ATTENTION: City Clerk

We wish to appear as a delegation to the following meetings:

1. December 11th, 2012 - Council
2. December 18th, 2012 - Investment and Economic Prosperity Committee
3. Any other meetings that may be relevant

Motion to Change the Proposed Use of the London Normal School From a YMCA Facility to the London Technology Development Centre – December 6, 2012

Purpose

The proposed mission of the London Technology Development Centre is to stimulate the establishment and growth of technology-based start-up companies and other compatible businesses. By fulfilling this mission, the development centre would contribute to the following:

• Keeping graduates in London
• Creating world-class technology businesses headquartered in London
• Producing jobs and enhancing the economic health of London
• Accelerating the commercialization of research currently being produced in London

Description

The London Technology Development Centre would provide new and emerging technology, and businesses dependent on or compatible with such new technology, with an environment that would support their start-up phase and increase their likelihood of success. The proposed development centre includes facility space, flexible leases, shared use of common office equipment, direct business assistance and guidance, mentoring, networking to capital, and other technical and financial resources. The development centre would recruit existing resources from the community into its network, developing new resources as required, to support incubator client needs.

Proposed Organizational Structure

This business plan recommends the development centre be structured as a not-for-profit organization. This form seems best suited to the proposed mission and positions the development centre to accept grants and charitable donations. The development centre would be governed by a board of approximately seven to eleven members comprised of individuals with a mixture of entrepreneurial and technology experience, representatives of key economic development organizations, and representatives of higher education institutions. The proposed development centre would be staffed by an Executive Director whose responsibilities would be to provide and/or facilitate access to value-added services needed by development centre clients, recruit and screen potential new development centre clients, and manage the overall operations of the development centre. Part-time administrative support is the only other development centre staff proposed in this plan during the initial years.

Proposed Facility and Site

The proposed development centre facility would be 45,000 total square feet with a mix of office and computer lab space. This plan recommends the development centre be sited at The London

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Normal School, which recently received legislative support for funding and is slated for the YMCA, pending municipal council approval. This would allow the development centre’s facility and staffing to be creatively structured to take maximum advantage of its location.

Financial Summary
Preparing the building for the YMCA will require the acquisition of the London Normal School site, from the Province of Ontario. In addition to the site, $5M in government funding is required to change the use of the building from offices to a mix of daycare, offices and classrooms and meet the related building code requirements for these changes. Asbestos will also have to be remediated from the site.

An alternate site has been located at the Lorne Ave Public School that would satisfy the requirements for a YMCA facility. The school building is currently under-utilized and requires 45,000sqf of space to be separated and leased at $280,000 per year in order to keep the school open. The portion of the school to be separated already contains a small YMCA daycare, which will close if the school is closed. The cost to separate the building is projected at $800,000. The YMCA has already stated that they are able to cover $450,000/year in operating costs for a new facility.

We believe a development centre could be located in the London Normal School for a fraction of the cost of the YMCA facility as the building layout is ideal in its present form. Furthermore, the site is currently zoned and used as offices—the same designation as the development centre would use. No change of use or zoning would be required.

Overall, the same amount of public funding that is currently being sought would achieve the following: the restoration and adaptive re-use of the London Normal School, the adaptive re-use of 45,000sqf of the Lorne Ave Public School, expansion of a YMCA daycare facility where it is needed and the creation of a much needed London Technology Development Centre.

Next Steps
The most critical component of moving forward with the London Technology Development Centre is to stop the progress of the proposal to locate a YMCA facility in The London Normal School. LEDC had $7M left in its Digital Media Reserve Fund at the end of 2010 as a result of the proposed $67.8M Digital Media Centre that fell through on Federal funding. There was $1M contribution to be made to the Reserve Fund per year, which would bring the total to $9M to date. This is more than enough to create the London Technology Development Centre at the London Normal School.

Thank you for your consideration.

Signed:  
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Position:  
Co-founder of RaceRoster.com  
Co-founder of FanGarden  
Co-founder of rnfca.org  
Co-founder of KoolGroups (koolgroups.com)  
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