



## Committee of the Whole (2) Report

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**DATE:** Tuesday, April 16, 2024

**WARD(S):** ALL

**TITLE:** VENTURELAB ANNUAL UPDATE - 2023

**FROM:**

Nick Spensieri, City Manager

**ACTION:** DECISION

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**Purpose**

In accordance with the terms of the 2022-2026 partnership agreement between the City of Vaughan and ventureLAB, ventureLAB is providing an annual update on key activities and successes in 2023. This report seeks Council endorsement to continue the partnership with ventureLAB in 2024 to advance ongoing work to catalyze the growth and development of tech and innovation sector in Vaughan.

## **Report Highlights**

- Economic Development has continued to work with ventureLAB, the provincially designated Regional Innovation Centre (RIC) for York Region, to enhance services for innovators and technology companies in Vaughan.
- In 2023, ventureLAB collaborated closely with Economic Development to build innovation capacity, drive job creation and economic growth, and generate an investment pipeline to attract top-tier tech companies from around the globe to Vaughan.
- In March 2023, ventureLAB opened the Hardware Catalyst Initiative MedTech lab in Vaughan in partnership with Sterling Industries, which is catalyzing the growth of Vaughan's medtech sector by attracting leading start-ups, supporting their growth and development, and raising the profile of Vaughan as a world-class destination for health innovation. This is a key steppingstone to a future ventureLAB facility at the Vaughan Healthcare Centre Precinct (VHCP).
- Given the past year's successes, the City should continue to deepen the partnership with ventureLAB and build on strategies and activities which support the growth and success of Vaughan's technology, MedTech and automotive tech sectors.

## **Recommendations**

1. THAT Council receive ventureLAB's annual update, evidencing the successful achievement of the key performance indicators set out in Schedule C of the ventureLAB/City of Vaughan 2022-2026 partnership agreement (Attachment 1); and
2. THAT, as per Section 4.4 of the ventureLAB/City of Vaughan 2022-2026 partnership agreement, Council approve the continuation of the partnership in 2024.

## **Background**

***Health technology, auto parts manufacturing and innovation, and advanced manufacturing innovation are key established and emerging clusters in Vaughan's economy.***

Innovation capacity is central to the success and growth of Vaughan's established and emerging sectors, including advanced manufacturing, auto technology, and health technology. To catalyze economic growth in these sectors, Economic Development has partnered with ventureLAB to provide targeted support, resources, equipment, and

advisory services for businesses in high-growth industries. This partnership leverages ventureLAB's demonstrated track record in the health technology, life sciences, auto technology, software and services, and technology hardware sectors.

***Economic Development has continued to deepen its partnership with ventureLAB, the provincially designated Regional Innovation Centre (RIC) for York Region, to enhance services for innovators and technology companies in Vaughan.***

ventureLAB offers advisory services, accelerator programming and access to critical equipment and resources to help technology companies raise capital, recruit and retain talent, commercialize new technology and intellectual property, and acquire customers. ventureLAB's mandate is to support the growth of globally competitive technology companies that grow to scale in York Region and Canada.

In 2022, Council endorsed a renewed partnership agreement between the City and ventureLAB for 2022-2026, for the purpose of expanding resources and support available to Vaughan-based technology companies. This partnership agreement focuses on advancing three strategic objectives:

1. Contribute to the Diversification and Competitiveness of Vaughan's Economy by building capacity for clusters in Health and Advanced Manufacturing.
2. Establish a ventureLAB facility in Vaughan.
3. Promote and profile Vaughan as a hub for entrepreneurship.

***ventureLAB is a member of the Vaughan Healthcare Centre Precinct (VHCP) partnership and is contributing to efforts to develop the VHCP into an epicentre for excellence in healthcare and health technology.***

As a VHCP partner, ventureLAB contributes to the technology development and commercialization, talent development and innovation goals of the VHCP partnership.

In March 2023, ventureLAB opened the Hardware Catalyst Initiative MedTech lab in Vaughan which will act as a critical magnet for supporting the growth of high-potential medical device companies and attracting them to Vaughan. The new MedTech lab is a significant step along the path to developing the VHCP and offers significant opportunities for entrepreneurs, healthcare practitioners, tech-sector talent and researchers to collaborate to advance the next generation of healthcare and health technology.

## **Previous Reports/Authority**

[REGIONAL INNOVATION CENTRE \(VENTURELAB\) UPDATE – Committee of the Whole, Tuesday, May 07, 2019](#)

[Economic Development Strategic Business Plan 2020-2023](#)

[SUPPORTING VAUGHAN'S INNOVATORS – UPDATE AND NEXT STEPS – Committee of the Whole \(2\), Tuesday, February 8, 2022](#)

[ventureLAB Annual Update – Committee of the Whole \(2\), Wednesday March 8, 2023](#)

## **Analysis and Options**

***In 2023, ventureLAB delivered programs, services, and ecosystem development activities to build innovation capacity, drive job creation and catalyze economic growth in the city of Vaughan's technology and innovation sector.***

ventureLAB has identified 3 key strategic objectives for the term of the 2022-2026 partnership agreement with the City of Vaughan:

1. Contribute to the Diversification and Competitiveness of Vaughan's Economy by building capacity for clusters in Health and Advanced Manufacturing.
2. Establish a ventureLAB facility in Vaughan.
3. Promote and profile Vaughan as a hub for entrepreneurship.

**A major milestone in 2023 was the establishment of the Hardware Catalyst Initiative (HCI) for MedTech in Vaughan.**

To establish the lab, ventureLAB partnered with Vaughan-based leading medical device contract manufacturer Sterling Industries to establish a State-of-the-Art MedTech Lab at Sterling's Vaughan facility. ventureLAB received \$2.5 in provincial funding to establish the lab and develop the MedTech stream of the HCI program. This first-of-its-kind facility in Canada, and the partnership with Sterling Industries and ventureLAB's global network of partners, are propelling Vaughan into the future of what is possible at the intersection of MedTech, AI and Hardware. Since the MedTech lab officially opened in 2023, 11 MedTech companies have participated in ventureLAB's MedTech HCI stream, gaining access to equipment, advisory services, and commercialization support in Vaughan.

***In 2024, ventureLAB will focus on deepening its presence in Vaughan through the MedTech lab and through collaborative programming and marketing targeted at growing Vaughan’s MedTech and automotive clusters.***

ventureLAB plans to raise the profile of Vaughan’s Health Cluster in Vaughan by participating in the 2024 MedTech Conference, hosted in Toronto this October. A focus on hosting sector-specific roundtables will also facilitate the development of ecosystem connections and industry collaboration opportunities. ventureLAB will also continue to collaborate with Economic Development on co-marketing initiatives to promote and attract companies to Vaughan.

**Financial Impact**

In 2022, Council endorsed a renewed partnership with ventureLAB for 2022-2026. In accordance with the terms of this partnership, ventureLAB reports annually to Council on the three key objectives of the agreement in order to secure approval for the continuation of the partnership.

***For 2024-2026, a capital budget request was approved to meet the requirements for the continuation of this partnership agreement, in accordance with the payment schedule set out below.***

<b>Year</b>	<b>Payment</b>
2022	\$55,000
2023	\$75,000
2024	\$100,000
2025	\$125,000
2026	\$150,000

**Operational Impact**

None.

**Broader Regional Impacts/Considerations**

***Vaughan is uniquely positioned to develop thriving MedTech and automobility tech sectors by building on existing regional partnerships, expanding resources and support for emerging industry leaders, and attracting new companies to invest in Vaughan’s clusters.***

Many other municipalities in the GTHA are responding to economic trends by making significant investments in assets and partnerships to support the innovation sector and secure long-term economic prosperity.

Continued investments in expanded services, resources and physical spaces for Vaughan's technology companies will help Vaughan remain competitive relative to other hubs in the Region. Vaughan is uniquely positioned, by virtue of its prime location and access to transportation corridors within the GTA, density of highly skilled talent, and advancement of strategic initiatives such as the VHCP, to develop dense and prosperous MedTech and automobility tech clusters.

## **Conclusion**

In 2023, ventureLAB delivered services and programs to build innovation capacity, drive job creation and economic growth, and generate an investment pipeline to attract top-tier tech companies from around the globe to Vaughan. The annual update from ventureLAB highlights major milestones and successes from 2023, including the opening of the Hardware Catalyst Initiative MedTech lab in Vaughan.

With Council approval, Economic Development will continue the partnership with ventureLAB in 2024.

**For more information**, please contact: Raphael Costa, Director, Economic Development, ext. 8891.

## **Attachment**

1. ventureLAB/City of Vaughan Partnership Agreement (2022-2026)

## **Prepared by**

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## **Approved by**



Nick Spensieri, City Manager