



**ECONOMIC AND CREATIVE  
DEVELOPMENT  
MEMORANDUM**

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**TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL**

**FROM: D. HYDE, MANAGER, SMALL BUSINESS CENTRE OF BARRIE, SIMCOE COUNTY AND ORILLIA, EXT. 5236**

**NOTED: S. SCHLICHTER, DIRECTOR OF ECONOMIC AND CREATIVE DEVELOPMENT**

**A. MILLER, RPP, GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT**

**M. PROWSE, CHIEF ADMINISTRATIVE OFFICER**

**RE: STATUS UPDATE: SANDBOX CENTRE OPERATIONS**

**DATE: MAY 31, 2021**

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The purpose of this Memorandum is to provide members of Council with an update concerning Council direction regarding the Sandbox Centre.

Motion 20-G-167, provided the following direction that remains outstanding:

- "4. That the City of Barrie be recognized as Founding Partners and an associated Memorandum of Understanding be created between Economic and Creative Development and the Sandbox that addresses the following:
- Alignment on strategic decisions and directions of the Sandbox with the City's strategic priorities;
  - City's recognition and associated benefits of its annual partnership funding contribution;
  - Program delivery to be delivered based on Invest Barrie's operational program funding that is focused on the shared goals of advancing entrepreneurship and innovation within the community;
  - General operational use of space in conjunction with the Small Business Centre, including use of meeting rooms and client resource support; and
  - Commitment to provide success metrics in alignment with the key performance indicators identified in Staff Report CE003-19 that ensure return on taxpayer dollars.
5. That the Director of Economic and Creative Development be authorized to execute the Memorandum of Understanding, subject to the satisfaction of the Chief Administrative Officer, General Manager of Infrastructure and Growth Management, and Director of Legal Services.
6. That a two-year lease agreement with the Sandbox be approved in principle subject to the Sandbox successfully addressing the assessment parameters identified in motion 17-G-252.
7. That the Sandbox report back to the City Building Committee in May of 2021 with a comprehensive report on their first two years of operation, financial standing, and updated business plan into their remaining lease term."



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Staff are continuing to engage with the Sandbox to deliver on Council direction, with emphasis on completion of a Memorandum of Understanding, Key Performance Indicators and financial performance. However, at this time, due to heightened focus on service delivery in response to the pandemic, these items are still in progress and are expected to be presented to Council in Fall, 2021 to coincide with the presentation to be delivered by the Sandbox. As an interim measure, the Sandbox has provided an update on their operations and programming attached as 'Appendix 'A' to this Memorandum. Based on the information provided, the Sandbox has demonstrated that they are in a positive fiscal position.

During the COVID-19 pandemic city staff in the Economic and Creative Development Department have worked closely with the Sandbox in order to provide and amplify response and recovery actions. A notable example of this is the lead role that the Sandbox adopted in both rounds of business consultations that provided feedback from the business community and ultimately informed the City's COVID-19 Recovery Action Plan.

In addition, the Sandbox has initiated a number of new program areas that are detailed in the attached appendix, some highlights of which include:

- An extension and expansion of the **Trade Accelerator Program** locally and nationally - an intensive seven week virtual program that equips participating companies with hands-on guidance, designed to accelerate the strategic development of each businesses expansion into international markets.
- The formation of an **Experts In Residence Program** – providing free virtual access to top-notch expertise in business law, e-commerce, finance, marketing, accounting, communications, and more to support with Covid-19 recovery and strengthening.
- The launch of the **Equity Sequence™ Program** – this program supports workplaces and organizations in our community to become equipped with a framework to reduce bias and be more inclusive.

Staff in the Economic and Creative Development Department continue to work with the Sandbox in preparation to report back in Fall, 2021.

APPENDIX 'A' – Sandbox Report



## A MESSAGE FROM THE DIRECTOR

TRUE TO OUR MISSION AND VISION, THE SANDBOX CENTRE (SBX) SET OUT TO UNITE, STRENGTHEN AND GROW THE BUSINESS COMMUNITY, WHILE ALSO INCREASING THE POSITIVE ECONOMIC IMPACT ON OUR REGION.

THE WORLD HAS CHANGED, SO HAVE WE! OUR REPUTATION AND WORD OF OUR EFFORTS SPREAD DURING THE PANDEMIC, AS WE BECAME A CENTRAL HUB FOR TIMELY SUPPORT, SHARING OF INFORMATION AND IDEAS, AND A MUCH-NEEDED SOUNDING BOARD IN AN UNFAMILIAR AND CHALLENGING BUSINESS CLIMATE – SUPPORTING NEARLY 16,000 VIRTUALLY DURING THIS PAST PANDEMIC YEAR.

TODAY, OUR COMMUNITY IS FACED WITH EVOLVING CHALLENGES AND OPPORTUNITIES. SBX IS PLAYING A LEADERSHIP ROLE IN HELPING RE-IMAGINE *WORK-LIFE-LIVE* IN OUR CITY AND OUR REGION, AND ASSISTING BUSINESSES IN ADAPTING TO NEW BARRIERS AND NEW OPPORTUNITIES.

SBX AND GEORGIAN COLLEGE ARE INTERLINKING RESOURCES TO BUILD THE FOUNDATION FOR A REGIONAL INNOVATION CLUSTER IN CENTRAL ONTARIO (RICCO); AN EFFICIENT BUSINESS SUPPORT NETWORK THAT VALUES AND PROMOTES A CULTURE OF RESEARCH & INNOVATION. TOGETHER, WE RECOGNIZE THE POWER OF THE REMOTE WORK MODEL TO ATTRACT A BROAD RANGE OF TALENT AND BUSINESSES TO OUR REGION. BARRIE OFFERS A HIGHLY SOUGHT-AFTER LIFESTYLE THAT IS ALREADY ATTRACTING PEOPLE AND BUSINESSES FROM THE GTA. SBX AND OUR RICCO PARTNERS ENSURE THAT ALL INNOVATORS AND ENTREPRENEURS HAVE ACCESS TO THE RESOURCES THEY NEED TO SUCCEED WHILE WORKING REMOTELY, RELOCATING, OR GROWING A BUSINESS IN OUR AREA.

SBX CONTINUES OUR SUCCESSFUL PARTNERSHIP WITH WORLD TRADE CENTRE TORONTO & TORONTO REGION BOARD OF TRADE BY SUPPORTING THE PIVOT TO A DIGITAL DELIVERY AND PRODUCTION OF THE TRADE ACCELERATOR PROGRAM (TAP) ACROSS CANADA. TAP IS DESIGNED TO ACCELERATE STRATEGIC DEVELOPMENT OF BUSINESSES AND PREPARES THEM FOR EXPANSION INTO INTERNATIONAL MARKETS. SBX LAUNCHED AND DELIVERED THE FIRST WOMEN-LED COHORT THIS SPRING. THERE ARE MANY SUCCESS STORIES FROM THE COHORT AND WE'RE DEVELOPING A VIDEO SERIES ON THE PROGRAM'S POSITIVE IMPACTS ON LOCAL BUSINESSES – HERE'S A TESTIMONIAL FROM ONE OF THE SOON-TO COME VIDEOS:

*"THE MOST EXCITING THING ABOUT TAP WAS DEFINITELY THE PUSH TO THINK BIGGER AND TO ACT QUICKER. I REALLY FEEL THAT TAP HAS BENEFITED THE WHOLE COMPANY. WE'VE ACTUALLY ALREADY CREATED ANOTHER JOB, AND OUR REVENUE HAS ALREADY INCREASED BY OPENING UP TO THE US MARKET. I WAS THINKING WAY TOO SMALL PRIOR TO TAP SO, I BELIEVE THERE ARE NO LIMITS AT THIS POINT AFTER TAKING THE PROGRAM". - ALANA HOWARD, COSMOPOLITAN ACADEMY*

IN PARTNERSHIP WITH THE CITY OF BARRIE AND INVEST BARRIE, AS WELL AS SUPPORTING CHANGEMAKERS, SBX DELIVERED A 3-PHASED PILOT PROGRAM TO SUPPORT WORKPLACES AND OUR COMMUNITY TO BECOME EQUIPPED WITH A FRAMEWORK TO REDUCE BIAS, BE MORE INCLUSIVE AND EQUITABLE. THE EQUITY SEQUENCE PROGRAM IMMERSES ORGANIZATIONS AND INDIVIDUALS IN COLLABORATIVE, EFFECTIVE AND ENGAGING CONVERSATIONS ABOUT BUILDING EQUITY WHILE APPLYING LEARNING TO REAL-LIFE SCENARIOS. WITH THE PROGRAM RECENTLY BEING COMPLETED, SBX IS EXCITED TO DEVELOP FURTHER INSIGHTS BASED ON THE PROGRESS AND ADDITIONAL REFLECTIONS OF PARTICIPANTS IN THE MONTHS AHEAD. ONE PROGRAM PARTICIPANT SHARED, *"THE EQUITY SEQUENCE WAS AMAZING. IT WILL BE A GAME CHANGER FOR ALL OF US HERE. WE LOVED HOW PRACTICAL THE QUESTIONS ARE AND HOW EASILY THEY CAN BE UTILIZED ACROSS MANY DIFFERENT CHANNELS. I AM ALREADY USING THE PROGRAM IN DESIGN".*

SBX HAS MANY IMPACTS, INSIGHTS AND STORIES TO SHARE, AND EXCITEDLY LOOKS FORWARD TO WHAT THE REST OF 2021 HOLDS.

## 2021 FINANCIAL HIGHLIGHTS

- Revenue forecast remains conservative with a 10% decrease from prior year. Expense management remains disciplined to reflect the efficient delivery of program delivery as committed to our membership, sponsors and community partners, adapted to address the current business climate.
- Expenses have been calculated to deliver an excess of program deliverables. If revenue were to decline, we have room in our expenses to reduce them accordingly to maintain a positive cashflow and a surplus in operating profit.
- Debt repayment: \$390,722 from the additional capital investment from the City of Barrie (\$300,000), cash surplus from 2020 (\$50,000) and the balance through a monthly repayment schedule. Forecast closeout of 2021 with a remaining debt repayment of \$277,143.
- Cash position as of May 19, 2021 is positive.
- Cash flow management remains on plan with no foreseeable concerns for this budget year.

Column1	2018	2019	2020	2021 Budget	2021 Q1 Actual	2022	2023
Revenue	\$ 143,292	\$ 521,497	\$ 599,645	\$ 540,955	\$ 217,077	\$ 602,098	\$ 659,434
Operating Expenses	\$ (149,230)	\$ (448,286)	\$ (404,613)	\$ (502,362)	\$ (121,584)	\$ 552,344	\$ 594,463
<b>Net Operating Profit</b>	<b>\$ (5,939)</b>	<b>\$ 73,211</b>	<b>\$ 195,032</b>	<b>\$ 38,593</b>	<b>\$ 95,493</b>	<b>\$ 49,754</b>	<b>\$ 64,971</b>
Debt Repayment							
Scotiabank (\$500,000)		\$ (17,857)	\$ (94,000)	\$ (111,000)		\$ (66,000)	\$ (66,000)
Busch (\$337,706)	\$ -	\$ (20,000)	\$ (37,984)	\$ (279,722)		\$ -	\$ -

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## DIGITAL TRANSFORMATION & COVID RESPONSE

**15,950+** SUPPORTED THROUGH  
DIGITAL RESOURCES

OVER 1500 HOURS OF  
BUSINESS GROWTH  
THROUGH CONNECTING  
WITH THE SANDBOX

### EXPERTS IN RESIDENCE PROGRAM

During times of fast change, our community needed rapid supportive response. SBX provided free virtual access to all businesses and entrepreneurs across the region to receive instant insights from our network of top-notch expertise in business law, finance, marketing, accounting, e-commerce, communications and more to support with COVID19 recovery and strengthening. 470 hours of learning to date!

### PEER LEARNING GROUPS PIVOT

CNNX Groups transition from monthly in-person to online allowing more opportunities for connection without geographic barriers restricting participation. Zoom fatigue became a thing! The digital noise was hard to compete with and our member's time is valuable. So, SBX acquired notable thought leaders to guide and share knowledge with our members such as President of FedEx Express Canada, Past CMO of Rogers Media, SickKids Foundation Manager of Culture & DEI, and many more. Over 900 hours of connecting!

### SBX MEMBER ONLINE PLATFORM & APP DEVELOPMENT

The world has changed, so have we! Launched new online member platform to create a digital space where the Sandbox magic and community experience could continue in a virtual environment. Allows direct connection, open community forums, member exclusive content, virtual business cards, easy access and registration to events and more. SBX has white labeled the platform in App form with development underway making it easier for members to connect digitally and on-the-go.

### PARTNER SUPPORT & COLLABORATION

Collaboration isn't a trend - business is better because of it! SBX supported City of Barrie Economic Recovery Task Force and Business Consultations to support with COVID recovery. Downtown Barrie BIA Bright Spot program partner. Xcelerate Summit Partner involved with pivot to online virtual business conference with over 375 attendees. Supporting Barrie's first ever Business Data Survey disbursement.

\*Stats collected from March 17, 2020 to May 6, 2021

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## ECONOMIC GROWTH

### ACCELERATING BUSINESS GROWTH TO GLOBAL MARKETS

SBX continues partnership with World Trade Centre Toronto & Toronto Region Board of Trade by supporting the pivot to a digital delivery and production of the program across Canada. SBX now plays an essential role with production support for the digital program delivery coast to coast. TAP is designed to accelerate the strategic development of your business and better prepare you for expansion into international markets. Because of the successful digital pivot, SBX was selected to launch and deliver the first Women-led cohort offered to women-owned or led businesses across the province. This greatly expanded our reach from our first in-person Simcoe County based cohort in 2019.

“THE MOST EXCITING THING ABOUT TAP WAS DEFINITELY THE PUSH TO THINK BIGGER AND TO ACT QUICKER. I REALLY FEEL THAT TAP HAS BENEFITED THE WHOLE COMPANY. WE’VE ACTUALLY ALREADY CREATED ANOTHER JOB AND OUR REVENUE HAS ALREADY INCREASED BY OPENING TO THE US MARKET. I WAS THINKING WAY TOO SMALL PRIOR TO TAP SO, I BELIEVE THERE ARE NO LIMITS AT THIS POINT AFTER TAKING THE PROGRAM.”

- ALANA HOWARD, COSMOPOLITAN ACADEMY

100+ COMPANIES HAVE BENEFITTED  
FROM SANDBOX INVOLVEMENT

### PROTECTING BUSINESS IDEAS & INNOVATION

SBX continues partnership with York University’s IP Osgoode Intellectual Property Law & Technology Program - IP Innovation Clinic - to deliver programming on IP to our business community. **5-part virtual webinar series launched in March 2021** allowed inventors, business owners, entrepreneurs, and start-up companies from Simcoe County and beyond to access information across a variety of IP topics to assist with their innovation and commercialization processes; while allowing Innovation Clinic students to advance the practical aspect of their education.

SBX is thrilled to acknowledge the Ontario government creating a new action plan and team focused on leveraging intellectual property (IP) in the province. As identified through this action plan, SBX had also concluded that our SMEs were faced with a barrier when it came to easily accessing knowledge around IP. For this reason, SBX is confident the partnership with the IP Innovation Clinic can be strengthened and leveraged to the play a larger role in supporting our local business communities with IP protection and commercialization, through this new initiative.

“THE INNOVATION CLINIC IS A WONDERFUL SERVICE. I WOULD LIKE TO SEND MY APPRECIATION AND GRATITUDE TO EVERYONE THAT IS INVOLVED IN THIS PROGRAM. IT HAS BEEN A WONDERFUL EXPERIENCE AND IS HELPING ME IN MOVING FORWARD IN MY BUSINESS.”

- SBX / IP INNOVATION CLINIC REFERRAL

1,018 SUPPORTED THROUGH  
ONLINE RESOURCES

SBX

## COMMUNITY IMPACT

### COMMITMENT TO ADVANCING EQUITY, DIVERSITY, AND INCLUSION

Launched in April 2021 in partnership with the City of Barrie, Invest Barrie and supporting changemakers, this program supports workplaces and organizations in our community to become equipped with a framework to reduce bias, be more inclusive, and equitable. The Equity Sequence™ Program immerses organizations and individuals in collaborative, effective, and engaging conversations about building equity while applying learnings to real-life scenarios. Delivered virtually in three phases, this program equips participants with five effective questions to apply in both work and personal situations. These questions will guide and ensure that your organization is making the best, and most equitable, decisions possible.

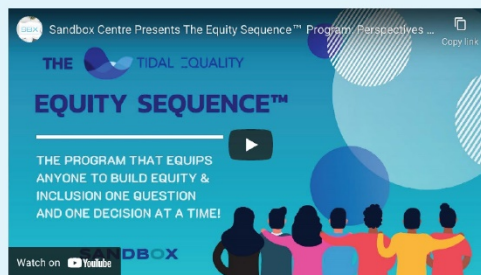
With the program recently being completed, SBX is excited to develop further insights based on progress and additional reflections of participants in the months ahead.

“THE EQUITY SEQUENCE WAS AMAZING. IT IS AND WILL BE A GAME CHANGER FOR ALL OF US HERE. WE LOVED HOW PRACTICAL THE QUESTIONS ARE AND HOW EASILY THEY CAN BE UTILIZED ACROSS MANY DIFFERENT CHANNELS. I AM ALREADY USING THEM IN PROGRAM DESIGN!”

- PROGRAM PARTICIPANT

17  
SUPPORTING  
PARTNER  
ORGANIZATIONS

**PRESS PLAY** to see the valued  
perspectives of our supporting  
partners working to advance equity,  
diversity, and inclusion here in the  
City of Barrie!



\*video can also be accessed here: <https://youtu.be/Ff81AE0e0Y>

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