



## ADMINISTRATIVE REPORT

Report Date: July 15, 2014  
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Meeting Date: July 23, 2014

TO: Standing Committee on Planning, Transportation and Environment  
FROM: Vancouver Economic Commission  
SUBJECT: Vancouver Entrepreneur Initiative

### *RECOMMENDATION*

- A. THAT Council approve in principle the Vancouver Entrepreneur Initiative, which has the following objectives:
- i. Increase access to investment capital for local small innovators/entrepreneurs;
  - ii. Attract local and foreign investment by leveraging Vancouver's talent, networks and reputation;
  - iii. Empower the local entrepreneurial community to network, support and help other entrepreneurs;
  - iv. Maintain and strengthen locally owned small businesses and neighbourhood shopping areas; and
  - v. Increase local job creation.

FURTHER THAT following approval by Council of the Initiative, the Vancouver Economic Commission be directed to establish a Blue Ribbon Panel to work with City staff and VEC to:

- issue a request for proposals (RFP) for a fund manager or venture capital firm to create and manage the Vancouver Entrepreneur Fund;
  - evaluate and decide on the successful proponent of the RFP for the establishment of the Vancouver Entrepreneur Fund.
- B. THAT the 2015, 2016 and 2017 budgets of VEC be increased to include a contribution towards Vancouver Entrepreneur Fund management overhead and a series of activities outlined in the program, source of funds the Innovation Fund, and that any incremental costs required in 2014 be absorbed in the existing 2014 Budget.

- C. THAT Council direct the Digital Strategy Working Group to launch a one-stop business portal that will support an inclusive and networked entrepreneurial community by complementing existing Digital infrastructure in the community and at the City with the source of funding the annual Capital budget.
- D. THAT Council endorse the Vancouver Economic Commission to conduct a consultation with the small business community, in partnership with key organizations including the Business Improvement Associations and the Vancouver Board of Trade in order to identify the best practices for the City and VEC to support locally owned small businesses and neighbourhood shopping areas.

### ***REPORT SUMMARY***

This report seeks approval to commence the Vancouver Entrepreneur Initiative (the Initiative). The first phase of the Initiative includes four strategic priorities:

- i) increase access to capital for entrepreneurs through the establishment of the Vancouver Entrepreneur Fund through a VEC contracted provider who will have expertise and capacity to link our local innovators/entrepreneurs with key investors and equity funders both at home and abroad;
- ii) through the Digital Strategy, enhance the ability for local innovators/entrepreneurs to network and link with each other and other key stakeholders who are key to growing and marketing their businesses and products;
- iii) through the existing network of BIAs and other stakeholders such as the VBOT, undertake a consultation with locally owned small businesses which are a vital platform for small business expertise and neighbourhood business activation in Vancouver, in order to better understand their needs and make recommendations to Council; and
- iv) through the Green and Digital Demonstration Program (GDDP), develop strategies to enable social innovation companies to demonstrate proof-of-concept in the Program. Further information on the GDDP can be found in Appendix C.

### ***COUNCIL AUTHORITY/PREVIOUS DECISIONS***

- In 2011 the Vancouver Economic Commission published the first Vancouver Economic Action Strategy.
- In 2013 Council approved the City of Vancouver Digital Strategy
- In 2013 the City launched, with other regional municipalities, the inter-municipal business licensing program
- On June 25, 2013, Council approved the motion that the Vancouver Economic Commission be asked to work with City staff, Vancouver BIAs and the Vancouver Board of Trade to recommend immediate and long-term actions the City can take to support the retention and growth of locally owned small businesses, as well as identify opportunities to expedite recommendations within the Economic Action Strategy.

- On July 9, 2014, Council approved the *Green and Digital Demonstration Program*, which implemented technology demonstrations or proof-of-concept initiatives using City assets or infrastructure under the GDDP, provided that such contracts shall be in form satisfactory to the Director of Legal Services.

#### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

The City Manager recommends approval of the foregoing recommendations.

#### ***REPORT***

##### ***Background/Context***

Vancouver is a city rich in entrepreneurship, and the economic impact this creates for our city is significant. Our local economy relies heavily on entrepreneurs, with small- and medium-sized companies (under 50 employees) accounting for no less than 95% of all businesses in the city. Nearly 60% of our businesses have less than 5 employees.

These small businesses in our city cover a wide range of sectors from professional, scientific and technical services, the creative sector, innovative technology, health care, real estate and retail trade. Several of these sectors have long-standing industry associations or established geographic-oriented advocates such as Vancouver's 22 Business Improvement Areas representing their interests. The VEC is tasked with implementing the City's Economic Action Strategy (EAS), with a mandate of positioning Vancouver as a globally recognized city for innovative, creative and sustainable business.

The strength of our entrepreneurial community has a significant profile internationally. As an example the Startup Genome's ranking of start-up ecosystems places Vancouver 9th globally, reflecting our outstanding local talent pool and an entrepreneurial mind set second only to Silicon Valley. However, this community requires additional funding and support to build on these strengths and realize its full potential, and this report presents strategic activities for the VEC and the City to undertake to facilitate the continued growth and success of our local entrepreneurs.

##### ***Strategic Priorities of the Initiative***

Aligned with the Economic Action Strategy and the VEC's strategic objectives, the City and VEC propose four strategic priorities that comprise the first phase of the Initiative:

###### **1. Increasing Access to Capital:**

This spring, the VEC carried out a series of six roundtables with early start-ups, series B companies, angel investors, venture capitalists, incubators, accelerators, and partner organizations to discuss some of the challenges and opportunities they face in growing their companies at home. Further information about the roundtable participants can be found in the Appendix A. Arising from the roundtable sessions the following key findings were concluded:

- The lack of capital in the start-up ecosystem is a primary concern for local entrepreneurs. This either limits growth or forces local companies to

relocate to cities with better access to capital. The most acute financing gaps exist with early seed and Series A (\$3 to \$5 million tranche) financing.

- The City and VEC are in a unique position to leverage partner organizations and the City's reputation to assist local entrepreneurs' access international markets and attract new investment capital to Vancouver.
- The Vancouver start-up community is diffuse, poorly connected and relatively risk-averse.
- By finding ways to match private to public capital the City could be more effective in enabling growth of local innovators/entrepreneurs;
- The City's buying power was seen as a major opportunity for creating opportunities for local innovators/entrepreneurs to demonstrate their products and services; this concept resulted in the GDDP report to Council on July 9 2014.

In order to attract further investment capital, take advantage of the significant foreign investor interest in Vancouver, and bridge the financing gap for local entrepreneurs, this report recommends the creation of a City-enabled program to attract new capital investment in local start-ups. The program activities include:

- Undertaking targeted research on the nature and relative strength of Vancouver's brand as a destination for VC investment, to inform and tailor strategy development;
- Building on the work done through VEC in the last 3 years, develop a second phase strategy aligned with the research to further raise Vancouver's brand awareness in key international markets and centres of capital (initially, China, California or Pacific Northwest) and
- Establish the Vancouver Entrepreneur Fund (the Fund) through the procurement of a fund manager or local venture capital firm (the Contractor) to manage the Fund. It is intended that the Contractor be responsible for:
  - Designing the structure of the Fund;
  - Creation of the Fund;
  - Development and implementation of the eligibility requirements following the principle framework set out by the City and VEC. Further information about the Fund's principle framework can be found in the Appendix B; and
  - Management of the investment and divestitures within the fund
  - Marketing and promotion of the Fund.
  - Reporting to VEC and the City on the fund performance relative to established metrics

Through the Innovation fund, the City will commit the resources to support the establishment of the Fund and related ongoing administrative costs for the first 3 years after which the expectation is that it will be self sustaining. This constitutes a significant enabling investment in the leveraging of capital for local innovators/entrepreneurs.

## 2. Enhancing a Networked Entrepreneur Sector

Businesses will prosper if they are networked and supported by the community. The more overlapping, lateral and vertical relationships the more robust and

strong the community will become. In support of this goal, the City should make it easy to connect, involve and engage with all key stakeholders; namely BIAs, investors, entrepreneurs, accelerators, incubators, government, industry associations, and educational institutions.

Aligned with the City of Vancouver's Digital Strategy, the report recommends that the Digital Technology Working Group create a one-stop business portal for entrepreneurs and other stakeholders to engage, consult and connect by launching a mobile application or a widget add-on to the City's soon to be launched 311 App. The following service offerings are examples of what could be included:

- Directory of all local start-ups, venture capital firms, angel investors, accelerators, incubators, educational institutions, BIAs, industry associations, and shared office space;
- Summary of events and activities related for entrepreneurs (i.e. Start-up Weekend, Conferences, Meet-ups);
- News (i.e. updates from COV and/or VEC on business related matters);
- Search function for business related COV services;
- FAQs on business licensing process or other related business processes at the COV; and
- Spotlight feature that highlights a new business or related initiative.

### **3. Supporting and Enabling the Success of Neighbourhood Shopping and Business Areas**

The goal of this part of the Initiative is to preserve existing locally owned small businesses and, where appropriate, encourage new businesses to move into the neighbourhood shopping area that complement and improve the business mix for local residents. VEC with support of City staff will complete a consultation with the small business community, including Business Improvement Associations and the VBOT in order to identify how the City and VEC can best serve and support locally owned small businesses and neighbourhood shopping areas.

### **4. Supporting and Promoting the Green and Digital Demonstration Program**

The goal of this part of the Initiative is recognizing the importance of strategically using the City's assets and continuously improving the City's supply chain management. The social innovation sector in Vancouver is thriving and they are challenged by some of the same barriers as the green and digital sector - this part of the Initiative focuses on looking at the strategies which could be put in place to allow this sector to participate in the Program in its next phase.

## ***Strategic Analysis***

In alignment with the City of Vancouver Economic Action Strategy, the Vancouver Entrepreneur Initiative supports the three major areas of focus: i) Climate for growth; ii) Supporting Business Investment and Trade; and iii) Focus on People.

The entrepreneurial community in Vancouver has long faced access to capital challenges that peers in well-financed major international competitor cities like San Francisco, New York and London do not deal with. These problems have yet to be resolved, despite the best efforts of multiple stakeholders.

There is a role for the VEC and the City to undertake activities to address some of the challenges. While there was consensus from the roundtable participants that a VEC- or City-administered fund would risk the appearance of competing or duplicating other sources of capital, whether early seed or follow-on, both organizations have several strengths that can be leveraged in service of increasing capital flow in the city and strengthening the local entrepreneurial community:

- The VEC has on-the-ground knowledge and contacts in key markets, which Vancouver start-ups are looking to access (Asia, Pacific Northwest, California UK among others).
- Differentiating itself from activities undertaken by the Provincial or Federal governments, the VEC has an opportunity and mandate to help market Vancouver as a place for innovative, creative and sustainable business.
- Major international investors have little knowledge of investment opportunities in Vancouver, and the VEC can help change that through targeted outreach, marketing and convening relevant stakeholders, with the aim of directing increased capital investment to Vancouver.
- Utilizing funds to convene, leverage, and market to new investors is directly aligned with the Economic Action Strategy, in particular Targets 2C “Leveraging partners and major events to promote growth and investment” and 2D “Supporting businesses in developing or strengthening global markets and trade”.

Equally as important as the local start-ups are the locally owned small businesses, who are critical to the sustainability of our unique neighbourhoods across Vancouver. The city has a number of potential tools that are used to enhance the environment for small business in our local neighbourhoods - community plans, land use and other regulation, taxation, on-line services, programs to activate streets, tourism strategies and strategic partnerships. As a recent step in response in part to the needs of small business, on July 9, 2014 Council endorsed the Property Tax Policy Review Commission’s recommendations on tax stability, predictability and tax share (RTS 10499). As part of the Initiative, VEC with support from the City will undertake a consultation to assist in prioritizing other measures which can be taken by the City and VEC to continue to support our small business community.

Finally, Vancouver is very proud of the high number of locally based social enterprises. Although structured differently than traditional businesses, they are facing the same challenges as for-profit start-ups, and would greatly benefit from access to demonstration or proof-of-concept and scale opportunities at the City of Vancouver. It is recommended that the City consider social enterprises as an industry cluster to be considered by the next phase of the GDDP.

### *Implications/Related Issues/Risk (if applicable)*

#### *Financial*

The City’s contribution to the Initiative will be toward the administration and management of the Vancouver Entrepreneurial Fund for the full years of 2015, 2016 and 2017. Any incremental resources required in 2014 will be reallocated from the existing VEC and/or City budget. As outlined in Appendix C, this project aligns with the guidelines for the Innovation Fund.

As part of the 2012 - 2014 Operating budgets, Council has approved the Innovation Fund, at a level of \$2 million per year. Currently there is an unallocated balance of \$2,796,200 in the Innovation Fund. Information about the City of Vancouver Innovation Fund, including the guidelines for accessing this funding, is contained in Appendix D.

In addition to the above, the creation of a one-stop business portal will be developed as part of the City's Digital Strategy and will be considered through the Capital Budget process.

### *CONCLUSION*

The Vancouver Entrepreneur Initiative is a series of strategies which will continue to enhance and support small business - from innovators in the tech and social sector to local neighbourhood businesses in Vancouver. As part of the Vancouver Economic Action Strategy, this initiative is designed to continue to move the city towards its goal of a robust inclusive economy.

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## Roundtable participants and recruitment profiles:

The following definitions are the ideal roundtable participant profiles. Due to time constraints, we were relatively flexible with who we recruit in the different groups. For the later stage companies, the requirements are underlined that differentiate them from the start-ups. When recruiting, a gender balance was considered. We wanted a diverse group of participants from different backgrounds, industries and gender.

### Start-Ups

- The company must have its headquarters in City of Vancouver and be subject to corporate taxation as a resident of City of Vancouver;
- The company pays 50 percent or more of its wages, salaries and fees to employees in Vancouver;
- The company's most senior executive officer must work primarily in Vancouver;
- The management and technical skills needed to successfully commercialize business;
- The company is incorporated (or will be) under the Business Corporations Act;
- The company is formed to commercially exploit intellectual property to which it has the unencumbered legal right to use;
- The company has total revenues of less than \$500,000 from the time of its incorporation; and
- The value of the net tangible assets of the company does not exceed \$500,000.

### Series B or later stage companies

- The company must have its headquarters in City of Vancouver and be subject to corporate taxation as a resident of City of Vancouver;
- The company pays 50 percent or more of its wages, salaries and fees to employees in Vancouver;
- The company's most senior executive officer must work primarily in Vancouver;
- The management and technical skills have already successfully commercialized the business, but are looking to expand;
- The company is facing debt financing or challenges accessing capital;
- The company is incorporated (or will be) under the Business Corporations Act;
- The company is formed to commercially exploit intellectual property to which it has the unencumbered legal right to use;
- The company has total revenues of less than \$1.5 - 2 million from the time of its incorporation; and
- The value of the net tangible assets of the company does not exceed \$1.5 - 2 million

### Venture Capitalists

- 50% or greater of the fund are seeds & series A investments;



- Majority of investments are in companies in Metro Vancouver, or demonstrates publicly in their mission, values or corporate social responsibility that they support local entrepreneurs;
- Initial investment range for start-ups are \$100,000 to 1 million;
- \$100 million plus raised by portfolio in the company's lifespan; and
- 20 + events held for the local community.

#### Angel Investors

- Angel investor must have its headquarters in City of Vancouver and be subject to corporate taxation as a resident of City of Vancouver;
- Angels are accomplished entrepreneurs who wish to make early stage or series A and B investments in new and second raise companies;
- Ability to make initial investments ranging from \$25,000 to \$100,000+; and
- Are seen in the business community as providing mentorship, coaching or advice to early start-ups.

#### Incubators/Accelerators

Invitation was extended to all existing accelerators and incubators based in Vancouver and that have been in operation for a minimum of 5 years.

Roundtable and phone interview participants:

Please note the below list does not include everyone consulted. In total, over 12 cities and 60 external stakeholders were consulted on the Entrepreneur Fund and Vancouver start-up ecosystem.

Category	Name	Company
Series B	Ed Quilty	Acquatics Informatics
Local accelerators/partners	Dean Prelazzi	BCIC Acceleration Network
Local accelerators/partners	Bill Tam	BCTIA/Centre4Growth
Startup Founder	BioCube	
Vice President, Venture Capital Action Plan	Alison Nankivell	BDC Capital
Local accelerators/partners	Jill Earthy	Canadian Youth Business Foundation
Series B	Matt Toner	CEO Zeros to Hereos
Startup Founder	Mike Tan	Change Heros
Venture Capitalists	James Wells	Chrysalix Global Network
SF Mayor's Office of International Trade and Commerce	City of San Francisco	
President & CEO	Iain Klugman	Communtech
Startup Founder	Rick Rolston	Energy software company
Startup Founder	Nicole Donnelley	Entrepreneur
Startup Founder	Roger Patterson	Flock and Swarm
Local accelerators/partners	Neil Huff	Foresight CAC
Angel Investor	Boris Mann	FullStack
Startup Founder	Daryl Hatton	Fundrazr
Venture Capitalists	Brent Holliday	Garibaldi Capital Advisors
Senior Advisor to Deputy Mayor for Business and Enterprise	Joe Mitton	Greater London Authority
Director, Office of Economic Development	Steve Johnson	Grow Seattle
Local accelerators/partners	Jonathan Bixby	Growlab
Venture Capitalists	Rolf Dekleer	Growth Works Capital
Director of Economic Development and Innovation	Saad Bashir	Invest Ottawa
VP	Ulla Sephton	JP Morgan Chase
Startup Founder	Mike Rowlands	Junxion
Former MaRS President, First Deputy Commissioner	Euan Robertson	MaRS Discovery District / NYC Department of Small Business Services
Managing Director	Barry Gekiere	MaRS Investment Accelerator Fund
Startup Founder	Dr. Alexandra T. Greenhill	MyBestHelper
Angel Investor	Scott Hawthorn	Native Shoes
Local accelerators/partners	Steven Lukas	New Ventures BC
Director, VP	Dmytro Pokhylko	New York City Entrepreneur Fund
Angel Investor	Bonnie Foley Wong	Pique Ventures
Economic Development Director	Chris Harder	Portland Development Commission
Fund Manager	Jim Huston	Portland Seed Fund
Venture Capitalists	Paul Richardson	Renewal
Startup Founder	Darrell Kopke	Running school of entrepreneurs
Series B	ShoeMe	
Series B	Adrienne Uy	Spud
Local accelerators/partners	Paul Austin	Sustainable Development Technology Canada
Co-Founder	Meredith Powell	The Next Big Thing Foundation
Local accelerators/partners	James Tansey	UBC ISIS
Startup Founder	Andy Broderick	Vancity
Venture Capitalists	Praveen Varshney	Varshney Capital Corp
Lead Curator	Claire Atkin	WeAreYVR
Angel Investor	Mossadiq Umedaly	Wellington Partners

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PROTOCOL FOR THE GREEN AND DIGITAL DEMONSTRATION PROGRAM

*The following requirements shall govern the Green and Digital Demonstration Program (the "GDDP")*

1. **Requirements Concerning the Financial Aspects of the GDDP:**
  - a. The City of Vancouver (the "City") shall not pay any money to the GDDP participant companies or in respect of any GDDP project.
  - b. The cost of implementation of any demonstration shall be borne by the GDDP participant, including any direct costs incurred by the City for that implementation, which may include labour costs for providing access to infrastructure, providing traffic control or doing installations onto City infrastructure. However, the City will not charge for staff time required to administer the GDDP.
  - c. The City may from time to time charge financial or equivalent consideration where it is necessary for the City to do so in order to comply with the Vancouver Charter.
  
2. **Requirements Concerning the Administration of the GDDP by the Vancouver Economic Commission:**
  - a. The public-facing aspects of the GDDP will be managed by Vancouver Economic Commission ("VEC").
  - b. VEC shall do periodic intakes of applications. The frequency of these intakes will be determined following the initial project implementation and an assessment of timelines which work for both the VEC, the City and the proponents.
  - c. VEC will apply agreed upon objective criteria to choose technologies to present to the City. The screening by VEC shall be informed by the specific economic and other objectives described in the council report to which this protocol is appended and shall focus on scalability, risk, feasibility of implementation and the overall impact on City infrastructure.
  - d. VEC's processes, developed in consultation with City staff, will focus on the selection of technologies that are genuinely in need of demonstration or proof-of-concept trials.
  - e. VEC's profiling of the program will make clear the demarcation between what VEC does and what the City does. The City will evaluate applications presented to it by VEC, but won't be directly involved in administering the GDDP intake process, and VEC will not make any promises or representations on behalf of the City or regarding its ability to ensure eventual City approval of any application.
  - f. VEC's profiling of the GDDP will clarify City requirements, including the fact that legal agreements (typically in a standard form) will be required, with appropriate provisions related to indemnification and insurance.
  - g. VEC will ensure that applicants receive notice within one month of the close of the intake as to whether their applications have been referred to the City or not.
  
3. **Requirements Concerning the Administration of the GDDP by the City:**
  - a. The Deputy City Manager shall be the senior lead for the GDDP, receiving applications from VEC and convening the GDDP oversight committee. The committee will include representatives from the department that manages the asset, Sustainability, the Digital Office, Legal Services, Risk Management and Supply Chain Management.

- b. The City's Supply Chain Management and Legal Services departments shall be engaged for their review and approval of each application.
- c. Legal Services will review each application under applicable laws (including the Vancouver Charter), regulations and City bylaws.
- d. The City will work to make a decision within one month of referral from VEC.
- e. Each GDDP installation or project will be documented through a standard form legal agreement and will in all cases be in form acceptable to the Director of Legal Services;
- f. The City will endeavour to bring about the commencement of each approved GDDP installation or project within three months from the time of the applicant's initial referral to the City by VEC.

**4. Additional Requirements Concerning Procurement:**

- a. The GDDP will be directed at providing opportunities for limited scale and duration demonstrations of green and digital technologies, in the interest of allowing local companies to prove their technologies and create jobs.
- b. If a GDDP project involves the supply of something of the same class as, or serving as a replacement for, something the City already uses under an existing supply contract, the GDDP supply shall represent no more than 1.0% (one percent) of the City's total usage so it does not adversely impact the City's existing vendors and legal contracts.
- c. Any eventual procurement would occur only pursuant to the normal process established by the law and City policy, including the detailed procedures set out in the Council-approved Procurement Policy. A sole-source procurement of the demonstrated technology shall only occur when authorized by existing law and City policy (including the aforesaid Procurement Policy).
- d. All of the foregoing shall be made clear in VEC's and the City's public statements concerning the GDDP.

**5. Other Considerations:**

- a. GDDP installations or projects shall have durations sufficient to adequately determine and document their performance or to provide a showcase with a limit of three years, unless its primary purpose is to test the durability of a technology over a longer period.
- b. VEC may from time to time bring forward applications that relate to assets or infrastructure owned by, or the control of which is vested in the Vancouver Police Board, the Vancouver Public Library Board or the Vancouver Board of Parks and Recreation. In such cases, the Deputy City Manager will involve senior representatives from the designated Agency in the discussions of the GDDP oversight committee. The outcome of the discussion will then be referred to the
- c. With respect to "local business" the GDDP will initially focus on Vancouver-based companies but this definition may be expanded subject to demand and benefit to the local and regional economy.
- d. The provisions of this Appendix A may be adjusted by the City Manager, with the concurrence of the Director of Legal Services, when reasonably required in the interest of the City, following the commencement of the GDDP; provided that such adjustments shall not materially alter the GDDP.

Alignment to Innovation Fund:

Innovation Fund Guidelines	Project Alignment
Aligns with City Priorities	Align with the Economic Action Strategy and the VEC's strategic objectives
Leverages minimum 1:1 3 <sup>rd</sup> party investment	The Fund is expected to generate significant investment from the private sector well above the city's contribution for the administrative/management costs of the fund.
One-time opportunity (2 year maximum)	The City's proposed contribution from the Innovation fund is for the 1 <sup>st</sup> 3 years of the fund after which the return on the fund is expected to fully cover the management costs as the fund becomes self-sustaining. Council has made exceptions in the past for a 3 year project versus the 2 year timeline in the Guideline.
Demonstrates clear outcome and transformation towards CoV goals	The fund manager will report out on a regular basis the fund performance relative to benchmarks.

**City of Vancouver Innovation Fund:**

Increasingly, more opportunities exist to work with other parties to leverage expertise, funding, and access to various in kind resources in order to focus on strategic areas important to the city. This form of leverage allows the City to continue to advance its policy priorities at a lower cost to taxpayers.

The Innovation Fund is expected to build on the City's experience in leveraging funding and expertise with outside agencies, other levels of government, private sector, universities and not-for-profits to advance key City priorities through aggressive leveraging of external partners.

Some examples of these types of unique opportunities would include: Enhancing the success of our urban aboriginal residents; enhancing our local economy with an emphasis on social enterprise particularly in the green sector; innovative child care programs for children at risk; cultural programs which enhance the community and create local jobs for artists; enhancing the involvement of our seniors in community; enhancing our sport strategy through partnerships of significant sporting initiatives; sport for youth at risk; and others.

**Guidelines for accessing City of Vancouver Innovation Fund:**

With the establishment of an Innovation Fund, one time innovative projects can be funded to advance key agendas in the city. Accessing the City of Vancouver Innovation is at Council discretion; however, the following guidelines have been established to optimize the use of the fund:

- Aligns with Council Agenda (Housing, Public Safety, Economy, Environment)
- Demonstrates clear outcomes
- Matching requirements - target leverage of 3:1 (minimum 1:1) 3rd party investment (cash and in-kind) to City funding
- Size of CoV contribution should enable a broad range of programs to be supported by fund (Guideline - maximum project size of \$250,000 recommended).
- Projects which are one-time innovative opportunities; maximum commitment for expenditure of funds - up to 2 years
- Supports transformation and innovation in meeting City goals; shines a spotlight on Vancouver

To date, Council has approved the following uses of the innovation fund:

1. In March 2012, Council approved a contribution of \$148,800 toward the Vancouver Rent Bank, which leveraged resources from the Vancouver Foundation and Streethome Foundation. The Vancouver Rent Bank aims to increase housing stability by preventing evictions or loss of essential utilities. (RTS #9484)
2. In March 2013, Council earmarked \$1,000,000 of the fund for an addition of \$1 million dollars to the Community Social Services and related grant funds to help meet the existing and emerging funding gaps. (RTS # 9991)

3. In May 2013, Council approved two grants from the Innovation Fund over a two year period (2013 & 2014) totalling \$380,000. This was comprised of a grant of \$300,000 to the Vancity Community Foundation's Social Enterprise Portfolio Program to support social enterprises with business and management development, marketing and small capital costs, and a grant of \$80,000 to Potluck Café Society's Recipes for Success Program, to provide resources and support to social enterprises and small businesses in the DTES, and to hire and retain residents who have encountered barriers to employment. (RTS #10053)
4. In May 2013, Council approved a contribution of \$200,000 towards the 125<sup>th</sup> anniversary celebrations of Stanley Park. The Vancouver Park Board requested the City's matching funds to undertake the 125<sup>th</sup> anniversary celebrations for the citizens of Vancouver and visitors to the City. The City's contribution of \$200,000 will be used to pay for artistic fees, infrastructure costs, and production staff. (RTS #10120)
5. In July 2013, Council approved funding support of \$535,000 towards initiatives of Truth and Reconciliation Canada (TRC) and Reconciliation Canada (RC) during *Reconciliation Week* leveraging \$2.95M from external partners (5.5:1 leverage) demonstrating Council's commitment towards Aboriginal peoples and the Canadian Public. (RTS #10216)
6. In December 2013, Council approved a contribution of \$200,000 towards the Special Purpose Reserves as a funding source for the Centennial Pole (Mungro Martin) restoration capital project to begin in 2014 and spanning multiple years. (RTS #10267)
7. In June 2014, Council approved a grant from the Innovation Fund over a three year period totaling \$300,000 for BC Artscape. (RTS #10599)
8. In June 2014, Council approved a contribution of \$200,000 towards the creation of Vancouver Public Library Digital Media lab ("Inspiration Lab"). (RTS #10558)