

Introduction

Edmonton Economic Development Corporation (EEDC) was established in 1993 by the City of Edmonton as an independent, not-for-profit corporate entity. EEDC, in coordination with the City of Edmonton and *The Way We Prosper*, is responsible for providing leadership to the economic growth strategy for the Edmonton Metropolitan Region, and focuses its activities in pursuit of the following outcomes:

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

Through the efforts of the divisions, EEDC works alongside industry and stakeholders to ensure the Edmonton Metropolitan Region consistently outperforms every major economic jurisdiction in North America over the next 20 years. Tremendous progress has been made, and success requires continuous bold action. If done properly, the rewards are filled with abundant prosperity, higher standards of living and unstoppable civic pride.

EEDC Purpose

To cultivate the energy, innovation and investment needed to build a prosperous and resilient Edmonton economy.

EEDC Values

- **Public Stewardship:** We have been given a tremendous responsibility – to be stewards of public trust as well as the architect of bold ideas.
- **Selfless Approach:** Everything we do is done in collaboration – with others on our teams, across our divisions and with our stakeholders – and when we win, we win together.
- **Lead the Way:** We step up. Start something. Change something. Connect and support others who are willing to take a risk — on our teams, in our city.
- **Make an Impact:** When every action, big or small, can make an impact, every action contributes to building a city that matters.

With the current economic environment and anticipated low-growth in the coming years, it is even more important to have an organization that is committed to the long-term interest of the Edmonton economy. EEDC has a proven ability to deliver results and has previously been entrusted with providing stewardship for Make Something Edmonton and Startup Edmonton. EEDC, working closely with its stakeholders, is well-positioned to ensure that the Edmonton region will endure and rise above the current challenges of being highly dependent on one industry sector.

In support of these efforts, EEDC has prepared a core budget request of approximately \$17 million.

AREAS OF BUSINESS

Enterprise Edmonton (including Startup Edmonton and Edmonton Research Park)	Edmonton Tourism	Shaw Conference Centre	Make Something Edmonton (MSE) / Image & Reputation
Works with companies/industries (at various stages) to support initiatives that drive market diversification, access to growth capital, technology adoption and risk-taking. Additionally, manages the physical assets of the Edmonton Research Park.	In partnership with Industry Stakeholders, works to grow tourism revenues, increase visitation and create exceptional experiences for visitors.	A leading convention centre in Canada, providing quality and service excellence while delivering economic and social benefit to the community.	Builds the city's image and reputation – MSE is a platform, a facilitator and an amplifier.

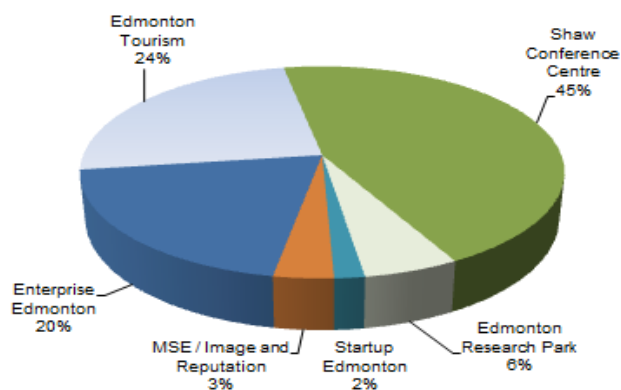


Department — Edmonton Economic Development Corp.

Approved 2016-2018 Budget – Department Summary by Branch

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Enterprise Edmonton	1,005	1,280	740	2,090	1,915	1,090
Edmonton Tourism	1,993	3,077	5,000	6,255	6,270	6,348
Shaw Conference Centre	15,570	19,680	19,500	19,000	19,380	19,770
Edmonton Research Park	2,728	2,532	2,525	2,563	2,601	2,640
Startup Edmonton	-	530	500	510	520	530
Image and Reputation	-	23	-	-	-	-
Total Revenue & Transfers	21,296	27,122	28,265	30,418	30,686	30,378
Expenditure & Transfers						
Enterprise Edmonton	7,390	8,179	8,263	9,820	9,867	9,392
Edmonton Tourism	6,461	7,773	10,039	11,457	11,666	12,006
Shaw Conference Centre	17,777	21,797	21,554	21,260	21,950	22,289
Edmonton Research Park	3,426	3,568	2,980	2,630	2,674	2,686
Startup Edmonton	-	881	810	821	839	859
Image and Reputation	-	1,536	1,548	1,611	1,646	1,742
Subtotal	35,054	43,733	45,194	47,599	48,642	48,974
Transfer to / (from) Reserve	392	(329)	604	-	-	-
Total Expenditure & Transfers	35,446	43,405	45,798	47,599	48,642	48,974
Net Operating Requirement	\$ 14,150	\$ 16,283	\$ 17,533	\$ 17,181	\$ 17,956	18,596

Expenditures by Branch 2016-2018



Department — Edmonton Economic Development Corp.

Approved 2016-2018 Budget – Department Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Convention Centre Revenue	\$ 15,570	\$ 19,680	\$ 19,500	\$ 19,000	\$ 19,380	\$ 19,770
ERP Rental Revenue	2,728	2,532	2,525	2,563	2,601	2,640
Other Revenue	2,998	4,910	6,240	8,855	8,705	7,968
Total Revenue & Transfers	<u>21,296</u>	<u>27,122</u>	<u>28,265</u>	<u>30,418</u>	<u>30,686</u>	<u>30,378</u>
Expenditure & Transfers						
Personnel and Related	17,529	21,762	22,369	22,351	23,150	23,838
Operating Expenses	14,070	18,028	18,946	21,752	21,968	21,583
Repair & Maintenance	1,264	1,652	1,623	1,340	1,368	1,397
Utilities	2,037	2,025	2,006	1,906	1,906	1,906
Property & Equipment	154	267	250	250	250	250
Subtotal	35,054	43,734	45,194	47,599	48,642	48,974
Transfer to / (from) Reserves	392	(329)	604	-	-	-
Total Expenditure & Transfers	<u>35,446</u>	<u>43,405</u>	<u>45,798</u>	<u>47,599</u>	<u>48,642</u>	<u>48,974</u>
Net Operating Requirement	\$ 14,150	\$ 16,283	\$ 17,533	\$ 17,181	\$ 17,956	\$ 18,596
FTEs	262.0	295.0	299.0	314.0	326.0	326.0

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Introduction

Enterprise Edmonton works directly and collaborates with companies, stakeholders and partners within and outside of Edmonton to strengthen and diversify Edmonton's economy with the intent to differentiate itself as a preferred resource for regional economic development by demonstrating excellence in achieving valued results; through expertise, capacity, capability and proven methodologies.

The Division consists of five teams, operating interdependently, to proactively pursue growth opportunities. The **Innovation team** brings value by focusing on enhancing the economic potential of the downtown core. The **Industry team**, with an emphasis on Port Alberta, focuses on generating value for businesses that thrive on competitive access to suppliers and customers. Supporting these teams are the **Trade & Investment, Marketing and Market Intelligence teams** who have the talent, networks, expertise and programs to aid in connecting markets, promoting opportunities, and increasing the depth, breadth and use of business information to guide activities. In collaboration with public and private sector partners, Enterprise Edmonton generates results that accelerate the growth and diversity of the economy in the Edmonton region. Additionally, Enterprise Edmonton's scope includes two components that offer unique value for growth:

- Startup Edmonton is the heart of Edmonton's entrepreneurial ecosystem; as an entrepreneurial campus and co-workspace for hackers, artists and entrepreneurs to make, build and get feedback as ideas take shape. The role of Startup serves the ecosystem at the earliest stages, nurturing ideas to action and gaining traction for growth. This entrepreneurial spirit embodies the behaviours and activities that Enterprise Edmonton infuses into existing business growth and competitiveness.
- The Edmonton Research Park is a campus for companies with new ideas. It offers a variety of facilities and services that accommodate multiple stages of company growth, from start-ups to scale-ups to established organizations' research and development activity. The Advanced Technology Center hosts Enterprise Edmonton's focus on business incubation programming as part of the innovation and entrepreneurship growth initiatives.

Objective

Strengthen and diversify the Edmonton Region economy.

Long-term Goals	2016 Priority Initiatives
<ol style="list-style-type: none"> 1. Increase the economic impact and business diversity in the Edmonton region. 2. Enhance and expand the brand identity of the Edmonton region. 3. Strengthen competitiveness through talent attraction, development and retention. 	<ul style="list-style-type: none"> • Enhance Export Readiness Program — maximize utilization of existing and new trade channels. • Implement Investment Attraction Program — target business investment / diversification opportunities; leverage free trade zone (FTZ) and regional assets. • Increase collaborative partnerships — build trust and confidence as well as create shared value for regionally operating businesses and partners. • Adoption of the Regional Brand identity and content methodology — improve external perception of the region with unified messaging. • Creative Spaces Activation — seeding a pipeline of City-building tenants for Edmonton's downtown core.

Approved 2016-2018 Budget – Branch Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Other Revenue	1,005	1,280	740	2,090	1,915	1,090
Total Revenue & Transfers	<u>1,005</u>	<u>1,280</u>	<u>740</u>	<u>2,090</u>	<u>1,915</u>	<u>1,090</u>
Expenditure & Transfers						
Personnel and Related	3,739	4,023	3,977	4,100	4,283	4,536
Operating Expenses	2,651	3,156	2,786	4,220	4,084	3,356
TEC Edmonton	1,000	1,000	1,500	1,500	1,500	1,500
Total Expenditure & Transfers	<u>7,390</u>	<u>8,179</u>	<u>8,263</u>	<u>9,820</u>	<u>9,867</u>	<u>9,392</u>
Net Operating Requirement	\$ 6,385	\$ 6,899	\$ 7,523	\$ 7,730	\$ 7,952	\$ 8,302
Full-time Equivalents	36.0	39.0	39.0	42.0	42.0	42.0

Budget Changes—For 2016-2018:

Revenue & Transfers - Changes

Other Revenue

The increase over the 3 years reflects the expected increase from industry partner funding.

Expenditures & Transfers - Changes

Personnel and Related

In 2016, the increase is due to additional FTEs required to support the division. In 2017 and 2018, the increase is for cost of living adjustments.

Operating Expenses

In 2016, majority of the increase in operating expenses is related to growth in external funding to support key programs in targeted areas, in addition to minor change in costs for staff training and development.

In 2017-2018, continue growth related to external funding to support key programs in targeted areas.

Full-time Equivalents - Changes

FTE budget increases in 2016 for 3 required to support the division.

Startup Edmonton (part of Enterprise Edmonton)

Approved 2016-2018 Budget – Program Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Other Revenue	-	530	500	510	520	530
Total Revenue & Transfers	-	530	500	510	520	530
Expenditure & Transfers						
Personnel and Related	\$ -	\$ 280	\$ 278	\$ 208	\$ 214	\$ 220
Operating Expenses	-	601	532	613	625	639
Total Expenditure & Transfers	-	881	810	821	839	859
Net Operating Requirement	\$ -	\$ 351	\$ 310	\$ 311	\$ 319	\$ 329
Full-time Equivalents	-	4.0	3.0	3.0	3.0	3.0

Budget Changes—For 2016-2018:

Revenue & Transfers - Changes

Other Revenue

The increase over the three years is generated by membership fees, sponsorship and funding from other sources.

Expenditures & Transfers - Changes

Personnel and Related

In 2016, the cost savings are primarily due to efficiency and streamlining processes. In 2017 and 2018, increases are due to cost of living adjustments.

Operating Expenses

The increase of operating expenses is due to an increase in support for key programs.

Full-time Equivalents - Changes

No change.

Edmonton Research Park (part of Enterprise Edmonton)

Approved 2016-2018 Budget—Program Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Rental Revenue	2,728	2,532	2,525	2,563	2,601	2,640
Total Revenue & Transfers	2,728	2,532	2,525	2,563	2,601	2,640
Expenditure & Transfers						
Personnel and Related	552	520	542	428	470	479
Operating Expenses	1,609	1,750	883	930	932	935
Repair & Maintenance	350	385	685	402	402	402
Utilities	915	913	870	870	870	870
Transfer to Capital Reserve	392	(329)	604	-	-	-
Total Expenditure & Transfers	3,818	3,239	3,584	2,630	2,674	2,686
Net Operating Requirement	\$ 1,090	\$ 707	\$ 1,059	\$ 67	\$ 73	\$ 46
Full-time Equivalents	6.0	6.0	6.0	5.0	5.0	5.0

Budget Changes—For 2016-2018

Revenue & Transfers - Changes

Rental Revenue

Stable growth over the three-year period, no material changes.

Expenditures & Transfers - Changes

Personnel and Related

Decrease in 2016 personnel cost is due to efficiency and an FTE reduction. Increase in 2017 and 2018 is for cost of living adjustments

Non-personnel Inflation

Operating Expenses

Related to increase in revenue volume, higher occupancy.

Repair and Maintenance

The decrease is due to starting in 2016, capital maintenance and repairs items are accounted for in Capital

Utilities

No change

Transfer to Capital Reserves

Starting in 2016, capital maintenance and repairs items are accounted for in Capital Budget.

Full-time Equivalents - Changes

Streamlined processes resulting in one less FTE required.

Introduction

Edmonton's hotels, attractions and businesses that depend on tourism for their success are looking for solutions to drive more visits, longer stays and increased tourism spending. Edmonton Tourism is a destination marketing organization (DMO), and they are the marketing voice for Edmonton's visitor experience, regionally, nationally and internationally. Edmonton Tourism, together with their key stakeholders, 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 pillars of excellence have been identified for Edmonton Tourism: Stakeholder Relationships, Marketing Excellence and Influencing the Destination Experience. Edmonton Tourism must excel in these areas to accomplish the overall objective of sustainable year-round visitation.

Edmonton Tourism's 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, Edmonton Tourism 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 Destination Marketing Hotels (EDMH) to attract major events and local, national and international customers that can generate economic activity and build our image on a global scale. Sales / lead-generation 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).

Objective



Long-term Goals	2016 Priority Initiatives
<ol style="list-style-type: none"> 1. 52 Week Calendar — drive sustainable year-round visitation (e.g. leveraging On the Books, growing product development) 2. Influencing Destination Experience — build on quality experiences and the spirit of Edmontonians, showing the world what sets us apart as a travel destination through destination activation, ambassador programs, and much more. 3. Drive Marketing Alignment — ensure alignment with internal and external stakeholders on marketing decisions as it drives demand for Edmonton experiences and supports stakeholders' business performance. 4. Expand Indirect Marketing Capacity — integrate and enhance processes to build marketing capacity in the business-to-business environment. 5. Organizational Capacity — develop people and resources, including knowledge, tools and technology, which will enable Edmonton Tourism to improve processes within their core work. 	<ul style="list-style-type: none"> • 52 Week Calendar — automate the calendar and expand to a five-year outlook for festivals/events, Meetings, Incentives, Conventions & Events (MICE) bookings, as well as Edmonton Event bookings. • Regional tourism pilot — work with surrounding regions on tourism initiatives. • Tourism realignment — optimize capacity to handle tourism growth with a focus on becoming a marketing management organization. • Expand joint marketing among EEDC divisions — develop pilot parallel campaigns, joint advocacy with product development opportunities.

Approved 2016-2018 Budget – Branch Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Other Revenue	1,993	3,077	5,000	6,255	6,270	6,348
Total Revenue & Transfers	1,993	3,077	5,000	6,255	6,270	6,348
Expenditure & Transfers						
Personnel and Related	\$ 2,751	\$ 3,522	\$ 3,708	\$ 3,665	\$ 3,756	\$ 3,957
Operating Expenses	3,710	4,251	6,331	7,792	7,910	8,049
Total Expenditure & Transfers	6,461	7,773	10,039	11,457	11,666	12,006
Net Operating Requirement	\$ 4,468	\$ 4,696	\$ 5,039	\$ 5,202	\$ 5,396	\$ 5,658
Full-time Equivalents	33.0	34.0	39.0	40.0	40.0	40.0

Budget Changes—For 2016-2018

Revenue & Transfers - Changes

Other Revenue

Higher revenues anticipated from Edmonton Destination Marketing Hotels and other industry partners to support expansion of marketing activities that will increase visitation to Edmonton.

Expenditures & Transfers - Changes

Personnel and Related

The increase is a result of additional FTEs required to support operations, cost of living adjustment, and revised mix of personnel.

Operating Expenses

In 2016, \$1,461k increase in operating expenses, including promotion, sponsorship and advertising, is related to growth in external funding to support key programs in targeted areas. The remaining increase is due to Administrative cost

In 2017-2018, same as listed above regarding key programs in targeted areas and administrative cost

Full-time Equivalents - Changes

FTE budget increase in 2016 is to hire one support position.

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 hosting half a million guests. 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. Overall, SCC's target is to generate economic impact across the province leveraging its reputation for award-winning culinary and service excellence, as well as its commitment to sustainability and the local community.

SCC continues to focus on growing its community value proposition through 1) increasing its economic impact by attracting convention business, 2) responsible and efficient operation of the building, and 3) evolving as a local hub for business, culture and community.

SCC has been working with other public assembly facilities, both new and existing (e.g. Northlands), to identify opportunities for collaboration and efficiencies. Longer-term possibilities, including a unified sales and marketing function that links Edmonton Tourism sales leads, are also being explored.

Objective

Maximize the economic impact potential of Edmonton's convention centre by delivering quality and service excellence.

Long-term Goals	2016 Priority Initiatives
<ol style="list-style-type: none"> 1. Leverage EEDC brand and operations. 2. Increase economic impact. 3. Deliver value to the local community. 4. Increase operational efficiencies. 5. Improve guest experience. 6. Infrastructure renewal. 	<ul style="list-style-type: none"> • Align Edmonton Meetings & Convention marketing to increase sales/ hotel bookings. • Implement community engagement strategy. • Implement casual labour management plan. • Enhance guest welcome services including wayfinding information. • Upgrade / maintain building — escalator modernization, flood mitigation project, atrium roof replacement.



Approved 2016-2018 Budget – Branch Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Conference Centre Revenue	15,570	19,680	19,500	19,000	19,380	19,770
Total Revenue & Transfers	15,570	19,680	19,500	19,000	19,380	19,770
Expenditure & Transfers						
Personnel and Related	10,487	13,138	13,580	13,383	13,843	14,045
Operating Expenses	5,100	6,014	5,650	5,653	5,855	5,963
Repair & Maintenance	914	1,267	938	938	966	995
Utilities	1,122	1,111	1,136	1,036	1,036	1,036
Property & Equipment	154	267	250	250	250	250
Total Expenditure & Transfers	17,777	21,797	21,554	21,260	21,950	22,289
Net Operating Requirement	\$ 2,207	\$ 2,117	\$ 2,054	\$ 2,260	\$ 2,570	\$ 2,519
Full-time Equivalents	187.0	209.0	209.0	218.0	230.0	230.0

Budget Changes—For 2016-2018

Revenue & Transfers - Changes

Conference Centre Revenue

In 2016, we expect a material decline in revenue due to economic conditions and capital maintenance schedules. In 2017-2018, revenue growth anticipated due to the completion of building remodernization initiatives, which will enhance the ability to attract more events and conventions.

Expenditures & Transfers - Changes

Personnel and Related

Increases to wages in accordance with the labour agreement, cost of living adjustments and increased staffing due to business volumes.

Operating Expenses

Higher operating expenses partially due to inflationary increases. In 2017 and 2018, there will be additional expenses targeted towards supporting initiatives to increase economic impact and building upgrades to improve overall guest experience.

Repair and Maintenance

Maintenance at similar levels to prior years with minimal growth in 2017 and 2018.

Utilities

No change.

Property and Equipment

No change.

Full-time Equivalents - Changes

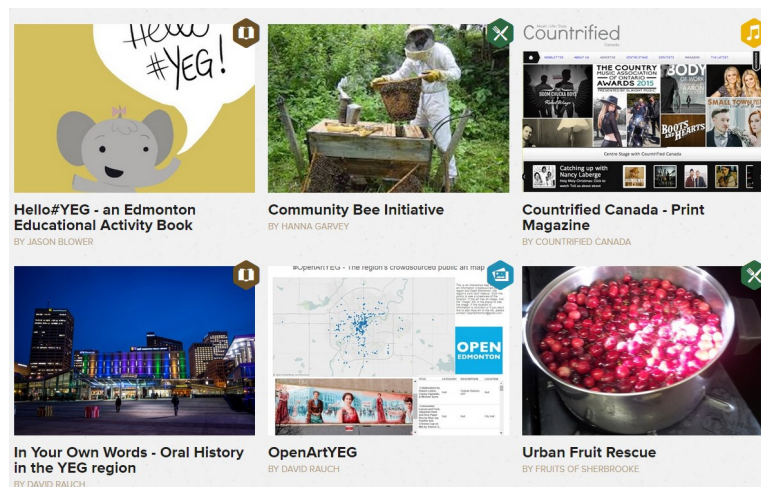
In 2016, there is a one-time adjustment in calculation from 2015 for part time and casual staff, resulting in an increase of 9.0 FTEs. The increase in 2017 of 12.0 FTEs is to support the increase in business volume.

Introduction

The Mayor's Task Force on Image and Reputation identified the need for Edmonton to develop a clear Edmonton Story that would support Goal One from *The Way We Prosper*, "A Confident and Progressive Global Image". The city's image and reputation strategy inspired a movement called "Make Something Edmonton" — a way to build our city, and prove the truth of its brand, through community action.

In 2014, Make Something Edmonton (MSE) was placed under the auspices of EEDC. MSE is supported by a volunteer activation board, and is community-powered. They are dedicated to building our city's image and reputation — they are a platform, a facilitator and an amplifier.

- Content Platform — through a scalable digital platform, they collect, curate and strategically share content that reinforces the Edmonton brand.
- Facilitation — through facilitation with key groups, they develop brand ambassadors and inspire makers.
- Amplification — through media distribution systems they amplify the Edmonton story.



Objective

Develop and communicate the Edmonton story to build a confident and progressive global image for the Edmonton region

Long-term Goals	2016 Priority Initiatives
<ol style="list-style-type: none"> 1. Change perceptions and raise awareness of Edmonton 2. Help businesses and organizations use the Edmonton brand 3. Build valuable content 	<ul style="list-style-type: none"> • Deliver program to the City of Edmonton and create ambassadors • Deliver program to post-secondary institutions and create ambassadors • Create automated community engagement and story upload process • Grow the number of maker projects • Increase earned media and social engagement

Approved 2016-2018 Budget – Branch Summary by Category

\$000	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Other Revenue	-	23	-	-	-	-
Total Revenue & Transfers	-	23	-	-	-	-
Expenditure & Transfers						
Personnel and Related	-	279	284	567	584	601
Operating Expenses	-	1,257	1,264	1,044	1,062	1,141
Total Expenditure & Transfers	-	1,536	1,548	1,611	1,646	1,742
Net Operating Requirement	\$ -	\$ 1,513	\$ 1,548	\$ 1,611	\$ 1,646	\$ 1,742
Full-time Equivalents	-	3.0	3.0	6.0	6.0	6.0

Budget Changes—For 2016-2018:

Revenue & Transfers - Changes

Other Revenue

No change.

Expenditures & Transfers - Changes

Personnel and Related

Increase in personnel cost in 2016 is due to a move towards hiring talent and reducing the use of consultants and third-party contractors. In 2017 and 2018, increases are in accordance with cost of living adjustments.

Operating Expenses

Replacing consulting and contractor services with new FTEs results in a decrease of \$220k in 2016. In 2017 and 2018 an increase of \$18k and \$79k respectively, to support new programs, content and engagement in the media.

Full-time Equivalents - Changes

Increase by 3.0 due to additional personnel as per above.