

Delegation Request

Delegation's Information:

Jolynn Green, Community Futures Central Island, Kim Smythe, Greater Nanaimo Chamber of Commerce, and Graham Truax, Innovation Island Technology Association have requested an appearance before Council.

City: Nanaimo

Province: BC

Delegation Details:

The requested date is April 29, 2019.

The requested meeting is:
Council

Bringing a presentation: Yes

Details of the Presentation:

Pursuant to a JOINT LETTER OF CONCERN submitted to Mayor and Council, April 24, 2019, the delegation would like to present several proposed programs and services that address the urgent needs of the "Manufacturing Technology & Entrepreneurship" sectors and associated aspects of talent generation, investment attraction, industry events and information exchange.

The delegation wishes to have the opportunity to appear before the Finance and Audit Committee to request funding for the proposed programs and services hereto. And/or be instructed by Mayor and Council that these matters will be brought under further consideration, per our JOINT LETTER OF CONCERN, whereby our respective organizations are duly consulted thereafter.



JOINT LETTER OF CONCERN

April 24, 2019

Attn: Mayor and Council, City of Nanaimo
By email to mayor&council@nanaimo.ca

RE: Funding Request from Mid-Island Business Initiative (MIBI)
Including added Delegation from Bob Moss
To Manufacturing Technology & Entrepreneurship Council (MTEC) program
[MERGED AGENDA FINANCE AND AUDIT COMMITTEE MEETING](#)
Wednesday, April 10, 2019

Dear Mayor and Council,

The organizations and individuals listed below would like to express some concerns and possible solutions surrounding the funding request from the Mid-Island Business Initiative (MIBI) and the outcome of the April 10th finance and audit committee meeting vote; as referenced above.

Graham Truax, Executive Director for [Innovation Island](#), Jolynn Green, Executive Director of [Community Futures Central Island](#) and Kim Smythe, President & CEO of the [Greater Nanaimo Chamber of Commerce](#) (referenced as “we” or the “group” herein).

The organizations above advocate for hundreds of Nanaimo area businesses and thousands of Nanaimo taxpayers.

We would first like to address the delegation from Mr. Moss which we feel incorrectly suggested that MTEC has the support and “collaboration” of our respective organizations; at present, it does not.

The delegation from Mr. Moss also highlighted four “urgent” focus areas that the MTEC proposal hopes to address -- 1) talent pool, 2) meet-up events, 3) investment & VC attraction and 4) information exchange. While we certainly feel that these issues are “important” to suggest that they are newly urgent, or “gaps” that are being under-served is a misrepresentation.

Please consider a few brief additional comments on these issues.

Each of our groups respective organizations work extensively in areas of talent development, investment attraction, information exchange and industry events, and we have done so for decades. Likewise, our client-base(s) represent various "Manufacturing Technology & Entrepreneurship" sectors, locally and within the region ~ including important interface with Vancouver Island University (VIU), angel & venture capital sources, and other institutions.

- The [Innovation Island resource page](#) provides simple and easy-access to both Provincial and Federal programs/services in all areas of tech-sector development.
- The [Chamber of Commerce Nanaimo Business Resource & Relocation Guide](#) assists Nanaimo start-ups in getting off the ground and responds to inquiries from out-of-market on business relocation to the community.
- The [Community Futures Central Island office](#) has lent \$41 million dollars to small business in our region, leveraging \$58 million in our community and creating/maintaining 5,454 jobs.
 - We also note that the [VIEA Economic Resource Library](#), and their [Foreign Direct Investment](#) and [Capturing Talent](#) initiatives serve a wide range of business interests.

In the Minutes of the Audit Committee meeting ([here](#)) it was stated that there is an "Absence of strategy" [arguably within City Hall] and within the video of the "discussion" it was suggested that the MIBI/MTEC funding would be a "one-time" or "short-term" non-budgeted allocation that would be an "experiment". As such we have the following concerns:

- I. We feel that the MTEC proposal ([here](#)) and specifically their lead proponents, do not have the expertise [in the tech-sector] to conduct such an experiment with taxpayers money and that the stated "urgency" of this funding request is lacking evidence, due-process and a longer-term plan.
 - Our group, and other stakeholders, who hold significant and relevant industry credentials, have not been formally consulted on these matters.
- II. We are hard-pressed to see how a \$48,000 funding allocation for a 6-month engagement [chiefly going toward a contracted employment position] can accomplish the proposed objectives or improve the stated focus-area outcomes.
 - As presented the MIBI/MTEC proposal is essentially a direct-award contract that has been driven by its proponents; we feel this precedent set by Council is inappropriate.
- III. In the "Terms of Reference" (bundled Committee Report, pages 13-15, [here](#)) it clearly stated that MTEC is a "committee" of MIBI, and as such, formal [proposed] agreements with the City will be with MIBI, and MIBI will "manage funds [and] assign funds and resources" at its "sole discretion".
 - We are aware that possible conflicts of interest(s) may pose difficulties for MIBI/MTEC if it is to seek leveraged funding beyond what the City is offering.

In light of the matters above may we respectfully put forward the following considerations.

Pursuant of this letter we would like to suggest that Council reconsider item 2. of the associated staff Committee Report -- “That the Finance and Audit Committee recommend that Council deny the funding request from the Mid-Island Business Initiative for the Manufacturing Technology & Entrepreneurship Council program”.

If Council deems that near-term financial resources should be applied to the objectives herein then our group would like to offer the following suggestions:

1. That Council conduct a more comprehensive review [of proposed services or urgencies] with associated organizations and wider industry inputs.
 - We, and other industry stakeholders, would gladly participate in this review.
2. That Council direct these monies to the City’s Economic Development office, to above matters or as are further determined.
 - There is no single solution, herein, that is a quick-fix to the stated concerns and desired outcomes.
3. That Council tenders an RFP on proposed activities or objectives, herein.
 - Each of our respective organizations have various programs and services that could aid stated objectives and outcomes, and we would bid on such.

In closing, please recognize that our organizations have significant community and industry relationships that we feel a responsibility to consider in these matters ~ we are acting in good faith accordingly.

Thank you for your time and consideration,



Graham Truax, Executive Director
Innovation Island



Jolynn Green, Executive Director
Community Futures Central Island



Kim Smythe, President & CEO
Greater Nanaimo Chamber of Commerce