

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee
From: Scott Mathers, MPA, P. Eng
Deputy City Manager, Planning and Economic Development
Subject: Creative Sector Incubation Hub - Update
Date: November 21, 2023

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, the report dated November 21, 2023, with respect to Creative Sector Incubation Hub - Update;

- a) that the above noted report **BE RECEIVED**; and
- b) that Civic Administration **BE DIRECTED** to continue discussions with the Trinity Centre Foundation as the project proponents develop the Creative Sector Incubation Hub business case for Council consideration.

Executive Summary

On April 4, 2023, Council directed Civic Administration to develop a Creative Sector Incubator proposal, and to continue discussions with provincial and federal decision-makers to explore investment opportunities. As a result, Administration, with support from Procurement & Supply Services, issued a Request for Expression of Interest (REOI) 2023-143 on June 23, 2023, which closed on July 14, 2023.

- The City issued REOI 2023-143 to seek a partner (Respondent) who is capable and interested in implementing a Creative Sector Incubation Hub.
- The REOI indicated that any costs associated with renovating, retrofitting, upgrading the building(s) for incubation purposes will be contingent upon a successful joint grant application.

Furthermore, Administration has been advancing discussions with the Province of Ontario to identify funding programs that can support the establishment of a Creative Sector Incubation Hub. The commitment to develop a proposal was warmly received by the Provincial Minister of Tourism, Culture and Sport in August 2023 as part of the City of London AMO delegations.

Additionally, in September 2023, the City in partnership with Fanshawe College issued 'London's Creative Sector Survey'. The survey had a business focus which looked at trends and employee skill sets, particularly to gather insights and to identify actions to help support and grow the sector. A significant majority of respondents, 74%, believe that incubation is crucial for the growth of the creative sector in London, particularly in terms of attracting and retaining talent.

Linkage to the Corporate Strategic Plan

The idea noted above aligns with the following area of focus under the City of London's Strategic Plan 2023-2027:

Economic Growth, Culture, and Prosperity

- London encourages equitable economic growth and diversification.
- London is a destination of choice.
- London encourages the growth of local artistic and musical talent.
- London's Core Area (Downtown, Midtown, Old East Village) is a vibrant neighbourhood and attractive destination.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Music Incubation, March 28, 2023, SPPC
- Application to UNESCO for London to be designated a 'UNESCO City of Music,' March 30, 2021, CPSC
- London Music Strategy, August 27, 2014, IEPC (Investment and Economic Prosperity Committee)

2.0 Discussion and Considerations

2.1 Creative Sector Incubation Hub – Background

On November 8, 2021, the City of London was designated as a City of Music by the United Nations Educational, Scientific, and Cultural Organization (UNESCO), becoming the first UNESCO City of Music in Canada. Within the original UNESCO application, the City presented a medium-term (four-year) action plan describing the main initiatives that London plans to implement. Fulfilling the action plan is a requirement for maintaining London's UNESCO City of Music status.

One primary initiative highlighted in London's UNESCO application is to undertake 'Music Incubation.' In a 2019 music sector census, The London Music Office identified the need for support of emerging professionals as they enter the workforce. Outlined in the Council approved (September 3, 2014) London Music Strategy, priorities for the London Music Office included music business support and incubation.

A Creative Sector Incubation Hub would further London's UNESCO City of Music designation and aid in achieving the following four outcomes identified in the 'Economic Growth, Culture and Prosperity' area of focus of the Council Strategic Plan:

- London encourages equitable economic growth and diversification.
- London is a destination of choice.
- London encourages the growth of local artistic and musical talent.
- London's Core Area (Downtown, Midtown, Old East Village) is a vibrant neighbourhood and attractive destination.

Civic Administration will continue discussions with the Trinity Centre Foundation who will develop a Creative Sector Incubation Hub business case with a focus on supporting the 'Economic Growth, Culture and Prosperity' area of focus of the Council Strategic Plan as well as the requirement of the UNESCO designation.

The purpose of the Creative Sector Incubation Hub would be to:

- transition graduates from post-secondary schools into gainful employment;
- enhanced skill development and job creation;
- strengthen local business community;
- provide accessible and inclusive entry to workforce;
- create gender-equitable programming;
- encourage circulation of artistic expression, ideas, artists, and professionals;
- create a supportive climate for entrepreneurs;
- enable positive collisions among artists and businesses through a café and other social spaces;
- create decent work and economic growth within the music sector;
- provide entrepreneurs with greater access to hands-on education;
- create a collaborative and supportive network/hub built on relationships with music industry leaders from all areas of the sector;
- help creative sector businesses to thrive and grow;

- create conditions for the development of artists, industry and music sector through shared spaces and collaborative resources; and
- lead creatives into an age of industry innovation and infrastructure creation.

2.2 Issue

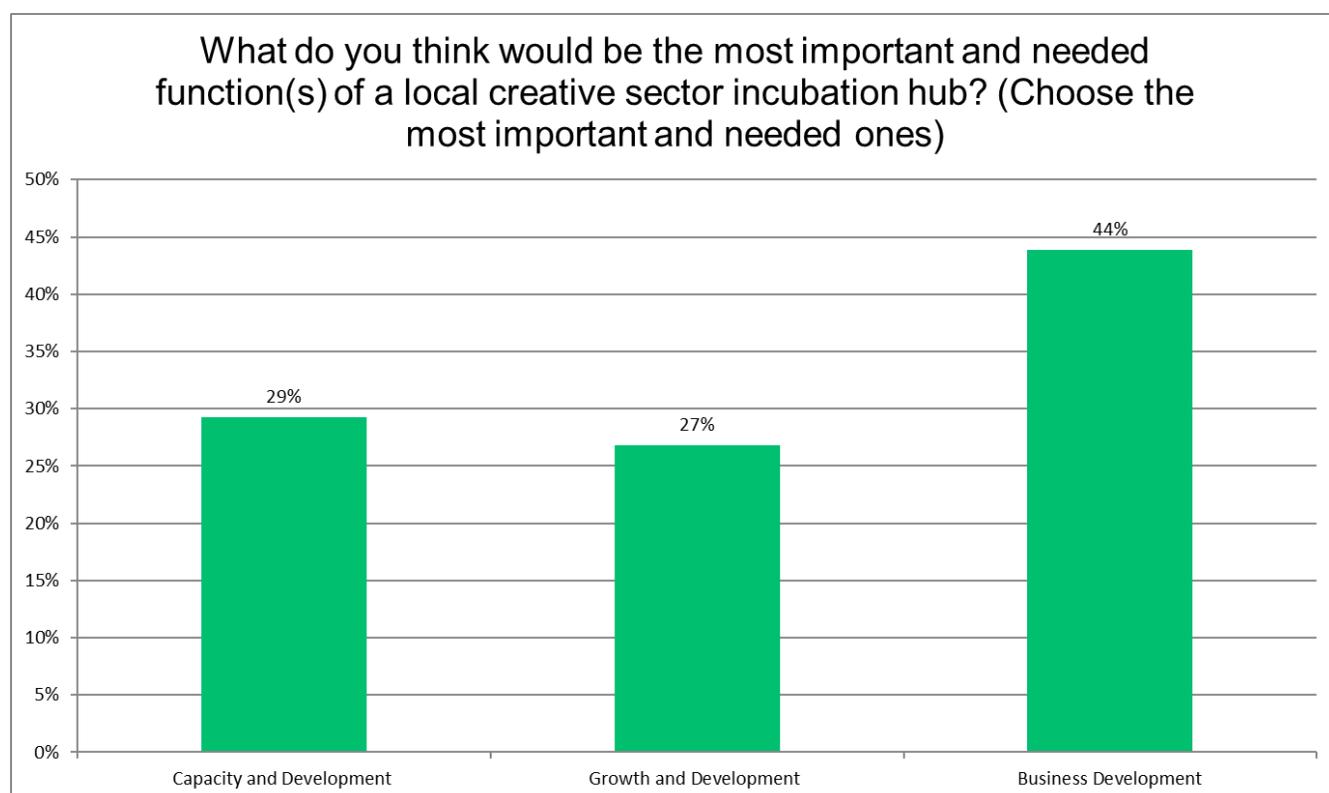
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One of the survey questions asked respondents what they thought was the most important and needed function(s) of a local Creative Sector Incubation Hub. The survey findings revealed that 44% of respondents prioritize "Business development support through connections to opportunities (partnerships/capital) provided by experts, mentors, and alumni" as the most important and needed function of a local Creative Sector Incubation Hub.



**Note: 29% of respondents indicated that they view "Capacity and development support through a variety of engagement opportunities, including hands-on training and technical assistance" as the most important and needed function of a local creative sector incubation hub; whereas, 27% of respondents consider "Growth and development support through career mentorship, programming, coaching, and other development resources" as the most important and needed function of a local creative sector incubation hub.*

When asked, ‘What action does the London creative sector need to develop and grow?’ the majority of the respondents indicated that developing more accessible spaces for creatives to rehearse, perform, and host events is essential. Respondents believe that funding and opportunities should be inclusive and available to creative workers. Respondents believe that collaboration can help create a more vibrant and inclusive creative community. Respondents also articulated that there should be investment into creative hubs, cultural neighborhoods and districts, arts education, and training.

In summary, these findings highlight a strong consensus among the survey respondents that incubation with a focus on collaboration and business development is important to grow the creative sector locally.

2.3 ‘Expression of Interest 2023-143’ Creative Sector Incubation Hub Results

Three submissions were received from the following organizations:

1. London Public Library, London, Ontario
 - London Public Library serves the community through our 16 neighbourhood library locations: [About the Library | London Public Library \(lpl.ca\)](http://lpl.ca)
2. Trinity Centres Foundation, in collaboration with the Anglican Diocese of Huron and St. Paul’s Cathedral, London Ontario
 - The Trinity Centres Foundation (TCF) is a registered charity and non-religious intermediary, transforming faith spaces for community need: [About us — Trinity Centres Foundation.](#)
3. Night Time Economy Solutions LTD, United Kingdom and Ireland
 - NTES is the Global Leader in Nighttime Economy Management: [About NTES | Night Time Economy Solutions](#)

Snapshot of the REOI:

REOI Space Requirements The Creative Sector Incubation Hub should accommodate distinct creative areas
• Primary and secondary performance facilities for live music programming
• Video production
• Podcasting
• Mixed studio space
• Photography
• Education-mentoring
• Conference meeting
• Coaching/consulting
• Computer lab
• Skills development meeting and boardroom
• Coffee shop and lounge
• Educational institutions shared space
• Start-up/ co-working area
• Creative industry flexible and leasable spaces
• Reception area

Building Requirements
<ul style="list-style-type: none"> • The building(s) should be owned and operated by the respondent/partner
<ul style="list-style-type: none"> • If there are multiple buildings, they should be joined to provide continuous space
<ul style="list-style-type: none"> • The building(s) must conform to all applicable Building and Fire Codes
<ul style="list-style-type: none"> • The building(s) should be located within the Music, Entertainment and Culture district
<ul style="list-style-type: none"> • The building(s) should include between 20,000 - 40,000 sq feet for incubation needs
<ul style="list-style-type: none"> • The building(s) should have a primary performance space to accommodate live music and recording
<ul style="list-style-type: none"> • The building(s) should be able to provide options for 24-hour entry 7 days a week
Partner Requirements
<ul style="list-style-type: none"> • Owns/operates the facility(s)
<ul style="list-style-type: none"> • Majority of the operating expenses must be covered by the partner (respondent)
<ul style="list-style-type: none"> • Sustainability plan should articulate additional funding sources required to cover costs associated with the additional operating expenses of the Creative Sector Incubation Hub.
<ul style="list-style-type: none"> • Experience within the creative sector
<ul style="list-style-type: none"> • Able to explore, and where necessary, implement a public-private partnership that will enhance the incubator space

2.4 Next Steps:

Based on the responses received to the REOI, the Trinity Centres Foundation (TCF) submission met and exceeded the REOI criteria, thus making it the preferred submission for this project. The funding and sustainability plan that was submitted was balanced with revenue from housing development, grants, leasing, partnerships and social innovation and entrepreneurship funds via Trinity Centres Foundation. The REOI submission was the only one received that did not need ongoing operating funding from the City but would require a one-time capital grant contribution.

Given that the municipal contribution being sought is a grant, as per Schedule B.19 of the Procurement Policy grant funding is not subject to the policy.

“SCHEDULE “B” – Goods and/or Services NOT Subject to this Policy. Qualification for exemption shall be determined by the City Treasurer (or delegate). As per Section 2.11.19. Grant Funding, given to or paid out by the City as per current Council approved Policies for Grants and/or agreements entered into by Council, which provides the criteria for how City of London Grant funding is provided. Grants not covered by these Policies or agreements must be approved by Council. for exemption shall be determined by the City Treasurer (or delegate).

Civic Administration will continue discussions with the Trinity Centres Foundation as the project proponents develop the Creative Sector Incubation Hub business case for Council consideration.

2.5 Financial Impact/Considerations

Based on discussions with the Province of Ontario with respect to potential funding programs, it is expected that these types of funding programs are contingent on a municipal contribution. Based on submissions, capital funding would be needed to create a Creative Sector Incubation Hub. As part of the multi-year budget, a budget request would be made to support this type of initiative. The exact funding allocations would need to be determined after further exploratory conversations. The provision of funding would be through a municipal grant.

Through continued advocacy efforts, Civic Administration would continue to explore capital fund resources and/or programs.

Conclusion

Civic Administration is seeking Council endorsement to continue discussions with the Trinity Centres Foundation, in collaboration with the Anglican Diocese of Huron and St. Paul's Cathedral (London ON) who will develop a business case. The Trinity Centres Foundation will bring forward a business case for a Creative Sector Incubation Hub for Council consideration in 2024. Additionally, Administration will continue discussions with provincial and federal decision-makers for investment.

Prepared by: Cathy Parsons, MBA
Manager, Economic Partnerships

Reviewed by: Stephen Thompson, MAES, RPP, MCIP, Ec.D.(F), CEcD
Director, Economic Services and Supports

Concurred by: Cory Crossman
Director, London Music Office

Concurred by: Cheryl Finn
General Manager, Tourism London

Recommended by: Scott Mathers, MPA, P. Eng
Deputy City Manager, Planning and Economic
Development

cc. City of London Senior Leadership Team
Ian Collins, Financial Services