

# Department — Edmonton Economic Development Corp.

## Introduction

Edmonton Economic Development Corporation (EEDC) was established in 1993 by the City of Edmonton as an independent, not-for-profit corporate entity. EEDC is responsible for providing leadership to the economic growth strategy for Edmonton and the Capital Region, with specific accountability for the following core functions:

- Supporting Industry Growth and Diversification
- Stimulating Entrepreneurism and Innovation
- Marketing the City Image in Target Markets
- Managing the Shaw Conference Centre
- Boosting Tourism, Events and Attraction
- Enriching the Edmonton Research Park

EEDC maintains responsibility for each of the above activities; however, it works in partnership with key stakeholders in the economic development system – specifically, the City of Edmonton, Edmonton International Airport, the post-secondary institutions, the Government of Alberta, regional economic development agencies, Port Alberta, Productivity Alberta, TEC Edmonton, Startup Edmonton, Northlands and the Edmonton Chamber of Commerce – to generate prosperity for industry and heighten the standard of living for Edmontonians.

EEDC's long-term objective remains the same: *Ensure Edmonton and the Capital Region outperforms every regional jurisdiction in North America consistently over the next 20 years.* As global and domestic economic conditions change, EEDC alters its strategies to ensure Edmonton maintains the most competitive business environment for industry prosperity, while establishing and implementing specific priorities that can advance the economy as a whole.

Over the past year, EEDC has made key changes to the organizational structure with a greater emphasis on

economic development as committed to last year; this will position us to successfully deliver on our commitments in The Way We Prosper.

Globally, we anticipate a continuance of a low-growth environment and our business units have developed strategies that ensures that Edmonton and the Capital Region is ready to compete for a share of that growth. Collectively, our business units are focused on five outcomes:

- Accelerated inflow of new business, investment and people;
- Confident, authentic image/brand that is well marketed in target jurisdictions;
- Competitive business environment that facilitates entrepreneurship, innovation and business expansion;
- Resilient and diversified industry growth and employment opportunities; and
- Informed, networked and engaged business and stakeholder community.

In support of these outcomes and in line with the strategic direction that was laid out last year, EEDC has prepared a balanced budget, which includes a stabilized core funding request of \$14.484 million.

### Service Package Request

As part of economic development, a strong entrepreneurial ecosystem is necessary to maintain and grow the business community. EEDC is requesting ongoing support of \$300,000 to provide an improved level of service for Edmonton's creative entrepreneurial community by continuing to offer Startup Edmonton services as well as new innovation and entrepreneurship programs. This will be complimentary to the services offered by TEC Edmonton and will maximize benefits to entrepreneurs at various stages.

## OPERATING DIVISIONS

Enterprise Edmonton	Edmonton Tourism	Shaw Conference Centre	Edmonton Research Park
Drives attraction of business, investment and residents to Edmonton; shapes the culture of entrepreneurship in the City; and supports industry and stakeholders with economic analytics.	Drives the sales and marketing that stimulates hospitality, entertainment and retail industries in Edmonton, with a focus on major conferences / events, global image and visitor attraction and spend.	Generates economic impact by selling and hosting conventions, trade shows, and events, and contributes social value for the City.	Manages the physical assets of the Research Park including three incubator facilities as well as being responsible for the development of vacant lands within the park.



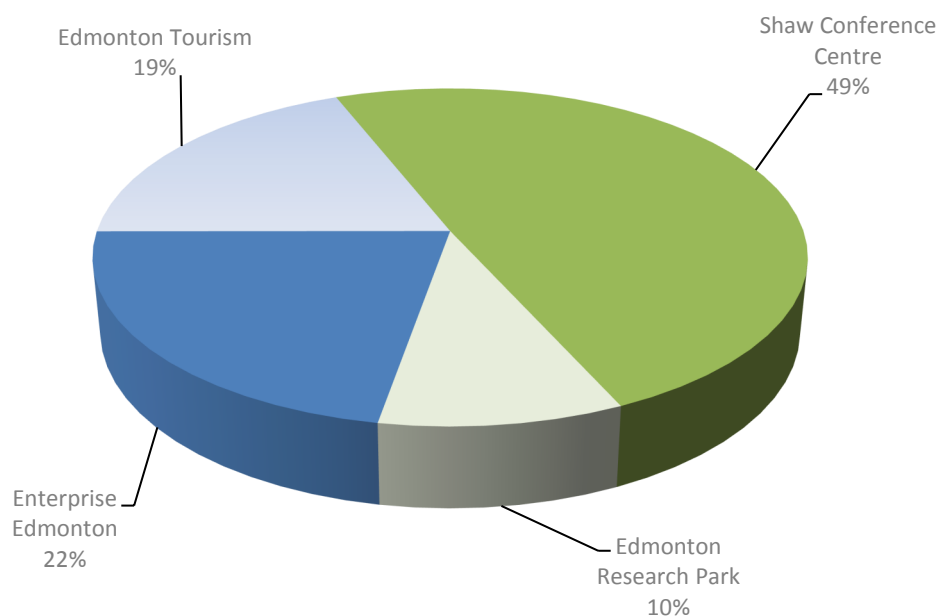
# Department — Edmonton Economic Development Corp.

## Approved 2014 Budget – Department Summary by Branch (\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers (Note 1)</b>					
Enterprise Edmonton	\$ 667	\$ 1,100	\$ 900	\$ (200)	(18.2)
Edmonton Tourism	5,157	2,090	2,325	235	11.2
Shaw Conference Centre	13,905	15,077	15,200	123	0.8
Edmonton Research Park	2,227	2,969	2,637	(332)	(11.2)
<b>Total Revenue &amp; Transfers</b>	<u>21,956</u>	<u>21,236</u>	<u>21,062</u>	<u>(174)</u>	<u>(0.8)</u>
<b>Expenditure &amp; Transfers (Note 1)</b>					
Enterprise Edmonton	6,301	7,550	7,890	340	4.5
Edmonton Tourism	9,399	6,342	6,756	414	6.5
Shaw Conference Centre	16,408	17,422	17,500	78	0.4
Edmonton Research Park	3,204	3,528	3,406	(122)	(3.5)
Subtotal	35,312	34,842	35,552	710	2.0
Transfer to / (from) Reserve	(20)	544	294	(250)	(46.0)
<b>Total Expenditure &amp; Transfers</b>	<u>35,292</u>	<u>35,386</u>	<u>35,846</u>	<u>460</u>	<u>1.3</u>
<b>Net Operating Requirement</b>	<b>\$ 13,336</b>	<b>\$ 14,150</b>	<b>\$ 14,784</b>	<b>\$ 634</b>	<b>4.5</b>

**Note 1:** Prior year numbers are restated as we restructured the Marketing & Stakeholder Relations division to be centralized with the Corporate division.

## Expenditures by Branch



# Department — Edmonton Economic Development Corp.

## Approved 2014 Budget – Department Summary by Category (\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers (Note 1)</b>					
Convention Centre Revenue	\$ 13,905	\$ 15,077	\$ 15,200	\$ 123	0.8
ERP Rental Revenue	2,227	2,969	2,637	(332)	(11.2)
Other Revenue	5,824	3,190	3,225	35	1.1
<b>Total Revenue &amp; Transfers</b>	<u>21,956</u>	<u>21,236</u>	<u>21,062</u>	<u>(174)</u>	<u>(0.8)</u>
<b>Expenditure &amp; Transfers (Note 1)</b>					
Personnel and Related	16,133	17,639	17,845	206	1.2
Operating Expenses	15,507	13,393	13,796	403	3.0
Repair & Maintenance	1,362	1,565	1,607	42	2.7
Utilities	1,859	2,004	2,056	52	2.6
Property & Equipment	451	241	248	7	2.9
Subtotal	35,312	34,842	35,552	710	2.0
Transfer to / (from) Reserves	(20)	544	294	(250)	(46.0)
Intra-municipal Recoveries	-	-	-	-	-
<b>Total Expenditure &amp; Transfers</b>	<u>35,292</u>	<u>35,386</u>	<u>35,846</u>	<u>460</u>	<u>1.3</u>
<b>Net Operating Requirement</b>	<b>\$ 13,336</b>	<b>\$ 14,150</b>	<b>\$ 14,784</b>	<b>\$ 634</b>	<b>4.5</b>
<b>Full-time Equivalents</b>	272.0	265.0	271.0	6.0	

**Note 1: Prior year numbers are restated as we restructured the Marketing & Stakeholder Relations division to be centralized with the Corporate division.**

Budget details are provided at the Branch level.

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Introduction

The Enterprise Edmonton business unit is responsible for economic development and works closely with the City of Edmonton to deliver on the five goals in The Way We Prosper. Clear roles have been defined for each organization, with Enterprise Edmonton maintaining specific responsibility for Goals 1, 2 and 4 in the diagram below.

In the past year, Enterprise Edmonton has restructured and refocused its attention on serving local businesses through four program offerings: industry development (business retention and expansion), business development (attraction), innovation and entrepreneurship (developing new business) and economic analytics. A key guiding principle for economic development activities is to ensure that the results are cleaner, greener, safer, friendlier, and cheaper. An example of this would be to introduce new innovation to well-established industries.

Enterprise Edmonton has developed a series of strategies over the next three years for the following industry sectors and geographic regions:

- Energy and Engineering
  - Hospitality, Entertainment, and Downtown
  - Creative Industries
  - Manufacturing
  - Transportation and Logistics
- Financial Services, Investments, and Real Estate
  - Enabling Technologies
  - Emerging Market: China & Canada's North
  - Adjacent Market: Northern Alberta

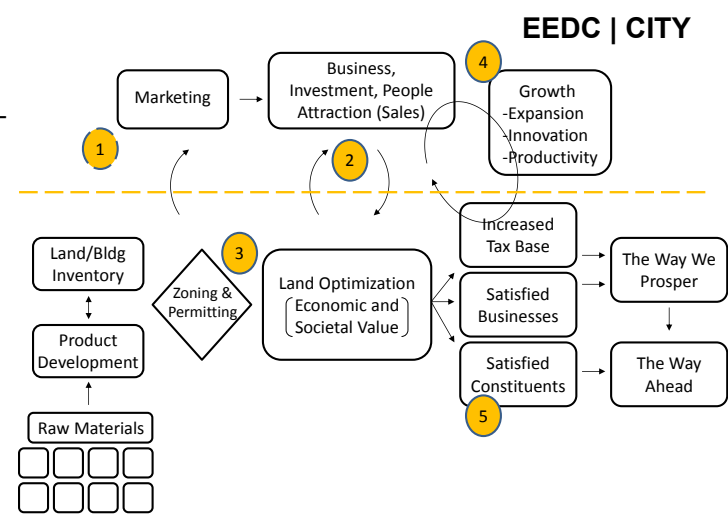
Enterprise Edmonton engages regularly with individual businesses and industry at large to identify barriers to growth; a series of advisory services have been developed to address these issues. It is anticipated that there will be broader issues that affect one or more industries / regions and Enterprise Edmonton will be proactive in working with them on addressing these foundational issues.

Objective

**Work with existing and new industry clusters to strengthen and diversify Edmonton's Gross Domestic Product (GDP).**

The long-term goals and 2014 priority initiatives in support of this objective are as follows:

Long-term Goals	2014 Priority Initiatives
<div><div>1. Implement company-level initiatives that focus on increasing the annual GDP contribution from seven industry clusters</div><div>2. Attract over \$1 billion of economic activity to Edmonton and the capital region on an annual basis</div><div>3. Strengthen the entrepreneurial ecosystem and the entrepreneurial community and the priority industry clusters</div><div>4. Develop integrated and coordinated relationships within the capital region and with northern communities</div><div>5. Increase Edmonton's profile as an economic and entrepreneurial powerhouse in targeted jurisdictions</div></div>	<div><div><div><div>Establish leadership across seven (7) clusters model of economic growth</div><div>Establish regional partnerships around logistics, manufacturing &amp; engineering serving the North</div><div>Develop and implement an export development program targeted at key jurisdictions</div><div>Design a comprehensive and funded entrepreneurship strategy for Edmonton</div></div></div><div><div>Value:</div><div>Economic impact target: \$40 million</div></div></div>



# Branch — Enterprise Edmonton

## Approved 2014 Budget – Branch Summary

(\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers</b>					
Other Revenue	\$ 667	\$ 1,100	\$ 900	\$ (200)	(18.2)
Transfer from Reserves	-	-	-	-	-
<b>Total Revenue &amp; Transfers</b>	<u>667</u>	<u>1,100</u>	<u>900</u>	<u>(200)</u>	<u>(18.2)</u>
<b>Expenditure &amp; Transfers</b>					
Personnel and Related	3,208	4,105	4,097	(8)	(0.2)
Operating Expenses	2,093	2,445	2,793	348	14.2
TEC Edmonton	1,000	1,000	1,000	-	-
Transfer to Reserves	-	-	-	-	-
Subtotal	<u>6,301</u>	<u>7,550</u>	<u>7,890</u>	<u>340</u>	<u>4.5</u>
Intra-municipal Recoveries	-	-	-	-	-
<b>Total Expenditure &amp; Transfers</b>	<u>6,301</u>	<u>7,550</u>	<u>7,890</u>	<u>340</u>	<u>4.5</u>
<b>Net Operating Requirement</b>	<b>\$ 5,634</b>	<b>\$ 6,450</b>	<b>\$ 6,990</b>	<b>\$ 540</b>	<b>8.4</b>
<b>Full-time Equivalents</b>	<b>35.0</b>	<b>37.0</b>	<b>42.0</b>	<b>5.0</b>	

## Budget Changes for 2014

(\$000)

### Revenue & Transfers - Changes

#### Other Revenue \$ (200)

Revenues are budgeted to decrease from 2013 as we modified the objectives of the labor program resulting in lower industry partner funding in 2014.

### Expenditures & Transfers - Changes

#### Personnel and Related \$ (8)

The 2013 budget anticipated hiring more director level positions at higher salaries. Organizational structure was re-evaluated in mid 2013 and rebalanced to include more industry development support positions. The decrease is offset by \$210K increase in funded service package.

#### Operating Expenses \$ 348

Higher program expenses for the innovation, entrepreneurship and Northern Industry clusters. \$90K increase for service package.

### Full-time Equivalents - Changes 5.0

FTE budget increase is to hire industry development support positions for the industry cluster strategies. 3 FTE's from funded service package.

# Branch — Enterprise Edmonton

## Program - Innovation and Entrepreneurship Entrepreneurial Support and Startup Edmonton

**FUNDED**

### Results to be Achieved

This initiative tightly aligns with Council's Vision for a diversified economy. Specifically, it supports the three-year priority goal to work with both public and private sector partners to improve the favourable business and investment climate for entrepreneurs. In addition, the initiative aligns with - Council Outcome #6.3: The City of Edmonton supports the development and growth of business opportunities in high potential sectors and The Way We Prosper Goal #4: Edmonton: An Environment for Innovation.

### Description

The package is intended to support the entrepreneurial environment through programs and services that foster the germination and growth of new start up ventures, including ongoing support for Startup Edmonton. Startup Edmonton is an entrepreneur-led, non-profit organization that creates interactions between developers, creatives and entrepreneurs to activate startups in the Edmonton community. Its role in the local startup ecosystem lies at the earliest stages, as ideas evolve into action, where startups form and gain initial traction. This program will work in conjunction with TEC Edmonton within the ecosystem to maximize benefit to entrepreneurs.

### Background

In 2013, City Council approved Startup Edmonton funding under the Sustainable Development branch for one year. With the evolution of The Way We Prosper, funding for innovation and entrepreneurship appropriately sits with EEDC. EEDC will leverage this funding through other EEDC-led initiatives and by focusing on operational improvements to ensure the continued growth and development of entrepreneurial programs including those offered by Startup Edmonton.

### Options

Support for this project will not impact City service levels; however, it will provide an improved level of service for Edmonton's creative entrepreneurial community by continuing to offer Startup Edmonton services as well as new innovation and entrepreneurship programs. Programs and infrastructure will be done in coordination with TEC Edmonton through EEDC's stewardship.

### Implications of Not Funding

Not funding this initiative will limit the programs and activities supporting the entrepreneurial ecosystem, including possible risk to the viability of the Startup Edmonton organization. Possible mitigation may require Startup Edmonton to reduce their physical facilities and narrow their services.

Incremental (\$000)	2014				2015				2016			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
New Budget	\$ 300	-	300	3.0	\$ 9	-	9	-	\$ 9	-	9	-
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 300</b>	<b>-</b>	<b>300</b>	<b>3.0</b>	<b>\$ 9</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>\$ 9</b>	<b>-</b>	<b>9</b>	<b>-</b>



# Branch — Edmonton Tourism

## Introduction

Edmonton Tourism is a destination marketing organization with a mandate to be the trusted marketing expert and resource promoting the city's visitor experience, regionally, nationally and internationally. Edmonton Tourism, with their key stakeholders, must together, deliver exceptional experiences for the visitor – encouraging travellers to stay longer, spend more and share their experience with others.

**Vision:** *Edmonton Tourism is the trusted expert and resource for marketing Edmonton's visitor experiences.*

**Mission:** *We work with our Stakeholders to grow tourism revenues and increase visitation.*

Three strategic themes have been identified for Edmonton Tourism: Stakeholder Relationships, Marketing Excellence and Influencing the Destination Experience. These are areas in which they must excel to accomplish their overall objective of Sustainable year-round visitation.

Their priority work will focus on two distinct but interdependent areas: developing quality in-destination programs and services for both the Stakeholder and the visitor, while excelling at effective out-of-destination marketing, which is becoming increasingly digitized. To excel in these areas, they will build a unified and consistent approach to telling the Edmonton story through the visitors' lens, in addition to building exceptional local and global industry partnerships.



Edmonton Tourism works in partnership with the City and Edmonton's Destination Marketing Fund (DMF) to attract major events and local, national and international customers that can generate economic activity and build our image on a global scale. Sales and marketing activities focus on three distinct target markets:

- Meeting & Business Travel
- Leisure Travel
- Event Attraction

The visitor experience team within Edmonton Tourism focuses on supporting industry partners with training, tools, facilitation and business generation (including operation of the Visitor Information Centres). The tourism industry in Edmonton will build and be recognized as a leader provincially and nationally for its co-operation and cohesion.

### Objective

***Develop a high-performing tourism ecosystem by driving sustainable year-round visitation.***

The long-term goals and 2014 priority initiatives in support of this objective are as follows:

Long-term Goals	2014 Priority Initiatives
<ol style="list-style-type: none"><li>1. Strengthen stakeholder confidence in Edmonton Tourism as the trusted expert and resource</li><li>2. Enhance the calendar of festivals and major events that entice people to make Edmonton top-of-mind for weekend getaways with purpose</li><li>3. Develop tactical sales plans for tourism products that drive activity in our target markets</li><li>4. Engage leaders, players and partners in the tourism industry to increase alignment and enhance marketing leverage</li><li>5. Design and implement measurement and reporting process that creates frequent and open communications with the industry</li></ol>	<ul style="list-style-type: none"><li>• Launch new consumer brand and website</li><li>• Re-establish the regional market as our primary market</li><li>• Scope, develop and implement forward forecasting tool</li><li>• Upgrade and integrate online tools and content that enhances the visitor experience</li></ul> <p><b>Value:</b> Economic impact target: \$60 million</p>



# Branch — Edmonton Tourism

## Approved 2014 Budget – Branch Summary

(\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers</b>					
Other Revenue	\$ 5,157	\$ 2,090	\$ 2,325	\$ 235	11.2
Transfer from Reserves	-	-	-	-	-
<b>Total Revenue &amp; Transfers</b>	<u>5,157</u>	<u>2,090</u>	<u>2,325</u>	<u>235</u>	<u>11.2</u>
<b>Expenditure &amp; Transfers</b>					
Personnel and Related	\$ 2,825	\$ 2,961	3,109	148	5.0
Operating Expenses	6,574	3,381	3,647	266	7.9
Transfer to Reserves	-	-	-	-	-
Subtotal	<u>9,399</u>	<u>6,342</u>	<u>6,756</u>	<u>414</u>	<u>6.5</u>
Intra-municipal Recoveries	-	-	-	-	-
<b>Total Expenditure &amp; Transfers</b>	<u>9,399</u>	<u>6,342</u>	<u>6,756</u>	<u>414</u>	<u>6.5</u>
<b>Net Operating Requirement</b>	<b>\$ 4,242</b>	<b>\$ 4,252</b>	<b>\$ 4,431</b>	<b>\$ 179</b>	<b>4.2</b>
<b>Full-time Equivalents</b>	<b>33.0</b>	<b>33.0</b>	<b>34.0</b>	<b>1.0</b>	

## Budget Changes for 2014

(\$000)

### Revenue & Transfers - Changes

#### Other Revenue \$ 235

Revenues from Edmonton Destination Marketing Hotels and other industry partners are anticipated to be higher than 2013 to primarily support consumer marketing and product development programs.

### Expenditures & Transfers - Changes

#### Personnel and Related \$ 148

The anticipated increase in personnel expenses is contributed by increased FTE and cost of living increment.

#### Operating Expenses \$ 266

Budget assumed a slight increase on operating and administration expenses of about 1% and remaining increase is a result of additional program expenses flowing from increased external revenue.

### Full-time Equivalents - Changes 1.0

FTE increased to support consumer marketing and product development programs.

# Branch — Shaw Conference Centre

## Introduction

The Shaw Conference Centre (SCC) is Edmonton’s convention centre, a historic meeting place where people gather to learn, innovate, trade, and celebrate. The SCC facility is owned by the City of Edmonton and is operated by EEDC to provide economic and social benefits for the community. The convention centre was built in 1983, upgraded in the 1990s and expanded in 1998 (Riverview Room) and again in 2006 with the addition of Hall D. SCC offers 150,000 sq. ft. of rentable space, is home to about 700 events each year and hosts half a million guests annually who in turn generate \$50.6 million in spending across the province. SCC’s primary business is focused on attracting national conventions to generate hotel room bookings, and as such works closely with Edmonton Tourism and the downtown hotels. Other revenue consists of local events (meetings, galas, weddings) and the growing category of sports and music events. The Centre is known for its award-winning culinary and service excellence, and for its commitment to sustainability and the local community.

The SCC continues to focus on improving utilization and margins, resulting in lower support from tax levy in the future. In 2013, the SCC embarked on a Lean Productivity model, which will be expanded to other areas in 2014. The SCC will be piloting new client service models in 2014 to connect business visitors to local resources with the end goal to increase their economic impact. Longer-term, we anticipate the need for additional space and will update our expansion plans in preparation of that future.



### Objective

**Position SCC as the convention centre leader in quality and service excellence, that delivers economic and social benefit to the community**

The long-term goals and 2014 priority initiatives in support of this objective are as follows:

Long-term Goals	2014 Priority Initiatives
<div><div>1. Increase profitability and growth</div><div>2. Enhance operational excellence</div><div>3. Increase local community value proposition</div><div>4. Continue to deliver increasing economic impact</div></div>	<div><div><div>• Institute yield management approach (e.g. profit per square foot)</div><div>• Expansion of Lean Productivity model to other areas at SCC</div><div>• Pilot new client service models to connect business visitors to local resources</div><div>• Initial phase for the development of a long-term strategy</div><div>• Complete phase one of escalator modernization program</div></div><div><div>Value:</div><div>Economic impact target: \$50 million</div></div></div>

## Branch — Shaw Conference Centre

### Approved 2014 Budget – Branch Summary

(\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers</b>					
Conference Centre Revenue	\$ 13,905	\$ 15,077	\$ 15,200	\$ 123	0.8
Transfer from Reserves	-	-	-	-	-
<b>Total Revenue &amp; Transfers</b>	<u>13,905</u>	<u>15,077</u>	<u>15,200</u>	<u>123</u>	0.8
<b>Expenditure &amp; Transfers</b>					
Personnel and Related	9,535	10,064	10,114	50	0.5
Operating Expenses	4,668	5,136	5,096	(40)	(0.8)
Repair & Maintenance	801	901	929	28	3.1
Utilities	953	1,080	1,113	33	3.1
Property & Equipment	451	241	248	7	2.9
Transfer to / (from) Reserves	(20)	-	-	-	-
Subtotal	<u>16,388</u>	<u>17,422</u>	<u>17,500</u>	<u>78</u>	0.4
Intra-municipal Recoveries	-	-	-	-	-
<b>Total Expenditure &amp; Transfers</b>	<u>16,388</u>	<u>17,422</u>	<u>17,500</u>	<u>78</u>	0.4
<b>Net Operating Requirement</b>	<b>\$ 2,483</b>	<b>\$ 2,345</b>	<b>\$ 2,300</b>	<b>\$ (45)</b>	<b>(1.9)</b>
<b>Full-time Equivalents</b>	197.0	189.0	189.0	-	

## Branch — Shaw Conference Centre

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### Budget Changes for 2014 (\$000)

#### Revenue & Transfers - Changes

**Conference Centre Revenue** \$ 123

Revenue projection for 2014 assumed more special entertainment events which generates higher revenue, and slight price increases due to rising costs.

#### Expenditures & Transfers - Changes

**Personnel and Related** \$ 50

The budget for 2014 personnel costs includes an increase as per new labour contract offset by reduced over-time costs due to productivity improvements.

**Operating Expenses** \$ (40)

Budget for 2014 includes higher cost of goods sold due to increase in revenue, but is offset by lower operating costs due to timing of replacement for glassware, utensils, and kitchen incidentals as well as lower administration costs.

**Repair and Maintenance** \$ 28

Slight increase reflects change in preventative maintenance schedule of equipment.

**Utilities** \$ 33

Changes expected in line with inflation adjustment.

**Property and Equipment** \$ 7

Minor changes.

#### Full-time Equivalents - Changes 0

None.

# Branch — Edmonton Research Park

## Introduction

The Edmonton Research Park (ERP) was established in 1980 for companies with new ideas. It offers a variety of facilities and services that accommodate any stage of a company's development, from incubation buildings for startups to vacant sites for larger companies to build their own research and development facilities. Covering 86 Acres, the ERP is currently home to 59 technology-focused businesses. This includes 46 start-up and early growth companies currently housed in three incubators or multi-tenant buildings operated by EEDC (Research Centre 1, Advanced Technology Centre and Biotechnology Business Development Centre). The ERP, and its tenants, are primarily in technology commercialization and innovation specifically in the areas of health and wellness, clean technology, nanotechnology and energy extraction and process support services.

From a survey of its tenants, the results highlighted the significant effect the three incubator buildings had on the Edmonton economy:

- Nearly 150 employees (full and part-time) with over \$5 million in salaries and wages
- \$7.9 million revenues generated
- \$3 million equity capital raised
- \$55 thousand in property taxes
- 96% of respondents rated their incubator experience as either an important or very important part of their company's success



In addition to managing the incubator facilities, the ERP is responsible for the marketing and development of the vacant lands at the Edmonton Research Park. We are focusing on increasing the long-term value derived from these assets to further stimulate our innovation & entrepreneurship priorities.

### Objective

**Stimulate innovation and entrepreneurship in-line with The Way We Prosper**

The long-term goals and 2014 priority initiatives in support of this objective are as follows:

Long-term Goals	2014 Priority Initiatives
<ol style="list-style-type: none"><li>1. Align incubator and entrepreneurial strategies with TEC Edmonton and Start-up Edmonton to gain critical mass and provide appropriate programs and services to accelerate germination and growth</li><li>2. Expand the available inventory of incubator space and increase the rate which companies graduate</li><li>3. Activate the value within Edmonton Research Park lots through targeted lease or development opportunities</li><li>4. Develop a long-term plan for evolution of Edmonton's research park lot supply and activation of Edmonton's surplus lands</li></ol>	<ul style="list-style-type: none"><li>• Investigate and activate a development model to monetize surplus assets to be redeployed toward other innovation priorities</li><li>• Approval and funding of comprehensive entrepreneurship and incubator growth plan</li></ul> <p><b>Value:</b> Economic impact target: \$15 million</p>

## Branch — Edmonton Research Park

### Approved 2014 Budget – Branch Summary

(\$000)

	2012 Actual	2013 Budget	2014 Budget	\$ Change '13-'14	% Change '13-'14
<b>Revenue &amp; Transfers</b>					
Rental Revenue	\$ 2,227	\$ 2,969	\$ 2,637	\$ (332)	(11.2)
Transfer from Reserves	-	-	-	-	-
<b>Total Revenue &amp; Transfers</b>	<u>2,227</u>	<u>2,969</u>	<u>2,637</u>	<u>(332)</u>	(11.2)
<b>Expenditure &amp; Transfers</b>					
Personnel and Related	565	509	525	16	3.1
Operating Expenses	1,172	1,431	1,260	(171)	(11.9)
Repair & Maintenance	561	664	678	14	2.1
Utilities	906	924	943	19	2.1
Transfer to Reserves	-	544	294	(250)	(46.0)
Subtotal	<u>3,204</u>	<u>4,072</u>	<u>3,700</u>	<u>(372)</u>	(9.1)
Intra-municipal Recoveries	-	-	-	-	-
<b>Total Expenditure &amp; Transfers</b>	<u>3,204</u>	<u>4,072</u>	<u>3,700</u>	<u>(372)</u>	(9.1)
<b>Net Operating Requirement</b>	<b>\$ 977</b>	<b>\$ 1,103</b>	<b>\$ 1,063</b>	<b>\$ (40)</b>	<b>(3.6)</b>
<b>Full-time Equivalents</b>	7.0	6.0	6.0	-	



## Branch — Edmonton Research Park

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### Budget Changes for 2014 (\$000)

#### Revenue & Transfers - Changes

##### Rental Revenue \$ (332)

The 2013 budget projected leasing the new building in the Research Park all year, while the 2014 budget assumes full occupancy for only half the year.

#### Expenditures & Transfers - Changes

##### Personnel and Related \$ 16

Slight increase in personnel cost due to cost of living increase.

##### Operating Expenses \$ (171)

Some efficiencies and more economic options expected around contracted services and other operating expenses.

##### Repair and Maintenance \$ 14

Changes expected in line with inflation adjustment.

##### Utilities \$ 19

Changes expected in line with inflation adjustment.

##### Transfer to Reserves \$ (250)

Transfer to reserves is lowered as one of the properties is expected to remain unoccupied during the first half of the year.

#### Full-time Equivalents - Changes 0.0

None.