

**Councillor Paul Ainslie**

Toronto City Council
Ward 24, Scarborough-Guildwood
Chair, General Government and Licensing Committee
Chair, Board of Management of the Toronto Zoo

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Dear General Government and Licensing Committee Members,

I am requesting the members of the General Government and Licensing Committee consider the following initiative to advance technological use in the City of Toronto municipal government by the creation of a Startup in Residence (STIR) pilot project dealing with procurement and e-procurement.

The purpose of the STIR program is to act as a lead for procurement reform, to introduce City agencies, departments, commissions and boards to new innovation and technologies, and serve as an incubator to introduce the necessary procurement reforms needed to allow increased innovation to continue for the long term. These products will enhance government productivity, efficiencies and help improve the resident experience with municipal government. Several US and Canadian cities have achieved similar results with STIR programs since 2014 in cities large (San Francisco, Kansas City, Pittsburgh) and small (Guelph), among others.

The STIR program solicits proposals from startups for technology-based solutions to address procurement and e-procurement challenges facing City agencies, departments, commissions and boards. “Technology based solutions” means on premise software, mobile apps, hosted software, information technology hardware, and/or any combination thereof.

The STIR program includes an educational component during the residence period for the selected participants and corresponding City agencies consisting of in-person and web sessions with leaders in the business, legal, finance, investment, and consulting sectors, as well as government executives, innovators, academics, and researchers. The educational component aims to help STIR participants learn about navigating government partnerships, the government procurement process, open data and systems integration, and civic tech trends. City leaders will learn about the technology marketplace, developing modern technology solicitations and how to approach building a technology product.

Recommendation:

That the General Government and Licensing Committee:

1. Request the Deputy City Manager, Corporate Services, the Chief Information Officer, and the Chief Purchasing Officer, in consultation with the Chief Transformation Officer, and the Director, Civic Innovation Office, to consider adopting a Startup in Residence (STIR) program, similar to those implemented by the City of Guelph and the Municipal Innovation Exchange, and whether the City of Toronto should:
 - a. Join an existing STIR network, such as the Municipal Innovation Exchange which was founded recently by Guelph, London, and Barrie;
 - b. Operate its own STIR program, as seen in some U.S. cities; or
 - c. Operate its own STIR program, in alliance with other cities and/or government agencies in the Greater Toronto Area.

and report to the General Government and Licensing Committee at its meeting on May 21, 2019.

Our municipal government needs to be looking to identify more fluid pathways to work with smaller technology companies. This has typically left government with two options: (1) use technology intended for Fortune 500 companies and large enterprises, or (2) develop a collection of customized solutions that require significant investment of time and resources. The STIR program aims to bridge this gap by connecting public-sector agencies directly with technology entrepreneurs to seed product development in the public sector. With thousands of policy challenges, government has the potential to support a large ecosystem of best-of-breed technology solutions helping catalyze public sector innovation and productivity.

All my Best,

Paul Ainslie
City Councillor, Ward 24
Scarborough - Guildwood