

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 14, 2019**

Item 16, Report No. 17, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on May 14, 2019.

#### **16. REGIONAL INNOVATION CENTRE (VENTURELAB) UPDATE**

**The Committee of the Whole recommends:**

- 1) That the recommendation contained in the following report of the Interim City Manager dated May 7, 2019, be approved; and**
- 2) That the presentation by Ms. Melissa Chee, President and Chief Executive Officer, ventureLAB, Steeles Avenue East, Markham, and C6, presentation material titled “Enabling Vaughan’s Technology Entrepreneurs – ventureLAB update, 2019” be received.**

#### **Recommendations**

1. THAT the presentation from ventureLAB’s Chief Executive Officer, Melissa Chee, be received; and
2. THAT, staff continue planning, promotion and delivery of tech entrepreneurship support and advisory services and programming in the Vaughan marketplace with key partners, such as ventureLAB.

## Committee of the Whole Report

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**DATE:** Tuesday, May 07, 2019

**WARD(S):** ALL

**TITLE: REGIONAL INNOVATION CENTRE (VENTURELAB) UPDATE**

**FROM:**

Tim Simmonds, Interim City Manager

**ACTION:** DECISION

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**Purpose**

Vaughan is a leader in professional, scientific, and technical services in York Region. [ventureLAB](#), York Region's Innovation Centre, works with the Region's nine municipalities to enable this sector. As a contributor to the City of Vaughan's economic development efforts, ventureLAB will update Council on its work to grow the Regional innovation economy, including its recent [pilot](#) with the City of Vaughan. Like the City of Vaughan's Small Business Enterprise Centre (SBEC), managed by Economic and Cultural Development, ventureLAB is part of the Province of Ontario's small business and entrepreneurship support network.

### **Report Highlights**

- The City of Vaughan and ventureLAB are partnered through the Province of Ontario's small business and entrepreneurship support network serving innovation and technology startups.
- The City of Vaughan, its residents, and its businesses, provide a strong base from which to build its innovation ecosystem. This allows the City to leverage and grow its talent base, creating opportunities for economic opportunity and social inclusion.
- In 2019, the City of Vaughan and ventureLAB partnered in two key areas: (1) on a pilot project to deliver Tech Entrepreneurship programming in the City of Vaughan, attracting over fifty people from January – March 2019; and (2) on the Partnership Executive Committee of the Health Precinct Economic Development Opportunities Feasibility Plan.
- The City of Vaughan and ventureLAB are recommending that they continue to collaborate on joint programming in the City of Vaughan.

### **Recommendations**

1. THAT the presentation from ventureLAB's Chief Executive Officer, Melissa Chee, be received; and
2. THAT, staff continue planning, promotion and delivery of tech entrepreneurship support and advisory services and programming in the Vaughan marketplace with key partners, such as ventureLAB.

### **Background**

***The City of Vaughan, its residents, and its businesses, provide a strong base from which to build its innovation ecosystem.***

The City of Vaughan's Economic Development Strategy, 2010-2020, identified the city as a hub for entrepreneurship. To that end, since 2010 the Vaughan Business Enterprise Centre (VBEC) has supported the start and growth of over 3,500 businesses through its advisory services and entrepreneurship programming. Furthermore, future opportunities are emerging for small businesses and entrepreneurs through the forthcoming Economic Development and Employment Sectors Strategy (2019-23), and projects like the Mackenzie Vaughan Hospital. With the City of Vaughan's support, motivated individuals can start and grow a prosperous business in Vaughan.

Vaughan's residents and workforce have the talent needed to support innovative entrepreneurs. For instance, the percentage of workers in Vaughan with a science, technology, engineering or mathematics (STEM) background is higher than the national average: based on data from the 2016 Census, Vaughan's STEM workforce is 1.32

times more concentrated than the country. Indeed, almost 9% of Vaughan's workforce are employed in natural and applied sciences and related occupations.

Vaughan has a strong entrepreneurial base with diverse sectors for innovative entrepreneurs to do business with. Two-thirds of Vaughan businesses employ fewer than ten people, making them agile and nimble enough to be innovative. Further, Vaughan's economy is diverse. By business establishment count taken from the 2018 York Region Employment Survey, there are six sectors that make up more than ten percent of Vaughan's firms.

***The City of Vaughan helps its innovative entrepreneurs as part of a Provincial assistance network that includes ventureLAB, the Ontario Centres of Excellence and post-secondary institutions.***

The Province of Ontario deploys the Ontario Centres of Excellence (OCE), the MaRS Discovery District, Eighteen Regional Innovation Centres (RIC), fifty Small Business Enterprise Centres (SBEC), and forty-four University and College based offices to support Ontario's start-ups and scaling entrepreneurs.<sup>1</sup>

In the City of Vaughan, Economic and Cultural Development's Small Business and Entrepreneurship branch operates SBEC programming as VBEC. VBEC supports small businesses as they start and grow. It's programming is sector agnostic.

York Region, inclusive of the City of Vaughan, is serviced by ventureLAB for specialized programming for technology entrepreneurs. This programming is sector specific and helps established entrepreneurs scale their businesses in regional innovation specializations. In York Region, ventureLAB focuses on Digital Media and ICT, Digital Health and Devices, Advanced Manufacturing, and FinTech.

## **Previous Reports/Authority**

Small Business and Entrepreneurship Program Update, April 2019.

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<sup>1</sup> See: *Building Global Winners: The Expert Review Panel Report on the Ontario Network of Entrepreneurs*. (Fall 2017).

[https://www.onebusiness.ca/sites/all/themes/one/assets/ONE\\_Building\\_Global\\_Winners\\_Report.PDF](https://www.onebusiness.ca/sites/all/themes/one/assets/ONE_Building_Global_Winners_Report.PDF)

## **Analysis and Options**

***Given the success of the ventureLAB Vaughan pilot program in Q1 2019, and the relative importance of Vaughan and ventureLAB to the Region's entrepreneurs, staff recommend continuing collaboration with organizations like ventureLAB to service technology and innovation entrepreneurs.***

From January to March 2019, ECD engaged ventureLAB to help serve scaling, technology entrepreneurs in Vaughan. The program's goals were to:

- Leverage the City of Vaughan's entrepreneurship and small business services to provide ventureLAB with a soft landing in Vaughan.
- Improve access to RIC to services for its entrepreneurs.

VBEC hosted ventureLAB advisors and seminars across six sessions, welcoming over fifty local registrants. The demand in Vaughan for support for technology focused entrepreneurs is obvious.

***ECD provides leading SBEC services in York Region.***

Serving York Region's largest employment centre, ECD has managed the largest Provincial entrepreneurship programs in York Region through VBEC. For Summer Company, the City of Vaughan accepted seventeen participants in 2018. The next closest regional allotment was for the Northern Six Municipalities, administered by York Region who received funding for thirteen-fifteen participants. Similarly, the Province granted the City of Vaughan the largest Starter Company Plus allotment. The program ran from January 2017 to March 2019. Vaughan received funding to grant eighty entrepreneurs in that period, while York Region received funding for thirty-four granted participants, with both Markham and Richmond Hill receiving less than York Region.

***ventureLAB is a leading Provincial technology hub located in York Region, Canada's densest tech cluster.***

ventureLAB works with talented tech entrepreneurs in York Region, Simcoe County, the City of Barrie, Muskoka District, as well as across the GTA and Ontario. It's community of entrepreneurs, innovators, and tech leaders work to create globally competitive tech companies that build-to-scale in Canada in Digital Media and ICT, Digital Health and Devices, Advanced Manufacturing, and FinTech.

Through its programs focused on capital, talent, technology, and customers, ventureLAB has supported over 2,000 tech companies and have helped over 100 companies raise \$104 million in public and private capital. Supporting this work, is a 50,000 square foot ventureLAB innovation hub, the IBM Innovation Space-Markham

Convergence Centre, which is home to nearly fifty tech companies and innovation partners.

### **Financial Impact**

There are no new financial requests associated with this report. Potential additional requests for funding in this program stream shall be presented to Council through the 2020 Business Plan and Budget Cycle or under separate report cover, as required.

### **Broader Regional Impacts/Considerations**

By working with the City of Vaughan, ventureLAB continues to fulfil its regional mandate to service tech entrepreneurs – a vital segment of the local and regional economy.

### **Conclusion**

Vaughan is York Region's largest employment centre with a diverse and talented workforce ready to support the next generation of technology entrepreneurs. Further, the City of Vaughan and ventureLAB are leaders in small business and entrepreneurship support. The successful pilot program that introduced Vaughan's entrepreneurs to ventureLAB services demonstrates the need for continued support.

If approved, the City of Vaughan will support its tech entrepreneurs in partnership with ventureLAB. Programming will be delivered in coincidence with SBEC programming.

**For more information**, please contact: Raphael Costa, Manager, Small Business and Entrepreneurship, ext. 8891

### **Attachments**

1. Slide Deck

### **Prepared by**

Raphael Costa, Manager, Small Business and Entrepreneurship, ext. 8891

Dennis Cutajar, Director, Economic and Cultural Development, ext. 8274





Presentation to City of Vaughan  
Council – May 7, 2019

**WE GROW GLOBALLY  
COMPETITIVE TECH TITANS THAT  
BUILD-TO-SCALE IN CANADA.**



The background image shows a bright, modern office space. Large, leafy trees are planted in the room, and strings of warm-toned Edison-style light bulbs are draped across them. In the foreground and midground, several people are seated at white desks, working on laptops. The floor is a polished, reflective grey. On the left, a wall is covered with various colorful posters and notices. On the right, a person is standing near a large window or glass door, looking out. The overall atmosphere is collaborative and tech-oriented.

## OUR PURPOSE

**ventureLAB will establish the region as a Destination of Choice for technology firms to create globally competitive companies, building and scaling in Canada.**

# ONTARIO'S TECH CORRIDOR



## ONTARIO TECH CORRIDOR STATS

- 20,000+ tech firms
- 400,000+ tech workers
- 8.6M Ontarians

Ontario's Tech Corridor builds the technologies to deliver products and services for priority sectors in Ontario and Canada, including advanced manufacturing, financial services, and health.

## CORRIDOR STRENGTHS



HARDWARE



SOFTWARE



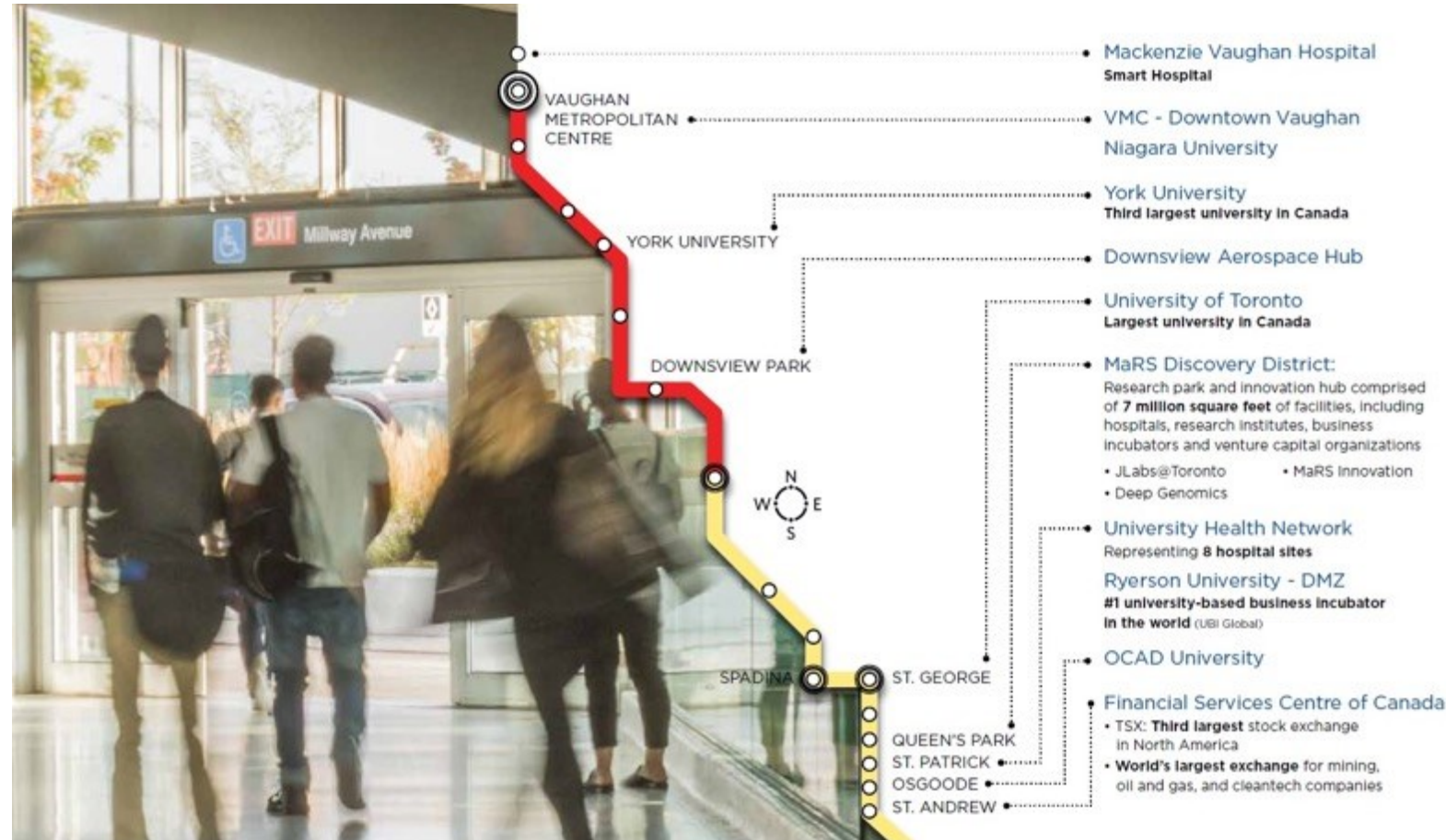
APPS



TELECOM



# TECH IN THE GTA



**DRAFT**

## YORK REGION



**1.2 MILLION RESIDENTS**

**4,300**

**TECH COMPANIES**

**65,000+**

**TECH JOBS**

**500+**

**GLOBAL  
MULTINATIONALS**

**9**

**MUNICIPALITIES**

**4**

**URBAN GROWTH  
CENTRES**

**CANADA'S HIGHEST  
CONCENTRATION OF TECH  
COMPANIES**

## WHO WE ARE

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**ventureLAB** is a leading technology hub located in York Region, Canada's densest tech cluster, that supports tech entrepreneurs.

2,000+

**TECH  
COMPANIES  
SUPPORTED**

\$85M +

**RAISED THROUGH  
CAPITAL  
INVESTMENT  
PROGRAM**

\$30M +

**PUBLIC &  
PRIVATE  
FUNDING RAISED**

400+

**COMPANIES  
SUPPORTED  
ANNUALLY**

## WHO WE HELP

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**ventureLAB** supports growth ventures in key sectors:



Digital Media & ICT



Digital Health & Devices



FinTech



Advanced Manufacturing





**DRAFT**

## **YORK REGION'S HEALTH TECH CLUSTER**

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York Region has a thriving, connected health tech cluster, attracting start-ups and scale-ups from across Ontario. ventureLAB drives innovation, commercialization and thought leadership, working together with hospitals, health care organizations, and strategic partners to improve health care and experiences for Canadians.



**350+**

**Life sciences and health  
tech ventureLAB clients**

**\$20M +**

**Raised by ventureLAB  
supported health  
companies since 2011**

**3**

**World-class hospitals,  
including Canada's first  
'smart' hospital**

**3**

**Hospital-affiliated  
innovation and  
accelerator programs**

# DRAFT

## ventureLAB'S INNOVATION HUB

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50,000

SQUARE FEET OF  
INNOVATION  
SPACE

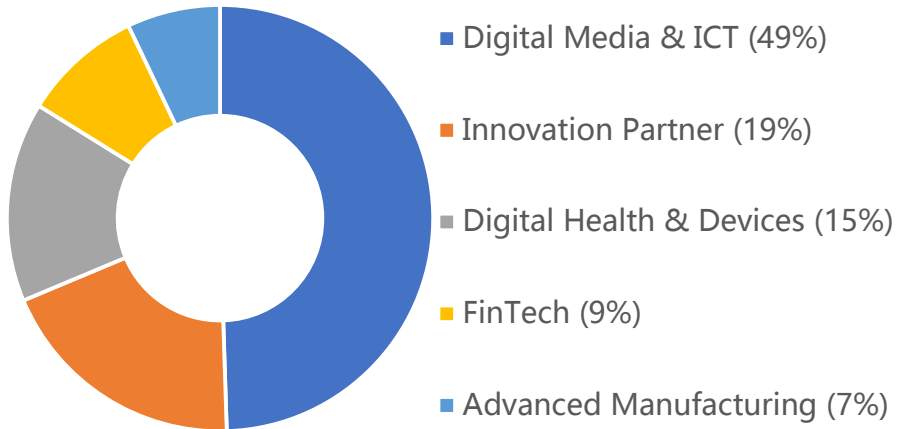
45+

TECH COMPANIES  
+ INNOVATION  
PARTNERS

300+

PEOPLE EMPLOYED

### Industry Breakdown



## OUR PARTNERS

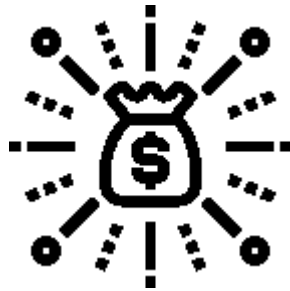
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## OUR PILLARS

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CAPITAL



TALENT



TECHNOLOGY



## CAPITAL INVESTMENT PROGRAM

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Companies  
Supported in 2018



Raised in 2018



Companies  
Supported Since  
2011



Raised Since 2011

ventureLAB's Capital Investment Program is for companies who are ready to scale. Companies accepted into ventureLAB's Capital Investment Program work with an advisor to develop a capital strategy roadmap to help prepare them for private investment.

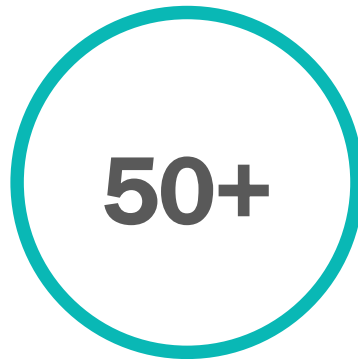
## VAUGHAN + ventureLAB PROGRAMMING

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Joint programming ran January-March 2019 to support tech entrepreneurs in Vaughan



Programs +  
Workshops



Registrants

Since 2011

**150+**

ventureLAB-  
supported  
companies based in  
Vaughan\*

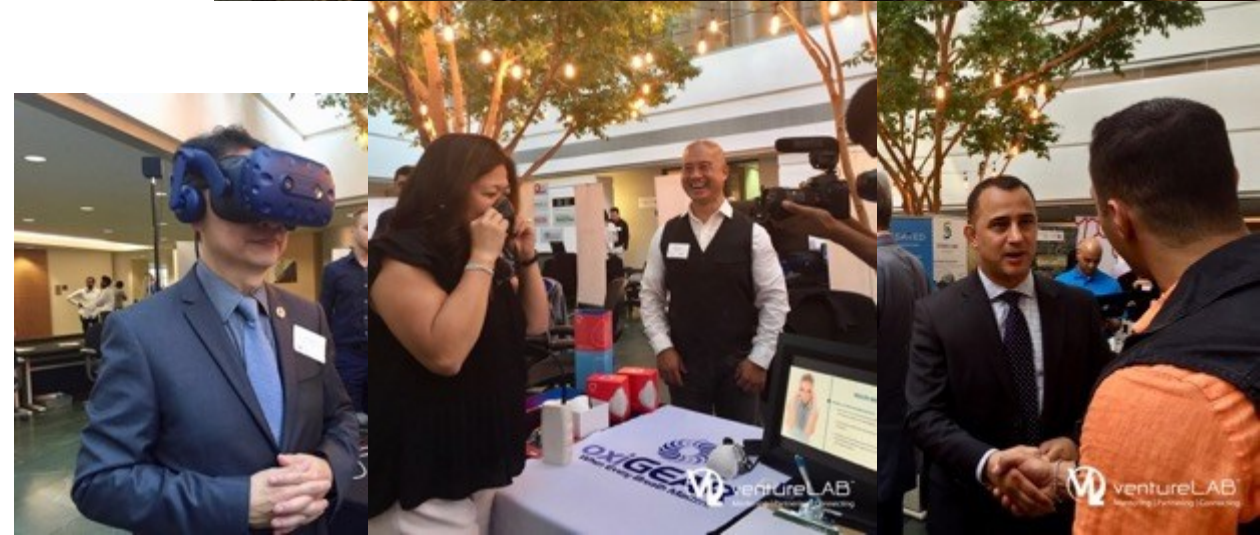
**\$4.3M**

raised by  
ventureLAB-  
supported  
companies based in  
Vaughan\*



# Made in York Region: The Future of Tech

- Made In York Region: The Future of Tech – October 11, 2018
- Open House Showcase of 40+ regional companies
- Keynote – featured C-Suite Speakers from NGen Canada CEO, Pond Technologies, SE Health
- 250+ attendees
- Successful “MVP” of signature regional technology event to expand in 2019



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**THANK YOU**

[www.venturelab.ca](http://www.venturelab.ca)