

Social Innovation Calgary Operations Update to City of Calgary Priorities and Finance Committee

Submitted for the Priorities and Finance Committee Meeting: February, 2014

Introduction

On October 19, 2011, a group of Calgary social entrepreneurs submitted an application to the City of Calgary Council Innovation Fund as “Social Innovation Calgary.” The application was for \$75,000 to help develop a shared workspace to accelerate social enterprises in Calgary based on similar workspace models nationally and internationally. This grant was approved by council May 18th, 2012, the cheque for the first 50% of the grant was received from the City of Calgary June 11th, 2012 and the final 10% of the grant was released April 2nd, 2013.

The City of Calgary Innovation Fund grant was used to secure and develop a cowork space for social entrepreneurs as a pilot project. The space operated from March 15th to December 20th, 2013, supporting 17 social enterprises that employed 27 social entrepreneurs. Based on the pilot project, Social Innovation Calgary decided to shift its focus to online activities that support social entrepreneurs rather than physical space. This online model will go live in the Spring of 2014.

The Innovation Fund grant was 20% of the total support raised by Social Innovation Calgary. This early stage funding was critical for testing the physical space component of Social Innovation Calgary’s model, which continues to evolve into a financially stable organisation supporting social entrepreneurship in Calgary.

Timeline Review

The following is a timeline of Social Innovation Calgary’s operations emphasizing the Innovation Fund grant activities:

- October 19, 2011 Innovation Fund grant application submitted,
- April 9th, 2012, \$15,000 grant received from Alberta Real Estate Foundation, the first funding of Social Innovation Calgary,
- May 18th, 2012, Innovation Fund grant approved by council,
- May 24th, 2012, Social Innovation Calgary incorporates as Alberta Society 1683150,
- December 20th, 2012, received \$49,000 in grant funding from Suncor Energy Foundation,
- March 8th, 2013, secured 2,500 sq. ft. pilot space in the Global Business Centre, representing a \$67,000 in-kind contribution from Calgary Economic Development,
- March 15th to December 20th, 2013 operated pilot space to test market demand and price sensitivity, supporting 17 social enterprises and 27 social entrepreneurs over the period,
- April 2nd, 2013, City of Calgary Priorities and Finance Committee approved release of final \$7,500,
- April 16th, 2013, received \$150,000 in grant funding from Suncor Energy Foundation,
- May 9th, 2013, received \$10,000 in grant funding from Nexen Inc.,

- December 20th, 2013, closed pilot space and increased online operations based on market research and customer feedback,
- December 1, 2013 to present, development of online resources to support social entrepreneur community in Calgary.

Cowork Space Operational Highlights

During the nine month period of the cowork space pilot project, Social Innovation Calgary:

- Organized eleven educational events related to social enterprise in Calgary,
- Promoted social innovation and entrepreneurship in Calgary to approximately 700 new individuals in Calgary, across Canada, and in the United States and United Kingdom,
- Provided space and support to 17 social enterprises employing 27 entrepreneurs,
- Collaborated with local organisations and events supporting social enterprise such as the Calgary Poverty Reduction Initiative and Social Enterprise World Forum,
- Connected social enterprises to sources of capital and promoted them locally and internationally,
- Helped three social enterprises grow from single person operations to multiple staff,
- Disbursed \$152,000 in support to social enterprises through operations subsidies,
- Engaged eight social enterprise leaders from outside of Calgary for presentations to the local community,
- Built relationships with dozens of social enterprise organisations and impact investors nationally and internationally, such as MaRS Centre for Impact Investment (Toronto), Centre for Social Innovation (Toronto), Renewal Fund (Vancouver), Investors Circle (San Francisco), Toniic Investments (San Francisco), Bridges Ventures (London, United Kingdom), UnLtd (London, United Kingdom), and many more.

Current Operations

While some of the early successes exceeded expectations, and the cowork space was at or near capacity for the duration of its operations, the lack of additional demand for the physical space revealed that early assumptions about the market size and price-sensitivity were inaccurate. Based on these learnings, Social Innovation Calgary's management has concluded the physical space is not financially viable, nor on a near-term trajectory to be, and is pausing the development of a cowork space while pursuing further market development.

The primary activity during the current phase of operations is the development of an online program to support social enterprises. Consisting of a series of modules to assist social enterprises in developing sustainable, high-impact ventures, the online platform will have dramatically reduced operating costs and allows Social Innovation Calgary to become financially sustainable. The online platform will go live in Spring 2014.

Financial Update

The final \$7,500 from City of Calgary Innovation Fund grant was approved for release April 2nd, 2013, and contributed to operations expenses at the cowork space pilot project during April and May, 2013.

In total, Social Innovation Calgary raised \$299,000 in grant funding and \$67,000 in in-kind support. Earned revenue from renting workspace to members also contributed to operation expenses during the entire operational history of the space.

Social Innovation Calgary's current financial position conservatively covers operational costs until June, 2015.

Governance

The board currently includes the following directors and officers:

- Mike Bowerman (President/Director)
- Kevin Hayes (Director)
- John Hankins (Director)
- Craig Thompson (Treasurer)

The society members oversee the society's board of directors and includes:

- Mike Bowerman
- Mika Nurminen
- Gena Rotstein
- Jason Switzer
- Cory Krygier
- Kevin Hayes
- Craig Thompson

Social Innovation Calgary currently employs two staff:

- Mike Bowerman, Executive Director,
- Mika Nurminen, Director of Strategy and Operations.

Please contact us for any further information via our board President:

Mike Bowerman
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Thank you again for your support of the social innovation community and economic development in Calgary.

Sincerely,



Mike Bowerman,
President, Alberta Society 1683250 (Social Innovation Calgary)
On behalf of the board of directors