



One Calgary 2019-2022 Business Plan & Budget Summary Calgary Technologies Inc.

(As of September 10, Pending Board Approved)

One Calgary Line of Service: Economic Development and Tourism

Vision: Calgary is a global hub for startups and innovation

Mission: Engage, activate and globalize Calgary's innovation ecosystem.

1. What are your organization's priorities and actions for 2019-2022?

PLACEMAKING :

1. Building out the Calgary innovation corridor with spaces that promote and celebrate innovation.
2. Purposefully curating and cultivating a community of innovators in our spaces.
3. Leading the creation and operation of multi-stakeholder labs, centres of excellence or other group initiatives aimed at building out subsectors of the innovation ecosystem.

ACCELERATION :

1. Founders, Startups & Scaleups : Full wrap-around of services aimed at increasing velocity to revenue and investment, mixing local, regional and global players.
2. Corporations & Government : Initiatives aimed at helping corporations and government adopt next wave innovations, including those provided by local startups.

ADVOCACY :

1. Building and supporting partnerships/coalitions that support and align the building of the ecosystem.
2. Building and sharing our expertise in how to accelerate innovation ecosystems (e.g.: Rainforest and Startup Genome) and the health of the Calgary/Alberta ecosystem.
3. Convening thinkers and doers focused on learning about and driving innovation and innovation ecosystems.
4. Making the case for supportive policy, investment and receptor capacity to government, investors and large corporations

2. Outline how your priorities align with the Citizen Priorities for 2019-2022 and Council Directives (see attached summary)

- With shareholders being the City of Calgary, the Calgary Chamber, and the UCalgary, CTI belongs to the community and is the City's lead partner in the innovation space.
- CTI's Vision is to make Calgary a Global Hub for Startups & Innovation.
- Our vision is aligned with City Council directives P1, P2, and P3.
- CTI's work with our clean energy clients are also aligned with directives H1 and H2.
- To further support these Council directives, CTI will contribute to the 10 Year Economic Strategy in the areas of Innovation, Placemaking, and Talent Attraction and Development.
- Under Placemaking, for example, CTI intends to play a significant role in the Downtown Innovation Corridor, including in the Platform East Village startup project.

- Under Advocacy, to assist startups, we intend to promote innovation and technology adoption by industry as well as various levels of government, including the City. Adoption by the City of local startups' solutions have the potential to improve the City's services and productivity. This is aligned with City Council directive W4.

3. Which of your programs and services are funded by The City's operating grant?

Prior years' City funding (~\$800K/year) was leveraged 10x to secure other revenues. City funding thus supported all of our general business incubation, acceleration, and space offerings to clients and the ecosystem as a whole.

4. Identify 3-5 performance measures that you will use to evaluate your organization's performance from 2019-2022. Provide measures in the RBA format of How much you will do, How well you will do it, and Is anyone better off. (See attached sample)

- Global Connectivity : Top 3 globally connected innovation ecosystems in Canada
- Early Stage Success :
 - a. Highest average velocity (to first customer/investability) in Canada
 - b. Top 3 volume per capita of startups and scaleups (**From 300 to 3000 Startups**)
 - c. The early stage investment capital of Canada
- Local Connectivity : The most locally connected ecosystem in Canada

5. Identify how you will leverage resources from 2019-2022. Please provide specific examples.

- CTI belongs to the community and is the City's lead partner in the innovation space. To serve the Calgary community, CTI has previously leveraged City funding 10x, including funds from GoA, GoC, and CTI's own revenues (leasing and programming services).
- CTI has been the lead organization in Calgary for GoA and GoC innovation programs including ERA, RIN, AEI, and Enterprise funding from the GoA, as well as NRC CAIP and IRAP funding from the GoC.
- Any operating grants from the City will be leveraged as much as we can with grant applications to OCIF (for the Platform startup project), capital grant application towards the City (also for Platform), grant applications towards GoA, as well as contributions to organization applications towards the GoC. For example, CTI is part of a joint Health ask between Calgary and Edmonton towards WD, EDT, and AI.

6. Provide your board approved budget projections covering 2019-2022

Operations (000's)	2019	2020	2021	2022
City of Calgary proposed operating grants	829	954	1079	1229
Other operating grants	2909	3413	3918	1900
Earned revenue from operations	2370	2770	4970	5870
Donations & fundraising revenue	0	0	0	0
Operating expenses	7529	8033	9738	9738

Net of revenue and expenses	-1421	-896	229	-739
Opening operating reserves	3000	1579	683	912
Ending operating reserves	1579	683	912	173

Capital (000's)	2019	2020	2021	2022
Opening capital reserves	3000	2000	1500	1000
Requested City of Calgary lifecycle grants	0	0	0	0
Other City of Calgary capital grants	5000	0	0	0
Other capital revenues	0	0	0	0
Capital expenditures	6000	500	500	500
Ending capital reserves	2000	1500	1000	500

7. What are the key financial risks or challenges related to your organization's budget projections for 2019-2022? Provide specific examples and the year in which challenges are anticipated.

- All of CTI's committed public funding expires or will be up for renewal on Mar31/19. There is significant risk that we will receive lower grant amounts from all levels of government. At the same time, leasing revenues from our existing ARTC building is such that, at best, we are breaking even on that line of business such that it cannot generate net income to help subsidize service delivery to startups. This is happening at the same time as the need in Calgary to significantly increase the Volume and Velocity of innovation-driven startups. We see the need for a 10x increase by 2026, just to catch up with where Waterloo is today in 2018.
- Mitigation : if we are unable to secure sufficient operating and/or capital funds, we will need to scale back the pace of growing Volume and Velocity of startups in the city.