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## **2007 BUDGET BRIEFING NOTE**

### **Economic Sectors Initiative Program (ESI) Budget Submission**

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#### **Issue/Background:**

The ESI Program is an annual CIP “closed” investment program administered by Economic Development, Culture and Tourism. The program was established at the time of amalgamation (1999) to provide operational support to four (4) non-profit organizations for their ongoing programs that support the City’s economic development goals. The four organizations received annual support prior to the formation of the City’s consolidated grants program. When EDSIP and ESI programs were established, Council determined that the organizations’ activities generated significant economic benefit to warrant on-going support. The total annual funding allocated through ESI is \$136,990. Each organization is required to comply with the City’s regulations regarding its grant programs and must meet objectives on an annual basis.

#### *Approved Funding in Prior Years:*

The four organizations and their annual allocations are:

Toronto International Film Festival (TIFF)	\$75,000
Toronto Alliance for the Performing Arts (TAPA)	\$16,000
Toronto Assoc of BIA’s (TABIA)	\$25,990
Canadian Film Centre (CFC)	<u>\$20,000</u>
	\$136,990

In 2004, 2005 and 2006 three of these organizations sought increases to their budgets. The Toronto International Film Festival (TIFF) sought an additional \$15,000, the Toronto Association of Business Improvement Areas (TABIA) sought a \$10 increase from \$25,990 to \$26,000, and the Toronto Alliance for the Performing Arts (TAPA) sought an additional \$5,000, totaling at \$20,100. No additional funding was approved for each of the years.

#### *2007 Budget Submission:*

Through the 2007 budget process, ESI submitted an increase of \$170,010 to the ESI budget, of which \$20,010 will be applied as aforementioned, and the remaining \$150,000 will be used to fund three (3) additional organizations - Toronto Financial Services Alliance (TFSA), Information and Communications Technology Toronto (ICT Toronto) and the Design Industry Advisory Committee (DIAC). An increase of \$15,000 is recommended in ESI’s 2007 Operating Budget.

	<u>2007 Submission</u>	<u>2007 Recommended</u>
Toronto International Film Festival:	\$90,000	\$75,000
Toronto Alliance for the Performing Arts	\$21,000	\$16,000
Toronto Assoc of BIA's	\$26,000	\$25,990
Canadian Film Centre	\$20,000	\$20,000
Toronto Financial Services Alliance	\$50,000	\$0
Info & Comm Technology Toronto	\$50,000	\$0
Design Industry Advisory Committee	\$50,000	\$0
New funding recommended in 2007		<u>\$15,000</u>
	<u>\$307,000</u>	<u>\$151,990</u>

**Key Points:**

- The four organizations currently funded through ESI generate more than \$67M in economic activity, attract more than 91,000 visitors and service well over 100,000 people and businesses in Toronto. For instance, TABIA serves the needs of 55 registered BIA's, TIFF brings in more than \$33M in tourism dollars and TAPA serves 164 performing arts companies. The TFSA, ICT Toronto and DIAC represent almost 400,000 employees who work in these sectors. The work conducted by these organizations fulfills a vital function to retain jobs and attract new investment.
- The seven (7) organizations that are seeking ESI funding provide both meaningful and quantifiable community impacts to Toronto. They enhance the business climate and provide greater opportunity for at risk youth to overcome barriers and integrate more fully into Toronto's labour market. For example, the new Special Delivery program conducted by TIFF reached over 1731 youth over the course of 22 sessions in many of the 13 priority neighbourhoods included in the City of Toronto's Strong Neighbourhood Strategy. In 2006-07 they aim to hit all 13 neighbourhoods.
- The resources will be used to enhance and increase the programs and services currently offered by these organizations. Each organization has a specific mandate and business plan to improve the business climate, including specific initiatives. The global marketplace is becoming increasingly competitive. To retain businesses and attract new investment Toronto must continue to invest in new and innovative programs and initiatives. These organizations work with the City to provide these greatly needed services and programs.
- The City has recommended an increase of \$15,000 to the 2007 Operating Budget for ESI, totaling at \$151,990 for 2007.

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