



## Committee Report

**To:** Warden Mitch Twolan  
Members of the Executive Committee

**From:** Sandra Datars Bere  
Chief Administrative Officer

**Date:** July 2, 2020

**Re:** Economic Recovery Recommendation - Business Safety Supplies Grant

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### Staff Recommendation:

That the Economic Recovery Recommendation to develop a Business Safety Supplies Grant for 2020 be endorsed; and,

That the total \$250,000 grant funding as part of the “Support the Bruce: Business Sustainability Fund” allocated to Business Safety Supplies Grant for 2020 be approved; and,

That the Warden and Clerk be authorized to execute an agreement(s) with the Bruce Community Futures Development Corporation and the Saugeen Economic Development Corporation to facilitate the Business Safety Supplies Grant; and,

That the County Treasurer be authorized to transfer up to \$250,000 from the loan to establish the Business Safety Supplies Grant; and,

That the release of funds to the Bruce Community Futures Development Corporation and the Saugeen Economic Development Corporation is authorized in accordance with the agreement(s).

### Background:

On May 12, 2020, the County endorsed the ‘Economic Recovery Recommendations and Funding’ report in Executive Committee to create the “Support the Bruce: Business Sustainability Fund”. The report contained the background and funding rationale to support the creation of a funding package and detailed a number of program options to assist with the stabilization of the County’s business community.

One of those recommendations was the creation of a Grants Program similar to the program developed and executed in Bradford West Gwillimbury (BWG). Additionally, from both the Economic Task Force and Business Survey we have learned that the pandemic has heightened the requirements for the businesses to keep their employees and customers safe. It has also

heightened the need for businesses to create enhanced safety measures and the costs such as:

- Personal Protective Equipment (PPE) such as masks, gloves, gowns, plexiglass etc.
- Hard Surface Disinfectants
- Hand Sanitizers
- Methods/ ways to ensure physical distancing such as floor stickers, etc.

This report outlines the recommendation to develop a similar program to BWG with a focus on offsetting the costs associated to enhanced safety measures. In order to execute this grant, Bruce County would need to enter into an agreement with the two CFDC's namely Bruce Community Futures Development Corporation (BCFDC) and the Saugeen Economic Development Corporation (SEDC) to allow the disbursement of the grant funds. This grant will offer direct support to businesses to adapt to COVID-19 and will cover the operational costs as a result of this pandemic.

#### **Business Safety Supplies Grant Overview:**

The \$250,000 in funding for the Business Safety Supplies Grant will flow through the two CFDC's in Bruce County. CFDC's have business expertise and can provide business consulting services to support the businesses as needed. Additionally, administering this grant through the CFDC's makes the administration simple for both the applicant and CFDC's as they have existing processes in place.

In designing this grant program, the recommendation is to focus the funding on smaller businesses with less than 25 employees. A \$1,500 grant funding per business will be available to cover the costs of PPE, Hard Surface Disinfectants, Hand Sanitizers and methods/ ways to ensure physical distancing. This funding would potentially support up to 166 businesses in Bruce County.

The \$250,000 total grant funding would be from the "Support the Bruce: Business Sustainability Fund" as outlined in the May 12<sup>th</sup> report to Executive Committee as noted below:

<b>Recommended Action</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
Loan Program in Partnership with CFDC's	\$750,000		\$750,000
<b>Grant Program</b>	<b>\$250,000</b>		<b>\$250,000</b>
Starter Company Plus	\$50,000	\$50,000	\$100,000
Summer Company	\$0	\$0	\$0
Spruce the Bruce Funding Increase	\$125,000	\$125,000	\$250,000
Business Pivot/ Adaptation Grant	\$150,000	\$150,000	\$300,000
Tourism Innovation Lab - Re-Imagine Your Tourism Business	\$50,000	\$50,000	\$100,000
		<b>TOTAL</b>	<b>\$1,750,000</b>

## **Program Details:**

### **1. Eligibility Criteria**

The grant will be given out to an operating business, with less than 25 employees, with a physical location in Bruce County.

### **2. Simple Application Process**

One-page online application made directly to respective CFDC including a quote or invoice for the protective equipment and/or disinfectants.

### **3. Application Intake and Deadline**

Applications will be accepted on a first come first serve and continuous basis. There will be continuous intake until funds are expended.

### **4. Application Review**

Decision on selected applications and funding amounts made within 2 weeks from the date of the application. The funds will be dispersed in one payment to the approved applicants weekly.

## **Promotion:**

As with the other programs included in the Support the Bruce: Business Sustainability Fund, program marketing campaigns will be developed and launched throughout Bruce County through traditional media (i.e. virtual media launch), social media, partner resources and other channels.

Through its continued support of businesses, the County is helping to move the economic development goal of entrepreneurial development from the Economic Development Strategic Plan forward. Entrepreneurial Development includes creating a supportive culture for entrepreneurs to explore business ideas and opportunities. Moreover, this recommended grant program will support businesses to find a new way of interacting with their employees and customers.

## **Conclusion:**

These are unprecedented times, with no set recovery plan that can be followed. What we do know is that our business community is struggling and access to financing will provide supports that would help them through this unsettled time. The Business Safety Supplies Grant, along with the other fund options included in the Support the Bruce: Business Sustainability Fund, makes a complete support package working in tandem to help both business and community combat an array of needs, with a variety of choice.

## **Financial/Staffing/Legal/IT Considerations:**

Section 106 of the Municipal Act prohibits municipalities from directly or indirectly assisting businesses through grants or bonuses. Despite Section 106, Section 108 provides that municipalities can deliver small business counselling services and programs and outlines various actions municipalities can take in support of these services. Section 106 and 108 are attached as Appendix 'A'.

**Interdepartmental Consultation:**

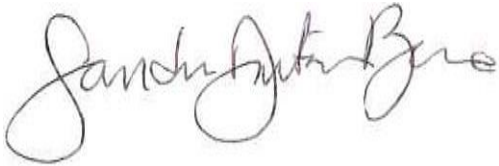
There was no interdepartmental consultation.

**Link to Strategic Goals and Elements:**

Goal: Stimulate and reward innovation and economic development

Element: Vocally support all industry in Bruce County

Written by: Kara Van Myall, Director and Manpreet Kaur Sangha, Economic Development Officer, Planning and Development

**Approved by:**A handwritten signature in black ink, appearing to read "Sandra Datars Bere". The signature is fluid and cursive, with the first name "Sandra" being the most prominent.

Sandra Datars Bere  
Chief Administrative Officer

## APPENDIX 'A'

### Municipal Act 2001, S.O. 2001, c. 25

#### ECONOMIC DEVELOPMENT SERVICES

##### *Assistance prohibited*

**106** (1) Despite any Act, a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose. 2001, c. 25, s. 106 (1).

##### *Same*

(2) Without limiting subsection (1), the municipality shall not grant assistance by,

- (a) giving or lending any property of the municipality, including money;
- (b) guaranteeing borrowing;
- (c) leasing or selling any property of the municipality at below fair market value; or
- (d) giving a total or partial exemption from any levy, charge or fee. 2001, c. 25, s. 106 (2).

##### *Exception*

(3) Subsection (1) does not apply to a council exercising its authority under subsection 28 (6), (7) or (7.2) of the *Planning Act* or under section 365.1 of this Act. 2001, c. 25, s. 106 (3); 2002, c. 17, Sched. A, s. 23; 2006, c. 23, s. 34.

#### Section Amendments with date in force (d/m/y)

##### *General power to make grants*

**107** (1) Despite any provision of this or any other Act relating to the giving of grants or aid by a municipality, subject to section 106, a municipality may make grants, on such terms as to security and otherwise as the council considers appropriate, to any person, group or body, including a fund, within or outside the boundaries of the municipality for any purpose that council considers to be in the interests of the municipality. 2001, c. 25, s. 107 (1).

##### *Loans, guarantees, etc.*

(2) The power to make a grant includes the power,

- (a) to guarantee a loan and to make a grant by way of loan and to charge interest on the loan;
- (b) to sell or lease land for nominal consideration or to make a grant of land;

- (c) to provide for the use by any person of land owned or occupied by the municipality upon such terms as may be fixed by council;
- (c.1) to provide for the use by any person of officers, employees or agents of the municipality upon such terms as may be fixed by council;
- (d) to sell, lease or otherwise dispose of at a nominal price, or make a grant of, any personal property of the municipality or to provide for the use of the personal property on such terms as may be fixed by council; and
- (e) to make donations of foodstuffs and merchandise purchased by the municipality for that purpose. 2001, c. 25, s. 107 (2); 2006, c. 32, Sched. A, s. 49.

### **Section Amendments with date in force (d/m/y)**

#### *Small business counselling*

**108** (1) Without limiting sections 9, 10 and 11 and despite section 106, a municipality may provide for the establishment of a counselling service to small businesses operating or proposing to operate in the municipality. 2006, c. 32, Sched. A, s. 50.

#### *Small business programs*

(2) Without limiting sections 9, 10 and 11, a municipality may do the following things in order to encourage the establishment and initial growth of small businesses or any class of them in the municipality:

1. In accordance with the regulations made under subsection (10), establish and maintain programs for that purpose.
2. Participate in programs administered by the Crown in right of Ontario. 2006, c. 32, Sched. A, s. 50; 2017, c. 10, Sched. 1, s. 8 (1).

#### *Permitted actions*

(3) Without limiting sections 9, 10 and 11, a municipality may do the following for the purposes of a program referred to in subsection (2):

1. Acquire land and erect and improve buildings and structures in order to provide leased premises for eligible small businesses or for a corporation described in paragraph 4.
2. Despite section 106, to make grants to corporations described in paragraph 4.
3. Lease land to small businesses included in a program.
4. Enter into leases of land and other agreements related to the program with a corporation without share capital established by the municipality in accordance with section 203 for the purposes of encouraging the establishment and initial growth of small businesses or any class of them in the municipality.
5. Sell, lease or otherwise dispose of any personal property of the municipality to an eligible small business or to a corporation described in paragraph 4 or provide for the use of such property by the small business or corporation.
6. Provide for the use of the services of any municipal employee by an eligible small business or by a corporation described in paragraph 4.
7. Establish a municipal service board under this Act to administer a program or to administer the municipality's participation in a program referred to in subsection (2).

8. Appoint one or more of the directors of a corporation described in paragraph 4. 2006, c. 32, Sched. A, s. 50.

*Grant includes loans*

(4) The power to make grants under paragraph 2 of subsection (3) includes the power to make loans, to charge interest on the loans and to guarantee loans. 2006, c. 32, Sched. A, s. 50.

*Same*

(5) A corporation described in paragraph 4 of subsection (3) that leases any building or structure from the municipality shall use it for the purpose of providing leased premises to small businesses included in a program referred to in subsection (2). 2006, c. 32, Sched. A, s. 50.

*Availability of assistance*

(6) Despite section 106, a lease of land, the sale, lease or other disposition of personal property or the use of personal property or personal services under subsection (3) may be made or provided at less than fair market value. 2006, c. 32, Sched. A, s. 50.

*Limitation*

(7) Subsection (6) ceases to apply to an eligible small business on the third anniversary of the day it first occupied premises leased to it under this section. 2006, c. 32, Sched. A, s. 50.

*Municipal service board*

(8) The power of a municipality to raise money by the issue of debentures or otherwise for the acquisition of land or construction of buildings shall not be delegated to the municipal service board described in paragraph 7 of subsection (3), despite section 23.1. 2006, c. 32, Sched. A, s. 50.

*Interpretation*

(9) A business is an eligible small business if it is included in a program referred to in subsection (2) and it is in occupation of premises leased to it under this section. 2006, c. 32, Sched. A, s. 50.

*Regulations*

(10) The Minister may make regulations prescribing conditions that must be met before a municipality establishes a program under paragraph 1 of subsection (2). 2017, c. 10, Sched. 1, s. 8 (2).