



**STAFF REPORT  
ACTION REQUIRED**

**2009 Economic Development Sector Investment Program  
(EDSIP) Allocation Recommendations**

<b>Date:</b>	May 19, 2009
<b>To:</b>	CPIP Appeals Sub-Committee
<b>From:</b>	General Manager, Economic Development, Culture & Tourism
<b>Wards:</b>	All
<b>Reference Number:</b>	

**SUMMARY**

---

This report presents an evaluation of applications received for the Economic Development Sector Investment Program (EDSIP) in 2009. Staff recommend that 10 applicants to EDSIP receive \$210,000 and that \$14,880 be held for appeals. This program is funded through the Community Partnership and Investment Program (CPIP) and provides funding to support non-profit organizations that meet economic development objectives.

EDSIP is an investment program that provides an opportunity for organizations to apply for funding to support projects on an annual basis. The EDSIP goals are to provide seed money for the initiation and expansion of projects that are expected to yield substantial long-term economic development benefits for the City of Toronto by contributing to the local economy through new economic growth and job creation.

**RECOMMENDATIONS**

**The General Manager of Economic Development, Culture and Tourism recommends that:**

1. The Community Partnership and Investment Appeals Sub-Committee approve the allocations for the 2009 EDSIP totalling \$210,000 as per Attachment No.2, with \$14,880 set aside for the appeals process;
2. this report be forwarded to the Economic Development Committee;
3. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

## **Financial Impact**

This report recommends that the \$224,880 in EDSIP be allocated to the organizations identified in Attachment No.2, including \$14,880 allocated for the appeals process.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

This report to the CPIP Appeals Sub-committee provides an assessment and makes recommendations regarding the applications submitted to EDSIP in 2009. At its meeting on May 29, 2009, the Sub-committee will hear depositions from appellants to determine if there are reasonable grounds for staff to re-assess any EDSIP applications. An amount of \$14,880 is reserved for appeals. The Appeals Sub-committee will forward its recommendations to the Economic Development Committee, which then makes its recommendations to City Council.

## **ISSUE BACKGROUND**

The adjudication of EDSIP applications is conducted in two phases. The first phase determines whether basic eligibility criteria have been met. Ineligible applications are not recommended for further consideration. Applicants are identified as ineligible if they submit late applications, are in default with the City of Toronto because of failure to meet the terms and conditions of any previous City of Toronto funding, fail to meet one or more of the EDSIP and ESI eligibility criteria, or if the application submitted is so incomplete that eligibility cannot be properly assessed. Eligible applications proceed to the assessment phase of the process.

EDSIP has a set of specific eligibility criteria for evaluating applications. A complete listing of eligibility criteria, special conditions, application and report requirements are included as Attachment No. 1. The program is designed to provide the support for implementing the City's *Agenda for Prosperity* and to ensure it is delivered in a fair and equitable manner.

## **COMMENTS**

### **Economic Development Sectors Investment Program (EDSIP)**

A total of 12 EDSIP applications were received by the March 9, 2009 deadline. The total amount requested from the applicants is \$280,000. The total amount available through EDSIP is \$224,880 including \$14,880 for appeals. An overview of the 2009 EDSIP Application and Recommendation Summary is included as Attachment No. 2. Summary sheets for each of the EDSIP applications, including funding recommendations are included in Attachment No. 3.

Staff reviewed each proposal in detail and made recommendations in compliance with the program objectives and eligibility criteria. Consistency with the City's Grant Policy is mandatory. Eligibility criteria includes evidence that the project has City-wide economic

development benefits; the applicant has demonstrated adherence to reporting requirements in the past and the applicant has a successful track record of implementing past projects.

All applicants have been informed of the staff recommendations prior to the CPIP Appeals Sub-Committee meeting on May 29, 2009.

In 2009, it is recommended that \$210,000 be allocated to 10 projects which will leverage approximately \$3,125,406 in funds and in-kind contributions from other sources. Two applications are not being recommended.

Nine applications are from organizations that have previously received EDSIP funding and three are new applicants. This year, two exceptions are being recommended for funding above the \$20,000 EDSIP maximum.

The Toronto Region Research Alliance (TRRA) has applied for \$40,000 to conduct work associated with green economic development initiatives. Staff recommend a grant of \$30,000 for this work. The Miziwe Biik Development Corp has applied for \$30,000 to conduct a feasibility study to build a new Aboriginal arts and cultural centre and staff recommend a grant of \$25,000.

Table 1 below shows the distribution of applications by sector and the percentage of total funding per sector. Table 2 shows a breakdown of the total number of EDSIP applications.

Table 1

EDSIP Application by Sector 2009	Applications Received	Applications Recommended	Percentage of Total Funding
Creative Industries	2	2	20%
Film & Television	2	2	16%
Green/Cleantech	1	1	14%
Publishing/Printing	1	1	8%
Food	1	1	8%
ICT	1	0	0
Design	1	1	9%
Tourism	3	2	18%
Appeals	0	0	7%
Total	12	10	100%

Table 2

Total Applications	12
Applications for new projects	7
Total Applications Recommended	10
New Applicants Recommended	6
Previously Funded Applications Recommended	4
Total Funds Requested	\$280,000
Total EDSIP Funds	\$224,880

In 2009, EDSIP is supporting projects that are weighted towards employment generation and recession proofing. For example, the Somali Business Development Centre will develop and establish a new social enterprise business to provide employment and training for immigrant youth. The Computer Animation Studios of Ontario (CASO) will develop initiatives that focus on the growth of the animation and visual effects industry by encouraging greater collaboration and investment in the digital media companies in the city and the Toronto Food Business Incubator (TFBI) in conjunction with the St. Lawrence Market complex will provide a venue for the sale of food products manufactured by the TFBI entrepreneurs.

The projects recommended in 2009 contribute to the implementation of the four pillars of *The Agenda for Prosperity*. The projects will have a positive direct economic impact through supporting local business development activities across the city.

The EDSIP applicants recommended in this report have complied with the City's policies and are eligible to receive funding.

## **CONTACT**

Rob Berry, Acting Manager, Sector and Strategic Partnerships  
Business Development and Retention  
Tel: 416-392-3387 Fax: 416-392-3374  
E-mail: [rberry@toronto.ca](mailto:rberry@toronto.ca)

## **SIGNATURE**

Mike Williams, General Manager  
Economic Development, Culture & Tourism

## **ATTACHMENTS**

Attachment No. 1 – EDSIP Program Highlights, Eligibility Criteria and Requirements  
Attachment No. 2 – EDSIP Application and Recommendation Summary  
Attachment No. 3 – EDSIP Application Summary Sheets