



ADMINISTRATIVE REPORT

Report Date: November 5, 2009
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Meeting Date: November 19, 2009

TO: Standing Committee on City Services and Budgets

FROM: General Manager of Business Planning and Services and the CEO of the Vancouver Economic Development Commission

SUBJECT: Funding for Q1 2010 for the Vancouver Economic Development Commission

RECOMMENDATIONS

- A. *THAT Council provide \$355,000 to the Vancouver Economic Development Commission to fund operations and programming from January 1, 2010 to March 31, 2010, with the source of funds to be the City's 2010 Operating Budget.*
- B. *THAT the CEO of the Vancouver Economic Development Commission and the General Manager of Business Planning and Services report back to Council by March 31, 2010 with the Vancouver Economic Development Commission's 2010 Business Plan and associated funding request.*
- C. *THAT Council release \$20,000 in previously-approved one-time funding to the Vancouver Economic Development Commission, to be applied toward the implementation of their "2007-2010 Strategic Plan for the 2010 Olympic and Paralympic Winter Games," with the source of this funding to be the Olympic Legacy Reserve.*

COUNCIL POLICY

City Council has a policy of contracting with the Vancouver Economic Development Commission (VEDC) for the provision of economic development services, with the general terms of the relationship defined through a Service Agreement that was last renewed in January 2009 for a two-year term.

Through this Agreement, specific deliverables and associated funding are approved annually by Council, through a review of the VEDC's prior-year operating and financial results, and approval of the VEDC's Business Plan and operating budget for the upcoming year.

In July 2006, Council approved a set of guiding principles intended to give direction to the VEDC's economic development strategy and to inform wider city strategies, planning, policy development and decision making.

In January 2009, Council instructed the CEO of the Economic Development Commission and the General Manager of Business Planning and Services to report back with recommendations for the mandate, structure and operating model for the VEDC, prior to December 31, 2010. Staff will bring this report to Council in the latter half of 2010.

PURPOSE

The purpose of this report is to seek Council approval to extend current funding levels for the Vancouver Economic Development Commission's core operations and program funding through to the end of the first quarter of 2010 totalling \$355,000, as well as to release \$20,000 in previously-approved funding for the VEDC's 2010 Plan.

DISCUSSION

The Vancouver Economic Development Commission's most recent business plan was presented to Council on January 20, 2009, and the associated 2009 funding was approved as part of that year's operating budget process.

Recommendation A of this report seeks Council approval to provide the VEDC \$355,000 in operating funding to support their operations and programming for the first three months of 2010, in advance of Council approving a full-year 2010 Business Plan. The Vancouver Economic Development Commission (VEDC) is fully occupied with preparation for their 2010 Winter Games programming, and staff is making this recommendation in order to provide sufficient time to prepare a comprehensive 2010 Business Plan and funding request, given the extraordinary circumstances presented by the 2010 Winter Games.

Recommendation B instructs the CEO of the VEDC and the General Manager of Business Planning and Services to report back to Council with a full 2010 Business Plan and associated funding request by March 31, 2010. It is intended that at the time this report is brought to Council, Council will approve funding to the VEDC for the remainder of 2010.

Recommendation C seeks Council approval to release previously-approved one-time funding of \$20,000, to be applied to the VEDC's 2010 programming. This is the last in a series of one-time Games-related funding instalments to the VEDC for 2007 to 2010 inclusive, approved in by Council July 2007.

FINANCIAL IMPLICATIONS

Approval of Recommendation A of this report will maintain 2009 core funding levels to the VEDC, which means that through the first quarter of 2010, there will be no net increase to the City's Operating Budget over 2009 levels associated with this funding.

In 2009, the City provided the VEDC with \$1.123 million in core funding, plus \$295,000 in program funding for initiatives recommended in the VEDC's *Report on the Business Climate in the City of Vancouver*, for a total of \$1.418 million in ongoing funding. Recommendation A of this current report recommends the City continue this level of funding for the first three months of 2010, which amounts to total funding of \$355,000 provided for this period.

Recommendation C has no net impact on the City's Operating Budget, as the source of this previously-approved \$20,000 in funding is the Olympic Legacy Reserve.

CONCLUSION

This report recommends that Council maintain the current 2009 funding levels to the VEDC for the first three months of 2010, and that the CEO of the VEDC and the General Manager of Business Planning and Services report back to Council before March 31, 2010 with a full 2010 Business Plan and associated funding request.

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