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YORK REGION SMALL BUSINESS ENTERPRISE CENTRE PROGRAM UPDATE

The Planning and Economic Development Committee recommends the adoption of the recommendation contained in the following report, February 24, 2006, from the Commissioner of Planning and Development Services:

1. RECOMMENDATION

It is recommended that a new Business Plan and Proposal be submitted to the Ministry of Economic Development and Trade for funding assistance to continue the operation of the York Region Small Business Enterprise Centre.

2. PURPOSE

The purpose of this report is to update Regional Council on the activities of the Small Business Enterprise Centre, and to present the Work Program for 2006.

3. BACKGROUND

In April 2005, funding assistance was approved by the Ministry of Economic Development and Trade for continued operation of the York Region Small Business Enterprise Centre (*YRSBEC*) in 2005/2006.

The *YRSBEC* provides assistance to entrepreneurs for the creation of new enterprises and development of early growth stage businesses. The Centre in Newmarket complements the other Small Business Enterprise Centres in Markham, Richmond Hill and Vaughan to serve small business in the northern parts of the Region.

4. ANALYSIS AND OPTIONS

4.1 Location

The *YRSBEC* was established in June 2003 at the Regional Administrative Centre. Currently, the Enterprise Centre is located on the fourth floor within the Planning and Development Services Department. As part of the agreement with the Ministry of Economic Development and Trade to provide a more visible location for the Centre, staff is continuing discussions with Property Services for alternative sites either within the Administrative Centre or in close proximity to the building to make the services more accessible to small businesses in the Region.

4.2 Activities for 2005

The following are some of the activities undertaken in 2005, compared to earlier forecast targets:

Activities	Actual	Original Forecast Targets
General Enquiries	5,317	3,800
Consultations	244	260
Seminars & Workshops	15	12
<i>Bridges to Better Business</i>	1	1
<i>Summer Company</i>	44 applications, 5 approvals	-
<i>Business Plan Challenge*</i>	34 applications, 1 Provincial final	-
Outreach	70	65

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

The large number of enquiries is testimonial to the tremendous degree of entrepreneurial potential that exists in the Region.

4.2.1 Economic Impact

- New business start-ups: 201
- Business expansions: 8
- Jobs created: 91

4.2.2 Success Stories

The following are some examples of the successes achieved by the Region's small businesses as a result of direct intervention by the Small Business Consultant:

- Establishment of several alternative medicine practices
- Opening of a restaurant and a convenience store
- Establishment of a gymnastic business
- Opening of an auto repair franchise
- Expansion of a chocolate manufacturer
- Opening of a number of daycare operations
- Establishment of five importing firms
- Launch of businesses by Human Resource consultants, trainers and personal coaches

4.2.3 Education and Training

A total of 15 seminars were held during the year on the following topics, attracting about 400 participants:

- Sales Skills
- Web Marketing
- Accounting
- Clear Vision

- Starting A Business
- Five Secrets to Doubling Your Business
- Introduction to Summer Company
- Summer Company Reporting Systems
- Up and Running BizLaunch Program

4.2.4 Youth Programs

4.2.4.1 Summer Company

One of the youth initiatives launched by the Ministry of Economic Development and Trade, *Summer Company* is a program delivered through the Small Business Enterprise Centres across Ontario. 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.

This was the second year that *Summer Company* was offered by the YRSBEC, and the response was overwhelming. A total of 44 applications were received and the following five projects were selected to participate in the program:

- 2 projects offering swimming lessons in the Towns of Aurora and East Gwillimbury.
- A sports action photography project in the Town of East Gwillimbury.
- A computer repair business in the Town of Newmarket.
- A web design business in the Town of Whitchurch-Stouffville.

In 2005, 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.

4.2.4.2 Business Plan Challenge

Business Plan Challenge was a program launched by the Ministry of Economic Development and Trade 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 their fellow high school students for cash awards.

In 2005, the *Business Plan Challenge* was a joint venture between the YRSBEC, the Richmond Hill Small Business Enterprise Centre and the Vaughan Business Enterprise Centre. The program attracted 34 submissions with one student going on to the Provincial finals held in Hamilton. The Awards Banquet held at the Sheraton Parkway Hotel and Convention Centre in Richmond Hill was attended by over 100 participants.

4.2.5 Bridges to Better Business Event

A *Bridges to Better Business* event was held during Small Business Month in October at the Glenway Country Club. The theme of the business conference was Diversity and Inclusivity in small business. The event kicked off with a Presentation on the new

Accessibility for Ontarians with Disabilities Act (AODA) delivered by a representative of the Provincial Government. Following the Keynote Address on Business Success by BizLaunch, participants were engaged in breakout sessions to discuss challenges facing women, men, youth, the disabled and ethnic entrepreneurs. About 40 attendees participated in the event and the feedback was very positive. The theme was considered timely and appropriate for the current business climate. *Bridges to Better Business* was co-sponsored by the Ministry of Economic Development and Trade, York South Simcoe Training and Adjustment Board, and the Region.

4.2.6 Sponsorships

In 2005, sponsorships and grants totalling \$29,100 were secured 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 Economic Development and Trade. The sponsorship funding has helped to offset some of the program expenditures.

4.2.7 New Initiatives

The hiring of a part-time Small business Assistant in June has enabled the Consultant to devote more time to new initiatives and expand the services available to clients. Two new start-up kits have been prepared, one providing general information including an online entrepreneurial self-evaluation questionnaire, and the other containing detail information on starting a company complete with government regulations and a local service providers directory. A total of 72 kits were distributed to potential entrepreneurs.

With preliminary enquiries and walk-in clients handled by the Assistant, the Small Business Consultant was able to take a more proactive approach to community participation in an effort to raise the profile of the Centre and increase its client base. During the year, the Consultant was featured on Aurora Cable's "On the Money Show". He also succeeded in establishing links to alternative commercial lenders, formed alliances with women entrepreneurs through the Women's Centre of York Region and the Network for Women entrepreneurs, and developed a relationship with the Wisdom Exchange. The YRSBEC also partnered with nine of the Chambers of Commerce to launch a week of business seminars.

4.3 Work Program for 2006

4.3.1 Service Targets for 2006

The following are proposed service targets for 2006:

- General Enquiries: 6,000
- Consultations: 250
- Seminars/Workshops: 12
- Outreach: 70
- Special Events: *Bridges to Better Business, Summer Company, Business Plan Challenge, and Small Business Providers Summit*

4.3.2 Business Plan Challenge

Promotion for the 2006 *Business Plan Challenge* has commenced and invitations have already been extended to the schools to participate in this exciting event. This will be the second joint event between the Richmond Hill, Vaughan and York Region Small Business Enterprise Centres. (Markham has decided to organize its own *Business Plan Challenge* again in 2006.) Over 30,000 students from about 35 schools in eight of the nine municipalities will be eligible to participate in this competition. The winners will receive up to \$5,000 in cash awards. The deadline for submissions is June 1, with a gala awards dinner to be held on June 15 and the Provincial competition in September, 2006.

4.3.3 Summer Company

For the third consecutive year, the *YRSBEC* will be offering the *Summer Company* program in partnership with the Richmond Hill Small Business Enterprise Centre. It is anticipated that the response will be as overwhelming as previous years, with submissions coming from local high school as well as college and university students. Members of the Advisory Committee will again be involved as mentors for the program.

4.3.4 Seminars/Workshops and Special Events

Seminars on the following topics are being planned for 2006:

- Growing Leadership Skills
- Sources of Small Business Funding
- Branding
- Strategic Planning
- BizLaunch Small Business Management
- Quick Books Training

In 2006, a series of Small Business training/networking sessions will also be offered for established businesses that are looking to upgrade their skill and increase their profitability. The sessions will be offered in partnership with other service providers.

The Enterprise Centre will again be involved as a sponsor in the Enterprising Women's Conference organized by the Women's Centre of York Region in March. A *Bridges to Better Business* event will be organized as part of the Small Business Month celebration.

4.3.5 Small Business Providers Summit

In addition to the four Small Business Enterprise Centres in York Region, there are about 20 other agencies and organizations that are offering small business support services to various target groups. These services range from counselling and mentoring to financial assistance. As part of the *Bridges to Better Business* event, it is proposed that a Small Business Providers Summit be organized to bring together these groups to discuss common issues and develop a co-ordinated approach to service delivery.

4.3.6 Client Survey

As a benchmarking tool, a consultant has been retained to conduct a survey of the small businesses who have attended consultation sessions at the *YRSBEC*. The purpose of the

survey is to determine the Centre's effectiveness in facilitating business start-ups and expansions, and to find out if there are gaps in the services offered by the Centre. The findings of the survey will be presented to Regional Council when the analysis is completed. It is proposed that the survey be conducted on an annual basis.

4.4 Relationship to *Vision 2026*

Facilitating entrepreneurship the growth of small business in the Region supports the Vibrant Economy Goal of *Vision 2026*.

5. FINANCIAL IMPLICATIONS

It is recommended that a Business Plan and Proposal be submitted to the Ministry of Economic Development and Trade for funding assistance to continue the operation of the YRSBEC in 2006/2007. Funding is anticipated at \$50,000, subject to approval by the Government of Ontario. The total amount includes the matching funding of \$5,000 for cash sponsorships received by the YRSBEC. The Ministry also provides additional funding support for initiatives and events such as *Bridges to Better Business*, *Summer Company*, and *Business Plan Challenge*. Sponsorships and partnership funding will also be sought by the Small Business Consultant to offset part of the operating cost of the Centre.

The Region's share of the operating cost for the Small Business Enterprise Centre has been included in the proposed Economic Development Budget for 2006. The total net cost to the Region is estimated at \$10,221.

6. LOCAL MUNICIPAL IMPACT

The York Region Small Business Enterprise Centre serves the six northern municipalities of Aurora, East Gwillimbury, Georgina, King, Newmarket and Whitchurch-Stouffville. It complements the services of Enterprise Centres in the Towns of Markham and Richmond Hill and the City of Vaughan. For the third consecutive year, the Centre will be partnering with the Richmond Hill Small Business Enterprise Centre to launch the *Summer Company* program, and the *Business Plan Challenge* will again be offered as a joint venture between the YRSBEC and the Centres in Vaughan and Richmond Hill. Past experience has shown that these partnership opportunities have resulted in increasing the effectiveness of services being offered to small businesses within the Region.

7. CONCLUSION

Supporting the emergence and growth of business enterprise is a cornerstone of the Region's Economic Strategy. The York Region Small Business Enterprise Centre is an important resource to encourage entrepreneurship and growth of small businesses

particularly in the northern part of the Region, and needs to be relocated for greater visibility and contractual compliance. The increasing number of clients served by the Centre underscores the entrepreneurial spirit in the Region. Funding and program support by the Government of Ontario is vital to the success of the initiative. It is recommended that a Business Plan and Proposal be submitted to the Ministry of Economic Development and Trade for continued financial assistance.

The Senior Management Group has reviewed this report.