
ECONOMIC DEVELOPMENT
AND CULTURE

**WE'RE
JUST
GETTING
STARTED**

**INDIGENOUS CENTRE FOR
INNOVATION AND
ENTREPRENEURSHIP (ICIE)**

UPDATE TO AAAC – OCTOBER 22, 2021

BACKGROUND

- In 2012, the City began discussions about creating an Indigenous business centre and cultural district in Toronto.
- A feasibility study in 2013 identified keen community interest to redesign, re-envision and rethink Indigenous business and entrepreneurship within an innovative and contemporary mindset led by Indigenous majority-owned businesses.
- Councillor Wong-Tam (Ward 13 Toronto-Centre) began working with City Planning in 2013 to identify a new development at 200 Dundas Street East as a potential location for an Indigenous business centre and incubator now known as the Indigenous Centre for Innovation and Entrepreneurship (ICIE).
- Section 37 funds - \$7.85M (for capital) and FedDev - \$5M matched funds over 5 years -- are the primary current funding sources.

SPACE DEVELOPMENT

There will be three floors within the ICIE:

- Ground Floor Retail Space - 4,789 sq. ft.
- Event Space and Meeting Rooms – 2nd floor - 10,933 sq. ft.
- Incubator Space – 3rd floor – 6,778 sq. ft.
- Total Gross Floor Area - 22,500 sq. ft.



Current Site Status: Exterior Fin Installation September 2020



ADVICE FROM ICIE LEADERSHIP ADVISORY CIRCLE (LAC) - GOVERNANCE MODEL

In the summer of 2021, the LAC advised that the ICIE be governed by:

An Indigenous-led entity that:

- has the skills and experience necessary to operate the ICIE, including entrepreneurship and property management;
- is able to use Indigenous ways of governance and exercise independent decision-making; and
- is chosen through a transparent selection process.

A decision to issue a Request for Information (RFI) was made by the LAC and City staff to determine capacity and interest from Indigenous-led organizations to serve as a potential operator of the ICIE.

LAC members and City staff reviewed the responses of the RFI process and:

- determined that there is a sufficient number of Indigenous-led organizations with the requisite capacity and interest in serving as an operator of the ICIE; and
- recommended that the City proceed with an open competitive process to select an operator for the ICIE.

IDEAL OPERATOR FOR ICIE

- Indigenous-led not-for-profit
- Successful track record of working with Indigenous community, entrepreneurs, innovators and businesses
- Demonstrated success in attracting private and government partners
- Appropriate governance model proposed
- Strategic business plan proposed
- Strong plan to ensure continuous engagement with Indigenous entrepreneurs and innovators
- High level of organizational capacity

THE ICIE STAFF REPORT

ICIE STAFF REPORT: KEY POINTS

The report is deliberately framed in a way that challenges the colonial relationship between the City of Toronto and Indigenous Peoples by:

- Referencing the Truth and Reconciliation Commission and the National Inquiry into Missing and Murdered Indigenous Women and Girls as foundational documents
- Stating that the ICIE must be Indigenous-led and operated
- Respecting the advice of the Leadership Advisory Circle
- Recommending a partnership relationship between the City of Toronto and the ICIE based on mutual respect and Indigenous autonomy – “Nothing About Us Without Us”

FINANCIAL IMPACT

- City Council adopted a Member Motion at its March 10, 2021 meeting authorizing the release of Section 37 (Planning Act) Funds from various developments for capital improvements to the future space of the ICIE (Increased from \$3,783,816.13 to \$7,853,237.77).
- While City capital funding for the ICIE facility has been provided through Section 37 funds, there is an operating budget gap for the ICIE during its start-up period between 2022 and Q1 2024.
- The ICIE project is in the third year of a five-year Contribution Agreement with FedDev Ontario, in which operating costs of approximately \$9.87 million over five years are cost-shared by the City (49.33%) and FedDev Ontario (50.67%) up to \$5 million.
- Financial impacts in 2022 and beyond will be included in the Economic Development and Culture division's operating budget submission for consideration along with other City priorities through the 2022 budget process.

Table 1: City's Portion of the Contribution Agreement with FedDev Ontario

Year	Eligible and Supported Costs	City Portion (49.33 percent)
2019*	\$921,357	\$454,506
2020*	\$696,981	\$343,821
2021*	\$983,860	\$485,338
2022	\$2,441,214	\$1,204,251
2023	\$3,375,567	\$1,665,167
2024 - Q1	\$882,447	\$435,311
Total	\$9,301,427	\$4,588,394

*Represents actual costs incurred related to staffing, business planning, program and project management, consultation, etc.

LONG TERM FUNDING

The report also notes that there is a need and opportunity for the City to identify longer-term (2024 and beyond) funding to support core ICIE operations in a manner which:

- strengthens the Centre's ability to attract third party funding
- advances Toronto's economic recovery in the wake of COVID-19
- represents a generational investment by the City of Toronto in Indigenous economic empowerment.

Through the 2022 budget process, staff will provide further information on the ICIE's anticipated funding model, including a recommended City funding contribution for ICIE start-up purposes in 2022-2024 Q1 (to match and leverage the FedDev Ontario funding), and for a reasonable share of core ICIE operational costs in 2024 Q2 and beyond.

RECOMMENDATIONS

The staff report recommends that:

- City Council direct the General Manager, Economic Development and Culture and the Director, Indigenous Affairs Office to **select an Indigenous-led organization or consortium to operate the Indigenous Centre for Innovation and Entrepreneurship (ICIE), through an open competitive solicitation process as supported by the ICIE's Leadership Advisory Circle (LAC)** and in accordance with the provisions of the Municipal Code Chapter 71 and 195, City policies and procedures.
- City Council authorize the General Manager, Economic Development and Culture, and the Director, Indigenous Affairs Office, and when appropriate, the Deputy City Manager, Community and Social Services to **negotiate, enter into and execute on behalf of the City an operating, contribution/funding or any related ICIE program agreements** on such terms deemed necessary and appropriate by the City and in a form satisfactory to the City Solicitor, with the designated operator of the ICIE or other parties wishing to financially support the ICIE, **provided that required City funding is approved through the City's budget process. All such agreements, which may have a term of up to 10 years, shall be based upon respect, consultation and co-operation with the ICIE operator and draw inspiration from the Two Row Wampum that upholds Indigenous autonomy.**
- City Council **endorse the key goals and elements of the ICIE program model**, as detailed in this report, which include: **to provide a culturally safe space, connections, supports, programming and resources for Indigenous entrepreneurs and innovators; and to be an entrepreneurial resource centre by and for the Indigenous community.**
- City Council **direct the General Manager, Economic Development and Culture to recommend for City Council's consideration, as part of the 2022 budget process, adequate and appropriate funding for (a) the City's portion of ICIE start-up costs between 2022 and Q1 2024 and (b) a reasonable share of the ICIE's annual operating expenses for a period of not less than 10 years.**