that have started their operations in the Region:

- Active Green and Ross Auto Centre in Newmarket with 5 employees.
- York Wireless Solutions in Aurora with 4 employees.
- India Gate Restaurant in Newmarket with 6 employees.

Attached as *Attachment 1* are samples of testimonials from some of the clients served during the year.

4.1.3 Seminars, Workshops and Special Events

A total of 12 seminars and Workshops were held during the year on the following topics, attracting about 241 participants:

- Growing Your Business Intelligently
- Finding Business Funding
- Building Your Brand
- Strategic Planning for 2007
- Introduction to Summer Company
- Summer Company Bookkeeping
- Summer Company Reporting Systems
- Introduction to Starting a Business*
- Creating a Business Plan*
- Financing Options*
- Accounting Basics and Booking*
- Creating a Marketing Plan*

* Part of Up and Running BizLaunch Program

In November, the YRSBEC hosted a Regional Meeting at the Cardinal Golf Club on behalf of the Ministry of Small Business and Entrepreneurship. The Meeting provided a forum for the Small Business Enterprise Centres in the Province's Central Region to discuss and brainstorm strategies to improve the delivery of services to small businesses.

4.1.4 Youth Programs

4.1.4.1 Summer Company

Summer Company was one of the youth initiatives launched by the Government of Ontario, and is delivered through the Small Business Enterprise Centres across the province. The program offers students up to $3,000 upon successful completion of their *Summer Company* business. In addition, they also receive hands-on business training and mentoring to help with the start-up and running of their businesses.

Offered for the third year by YRSBEC, the response to *Summer Company* in 2006 was overwhelming. A total of`47 applications were received and the following 10 projects were selected to participate in the program:

- 4 projects offering swimming lessons in the Town of Aurora and Township of King.
- 1 equipment manufacturing project in the Town of Aurora.
- 1 project offering handyman services in the Town of Newmarket.
- 1 project providing landscaping services in the Town of Newmarket.
- 1 greeting card manufacturing project in the Town of Newmarket.
- 1 music camp in the Town of Newmarket.
- 1 project offering catering service in the Town of Whitchurch-Stouffville.

In 2006, the *Summer Company* program was again offered in partnership with the Richmond Hill Small Business Enterprise Centre to provide training and support for the participants.

4.1.4.2 Business Plan Challenge

Business Plan Challenge was a program launched by the Provincial Government in 2002 to celebrate the creativity and entrepreneurial spirit of Ontario's high school students. Under the program, students from across the province submit business plans and compete with other high school students for up to $5,000 in cash awards.

For the second year, the 2006 *Business Plan Challenge* program was delivered jointly with the Richmond Hill Small Business Enterprise Centre and the Vaughan Business Enterprise Centre. The program attracted 43 submissions with one business plan going on to the Provincial finals held in Burlington. The Awards Banquet held at the Renaissance Parc Centre in Vaughan was a gala event attended by approximately 110 participants.

4.1.5 Bridges to Better Business Conference

Ideas for Innovation was the theme of the *2006 Bridges to Better Business* Conference held in November at the Cardinal Golf Club. Following a presentation on Business Trends and Updates, the participants were engaged in roundtables to discuss issues facing start-up, growth and established businesses. Topics such as *Financing Your Business, Hiring and Development, Identifying New Opportunities, Redirecting for Profit, Competing Globally,* and *Marketing Systems for Profitable Revenue Growth,* were popular among participants. Trade booths were available for sponsors and small businesses such as RBC Royal Bank and Telus Mobility to showcase their products and services. The conference was attended by approximately 120 entrepreneurs and small businesses and the feedback was very positive.

The *Bridges to Better Business* Conference was co-sponsored by the Ministry of Small Business and Entrepreneurship, Canada Ontario Business Centre, York South Simcoe Training and Adjustment Board, and York Region.

4.1.6 Sponsorships and Grants

In addition to the base funding of $50,000 from the Provincial Government, the York Region Small Business Enterprise Centre was successful in securing sponsorships and grants totalling $46,300 from RBC Royal Bank, Bank of Nova Scotia, York South Simcoe Training and Adjustment Board, the Canada Ontario Business Service Centre, and the Ministry of Small Business and Entrepreneurship. The sponsorship funding has contributed towards offsetting some of the program expenditures.

4.1.7 Other Initiatives

With the support of the Small Business Assistant, the YRSBEC was able to expand its services to potential entrepreneurs in the northern part of the Region. The new business

start-up kits continued to be popular, particularly among walk-in clients. Over 300 kits have been distributed to potential entrepreneurs during the year.

The Small Business Consultant continued to take a proactive approach to community participation as a means to raise the profile of the centre and increase its client base. For the second consecutive year, the York Region Small Business Enterprise Centre was a sponsor and co-organizer of the *Enterprising Women's Conference* held in March. The Consultant was also active in making presentations to schools and external groups such as the Employment Resource Centre in Newmarket.

The Advisory Committee remained an integral part of the program, with members participating actively in quarterly meetings as well as in projects and events. Comprising of representatives from local businesses, government and non-profit agencies, some of the members also act as mentors to participants of the Business Plan Challenge and *Summer Company*.

4.2 Work Program for 2007

4.2.1 Service Targets

The following are proposed service targets for 2007:

- General Enquiries: 7,000
- Consultations: 260
- Seminars and Workshops: 12
- Special Events: *Bridges to Better Business, Summer Company, Business Plan Challenge, Small Business Providers Roundtable, and Enterprising Women's Conference*.

4.2.2 Business Plan Challenge

Promotion for the 2007 *Business Plan Challenge* has already commenced and schools will be invited to participate in this year's event. This is the third year that the Small Business Enterprise Centres of York Region, Richmond Hill and Vaughan are working together to deliver this program. The deadline for submissions is June 1, 2007 with the provincial competition scheduled for September 2007. York Region will be the host for this year's Awards Banquet planned for June.

4.2.3 Summer Company

It is anticipated that the response to *Summer Company* will be as overwhelming as in previous years. Submissions have already started to come in from students of various local high schools, and April is the scheduled cut-off date for the receipt of proposals. Members of the Advisory Committee will again be involved as mentors for the program.

4.2.4 Seminars and Workshops

In 2007, the YRSBEC is planning to host the following seminars:

- Strategic Marketing

- Human Resources
- Small Business Technology
- Strategic Planning
- Summer Company Bookkeeping
- Summer Company Reporting Systems.

In addition, a series of six small business workshops will be held during the year. The workshops will offer hands-on training to small groups of about 15 to 20 attendees on various topics that are critical to the success of small business ventures. The workshop topics will include Introduction to Starting a Business, Building a Business Plan, Introduction to Bookkeeping, and Sales and Marketing Techniques. The sessions will be offered in partnership with other service providers.

The Enterprise Centre will again be involved as a sponsor and co-organizer of the *Enterprising Women's Conference* organized by the Women's Centre of York Region in March. A *Bridges to Better Business* Conference is scheduled for November as part of the Small Business Month celebration. Planning for these two events is currently underway.

4.2.5 Small Business Providers Roundtable

It is proposed that a Small Business Providers Roundtable be organized this year, to bring together the agencies and organizations that are providing support services to small businesses in the Region. The Roundtable will be a forum where groups can identify common issues, address differences, and develop a co-ordinated approach to improve on service delivery.

4.2.6 York Small Business Television Show

Staff have been exploring the opportunity of producing a York Small Business Television Show in partnership with Rogers Television and the Ministry of Small Business and Entrepreneurship. The Television Show is an educational series that will provide the viewers with the information and tips necessary to successfully run a small business. The objective is to increase the awareness and the benefits of starting a small business. The Enterprise Centres in Markham, Richmond Hill and Vaughan are supportive of the concept and are prepared to provide information and insights for the content of the show. It is anticipated that funding support will be available from the Provincial Government, and staff will endeavour to secure other sponsorships to cover the production costs of the project.

4.2.7 Other Activities

The York Region Small Business Enterprise Centre will continue with the services it is currently providing to new entrepreneurs. At the same time, in view of the increasing demand for support to growth companies with less than 10 employees, the YRSBEC will be expanding its services to these companies through partnerships with community-based organizations such as the Chambers of Commerce and Board of Trade. In order to provide value-added service to clients and entrepreneurs, the Small Business Consultant

will actively pursue opportunities to work more closely with banks, financial institutions, and alternative commercial lenders to enhance access to funding for small businesses.

4.3 Relationship to Vision 2026

The YRSBEC facilitates the growth of entrepreneurship and small business in the Region, and supports the Vibrant Economy goal of *Vision 2026*.

5. FINANCIAL IMPLICATIONS

The York Region Small Business Enterprise Centre program is conditional upon provincial funding and local sponsorships. A business plan and funding proposal has been submitted to the Ministry of Small Business and Entrepreneurship for financial support to continue the operation of the YRSBEC for 2007/2008. It is anticipated that the base funding of $50,000 will be forthcoming, subject to final approval from the Province. Additional financial support for programs and initiatives such as *Bridges to Better Business, Summer Company*, and *Business Plan Challenge* will be available from the Province. The Small Business Consultant will also actively pursue other partnership and sponsorship opportunities to contribute towards the operating cost of the Enterprise Centre.

The production costs of the York Small Business Television Show will be fully recovered through government funding and other sponsorships.

York Region's share of the operating cost for the York Region Small Business Enterprise Centre has been included in the proposed Economic Development Budget for 2007. The total net cost to the Region is estimated at approximately $15,000.

6. LOCAL MUNICIPAL IMPACT

The YRSBEC 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 and Vaughan to deliver programs such as *Summer Company* and *Business Plan Challenge*. These partnerships have been successful in increasing the exposure of the Small Business Enterprise Centres, as well improve the efficiency and effectiveness of services being delivered to small businesses in the Region as a whole.

7. CONCLUSION

The York Region Small Business Enterprise Centre is the newest member of a network of 44 Small Business Enterprise Centres across Ontario, created as a partnership between the Region and the Provincial Government. According to a Client Survey conducted in

2006, the YRSBEC has achieved a positive impact on facilitating business start-ups and expansions in the Region. Businesses surveyed were satisfied with the support they received, and a vast majority of entrepreneurs found the experience to be positive and helpful in starting their businesses. The increasing number of clients served by the Centre is testimony to the entrepreneurial spirit in the Region. It is recommended that Regional Council continue to offer its support to the Small Business Enterprise Centre program, and that the Regional Chair and Regional Clerk be authorized to execute the necessary funding agreements with the Province and other sponsors.

For further information about this report, please contact Ellen Ma, Economic Development Co-ordinator, Economic Strategy Branch at (905) 830-4444 ext. 1509, or James Nicholson, Small Business Consultant, Economic Strategy Branch at (905) 830-4444 ext. 1517.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is included with this report.)