

**YORK REGION SMALL BUSINESS ENTERPRISE CENTRE
2003 PROGRESS REPORT**

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Jim Nicholson, Small Business Consultant, York Region Small Business Enterprise Centre, be received; and**
- 2. The recommendations contained in the following report, August 19, 2003, from the Commissioner of Planning and Development Services be adopted, with the addition of the following recommendation:**
 - 4. Staff be directed to arrange a presentation by James Nicholson, Small Business Consultant, York Region Small Business Enterprise Centre, to the six local municipalities (Aurora, East Gwillimbury, Georgina, King, Newmarket and Whitchurch-Stouffville) which do not operate a Small Business Enterprise Centre at the municipal level.**

1. RECOMMENDATIONS

It is recommended that:

1. This report be received for information.
2. Staff be authorized to submit a business plan and funding proposal to the Ministry of Enterprise, Opportunity and Innovation for continued funding assistance in the operation of the Enterprise Centre.
3. The Regional Chair and Regional Clerk be authorized to execute subsequent and all future agreements with the Ministry of Enterprise, Opportunity and Innovation for the delivery of the program.

2. PURPOSE

The purpose of this report is to update Regional Council on the establishment of the York Region Small Business Enterprise Centre.

3. BACKGROUND

In March 2002, Regional Council approved the establishment of a York Region Small Business Enterprise Centre at the Regional Administration Centre, and staff was authorized to submit an application to the Ministry of Enterprise, Opportunity and Innovation 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.

4. ANALYSIS AND OPTIONS

4.1 The York Region Small Business Enterprise Centre

The *York Region Small Business Enterprise Centre (YRSBEC)* is the newest member of a network of 44 Small Business Enterprise Centres across Ontario, created as a partnership between the Region and the Ministry of Enterprise, Opportunity and Innovation.

According to the 2002 Employment Survey, about 75% of businesses in the Region have less than 10 employees. The *YRSBEC* will be an important resource to act as a catalyst for new small business growth, as well as provide accurate and timely assistance to existing small businesses, particularly in the northern municipalities. At the same time, it will complement the services provided by the existing Enterprise Centres in the Town of Markham, Town of Richmond Hill, and the City of Vaughan.

The Centre's services range from assisting new business start-ups, consultations, referrals, offering business seminars, providing resource materials, to answering general business enquiries. Many student business programs and summer opportunities will also be offered by the *YRSBEC*.

The role of the Small Business Consultant is to provide support service to entrepreneurs and small business, and take a progressive approach in reaching out to the business community in the area. As a part of the Economic Development Office, the Consultant will organize workshops and seminars, and provide counselling and information to business and entrepreneurs on programs, services and regulations relevant to start a new business. The services offered include consultations, business plan preparation, financial planning, and market planning.

The *YRSBEC* was established in June, 2003 in the Regional Administration Centre. In order to facilitate ease of access for clients, discussions are being held with Property Services to provide a permanent location for the Enterprise Centre on the main floor of the Regional Building. In the interim, the Enterprise Centre is located on the fourth floor within the Planning and Development Services Department on a temporary basis.

4.2 Progress To Date

As at the end July 2003, the following activities have been undertaken by the Small Business Consultant:

- Established a temporary consulting office and resource display.
- Procured a wide range of resource materials and handouts.
- Developed a communications plan to promote the Centre.
- Initiated the design of a distinct corporate image for the *YRSBEC*.
- Established an administrative and reporting system for the Centre.
- Designed a system for tracking client activities.
- Set-up a web page for the *YRSBEC* on the Region's corporate website.
- Outreach to the business community and established partnerships with seven professional service providers including accountants, lawyers and insurance agents.
- Met with all complimentary service providers in the region.
- Participated in six business functions to promote the Centre.
- Initiated discussions to organize a business seminar for September.
- Applied for funding to host an event as part of the Small Business Week in October.

- Attended 20 seminars, trade shows and meetings with external agencies such as the Royal Bank Business Branch, the Business Loan Centre, Business Development Bank, the Markham YMCA, the COBSC Forum, and Job Skills Resource Centre.

Clients were attracted to the Centre through outreach to the business community, listing on websites, interaction with networking groups, and referrals from other agencies.

In the two months since the establishment of the Centre, the Small Business Consultant has handled 64 general enquiries and 12 individual consultations. Over 90% of the clients were from the northern part of the Region. Services provided included developing business plans; sourcing funding for a manufacturer, a Farmers Market expansion, and a research initiative for a promising new rural industry; defining a target market for a consultant; and discussing business opportunities with an entrepreneur moving into the Region.

With the involvement of *YRSBEC*, a client has been successful in getting funding and assistance for the expansion of their rural community-based business. This small operation is now able to supply the recent demands of major national and international distribution channels. The immediate economic impact is the creation of seven permanent jobs in the rural part of York Region.

The initial interest and success of the Centre have demonstrated that the *YRSBEC* is able to provide a resource that is much needed, especially in the northern part of the Region.

4.3 Proposed Workplan for 2003

It is proposed that the following activities be undertaken in the second half of 2003:

- Respond to 700 general enquiries regarding business start-ups and assistance.
- Offer 75 individual consultations and counselling.
- Establish in each municipality three partnerships per category with financial institutions, lawyers, accountants, marketing/business consultants and insurance brokers.
- Actively pursue sponsorships and other in-kind contributions totalling \$10,000.
- Host five seminars on the following topics: Introduction to Entrepreneurship, Marketing, E-commerce, GST & PST taxes, Business opportunities based on demographic projections
- Host a “Bridges to Business” event as part of the Small Business Week in October.
- Speak at three business and networking events.
- Make three presentations to high school business students.
- Deliver other programs in partnership with the Ministry of Enterprise, Opportunity and Innovation.

4.4 Relationship to Vision 2026

New business start-up and entrepreneurial activity are vital to achieving the Vibrant Economy Goal as established in *Vision 2026*.

5. FINANCIAL IMPLICATIONS

Under the terms of the Agreement, the Province will provide the Region with a start-up cost of \$20,000, and \$45,000 for the cost of hiring a Small Business Consultant for the year ending March 31, 2004. The administrative and other operating expenses will be covered by revenues to be achieved through sponsorships, fees and charges. There is no direct net impact to the Region's budget associated with the operation of the Enterprise Centre in 2003.

The current Agreement with the Province will expire on March 31, 2004. It is recommended that staff be authorized to submit a new business plan and proposal to the Ministry of Enterprise, Opportunity and Innovation in early 2004 for funding assistance to continue the operation of the *YRSBEC* for 2004/2005.

6. LOCAL MUNICIPAL IMPACT

The York Region Small Business Enterprise Centre in the Regional Administration Centre will service clients mainly from the northern municipalities. At the same time, it will complement the activities of the existing centres located in the southern municipalities. Increased entrepreneurial activities in all local municipalities will be beneficial to the economic growth of the Region as a whole.

7. CONCLUSION

The economic growth of York Region and Ontario can be attributed largely to the resourcefulness of its entrepreneurs. The creation of an attractive and vibrant environment for small business is key to building enterprises and jobs, and the York Region Small Business Enterprise Centre will act as a dynamic driving force behind economic growth in the Region. It is recommended that Regional Council continue to offer its support to the Province's Small Business Enterprise Centre Program.

The Senior Management Group has reviewed this report.