
TO: GENERAL COMMITTEE

SUBJECT: LETTER OF AGREEMENT: CITY OF BARRIE AND PROVINCE OF ONTARIO - SUMMER COMPANY PROGRAM

WARD: ALL

PREPARED BY AND KEY CONTACT: B. KELLY, YOUTH PROGRAM COORDINATOR – SMALL BUSINESS CENTRE EXT. 5448

SUBMITTED BY: S. SCHLICHTER, DIRECTOR OF BUSINESS DEVELOPMENT

EXECUTIVE DIRECTOR APPROVAL: Z. LIFSHIZ, EXECUTIVE DIRECTOR OF INVEST BARRIE

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Corporation of the City of Barrie enter into a Transfer Payment Agreement with Her Majesty the Queen in Right of Ontario as represented by the Ministry of Economic Development and Growth (MEDG) for the provision of grant funds to deliver the Summer Company Program through the Small Business Centre of Barrie, Simcoe County and Orillia for the period ending November 30th, 2017.
2. That the City Clerk be authorized to execute all documents necessary to give effect to such agreement.
3. That should the Starter Company Program be extended under the same general conditions or a similar program be established with the same general intent, the City Clerk be authorized to execute extensions to such an agreement or a new agreement, in order to facilitate the transfer of grant funds.

PURPOSE & BACKGROUND

Report Overview

4. This staff report facilitates the receipt of grant funding for the Small Business Centre of Barrie, Simcoe County, and Orillia (Small Business Centre) to deliver the Summer Company Program, an initiative of the Ministry of Economic Development and Growth (MEDG). Objectives of Summer Company are as follows:
 - a) Provide small business supports and capital to help students aged 15 to 29 build strong local businesses;
 - b) Deliver training, mentoring, and capital for youth to start and operate a summer business;
 - c) Help young people become job creators instead of job seekers; and
 - d) Support and promote small businesses at the local level.
5. MEDG has implemented a transfer payment funding model for program providers of the Summer Company Program. Thus, an annual agreement is required to be executed by the City of Barrie as administrators of the funds for the Small Business Centre, the local program provider.

BACKGROUND

6. In December 2001, Council Motion 01-G-526 approved the establishment of a Business Enterprise Centre in the City of Barrie and entered into a Letter of Agreement setting out the obligations of both the Ministry of Economic Development and Growth (now MEDG) and the City of Barrie for the delivery of services for an Enterprise Centre.
7. The Small Business Centre of Barrie, Simcoe County and Orillia, formerly known as the Greater Barrie Business Enterprise Centre (GBBEC) has been operating since 2002. The Small Business Centre receives annual funding from MEDG for its core business service delivery that includes business consultation, information and resources for small business at the pre start-up, start-up and growth stages.
8. The City of Barrie currently holds the finances of the Small Business Centre and is managed as outlined in the Letter of Agreement with the Province. Delivery and funding of one-off or specialized MEDG initiated programming (Summer Company, etc.) outside of the standard core service funding are a typical function of the Small Business Centre operation.

ANALYSIS

9. The Summer Company Program is a key part of Ontario's Youth Jobs Strategy that was implemented in 2001 through the Province of Ontario budget. The Summer Company Program provides mentoring, training and capital for students aged 15-29 to start a small business during the summer. The Small Business Centre is one of four delivery agents for Barrie and the surrounding area.
10. The term of the Agreement will commence on the Effective Date (October 1st, 2016) and will expire on November 30th, 2017, unless terminated earlier pursuant to the Terms of the Agreement. MEDG will be providing funding of approximately \$27,500 for program delivery and \$45,000 in grant funding (15 student participants) to the Small Business Centre to deliver the Summer Company Program.
11. Highlights of the Agreement Require that the City of Barrie, as funding recipient, through the Small Business Centre to:
 - (a) Carry out the Program:
 - i. in accordance with the terms and conditions of the Agreement; and
 - ii. in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Program;
 - (b) Use the Funds only for the purpose of carrying out the Program;
 - (c) Spend the Funds only in accordance with the Budget;
 - (d) Submit to the Province all Reports in accordance with the timelines and content requirements set out in the Agreement;
 - (e) Record all financial records (including invoices) relating to the Funds or otherwise to the Program in a manner consistent with generally accepted accounting principles; and

- (f) All non-financial documents and records relating to the Funds or otherwise to the Program.
- (g) The Recipient shall, upon expiry of the Agreement, return to the Province any Funds remaining in its possession or under its control.

ENVIRONMENTAL MATTERS

- 12. There are no environmental matters related to the recommendation.

ALTERNATIVES

- 13. There is one alternative available for consideration by General Committee:

Alternative #1

General Committee could choose not to enter into an Agreement with the Province of Ontario for the provision of the Summer Company Program. This is not recommended as the Summer Company Program is one of the Small Business Centres core youth programs and is part of Ontario's Youth Jobs Strategy. Implementing this initiative delivers economic benefits back to the city.

The Small Business Centre has been operating for 16 years and continues to deliver programming through the partnership between the Province of Ontario and the City of Barrie and is a designated service delivery agent for the Summer Company Program.

FINANCIAL

- 14. The financial impacts to the City of Barrie are revenue neutral as the Summer Company program will be funded by MEDG and leveraging the existing resources of the Small Business Centre.
- 15. The Small Business Centre accounts are maintained by the City and annual budgets are reviewed and approved by the Director of Business Development.

LINKAGE TO 2014-2018 COUNCIL STRATEGIC PLAN

- 16. The recommendations included in this Staff Report support the following goals identified in the 2014-2018 City Council Strategic Plan:
 - Build a Global Startup Community
- 17. The Summer Company Program supports the goals of establishing Barrie as a centre for excellence in innovation and entrepreneurship. By supporting and encouraging youth to start their own business, the City of Barrie is providing youth a point of access to engagement within the entrepreneurship community. Entering in to the Transfer Agreement with the Province of Ontario, will allow the Small Business Centre to obtain the provided funds necessary to deliver the program.