



## Committee Report

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

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

**Date:** July 9, 2020

**Re:** Starter Company Plus and Business Pivot Adaptation Follow-Up  
Recommendations

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### Recommendation:

That the Committee endorse prioritizing the Starter Company Plus and Business Pivot / Adaptation applications, to those applicants who have not received funding through other Bruce County grant programs or streams; and,

That the Committee endorse further prioritizing the Starter Company Plus and Business Pivot / Adaptation applications, to only allow a business to receive funding through one Bruce County grant program or stream for the same project; and,

That the total \$50,000 Starter Company Plus and \$150,000 Business Pivot / Adaptation grant funding allocated to 2021 as part of the “Support the Bruce: Business Sustainability Fund” be moved to 2020.

### Background:

On June 4, 2020, County Council approved the recommendation to expand the funding of the current Starter Company Plus initiative to include existing businesses and to introduce a Business Pivot / Adaptation Grant for 2020 and 2021. This approval allowed an additional \$50,000 (or 10 grants) in funding to be dispersed to existing business owners under the Starter Company Plus initiative in 2020, and \$150,000 (or between 30 and 50 grants) in funding to be dispersed to business owners under the Business Pivot / Adaptation Grant.

### Summary of Issues and Analysis:

Both programs were launched on June 18, with advertising including a statement that funding would be dispersed to eligible businesses and projects on a ‘first-come-first-serve’ basis.

Within three business days, 70 business owners submitted applications, requesting a maximum of \$350,000. Understanding the total funding between the two grant programs was \$200,000, the decision was made to close applications and start a waiting list. This brought in an additional 13 requests over two business days (representing \$65,000). With \$415,000 requested - over double the available funds - the decision was made to close the waiting list.

As the Business Pivot Adaptation Grant is not an existing program stream that has been previously administered by Bruce County, three issues that need further discussion have arisen following review of the applications received:

**Issue #1 - Equitable Distribution:**

Staff reviewed all 70 completed applications, categorizing projects based on adaptations or expansions related to COVID-19, and noted the proposed projects deemed ineligible. Of these 70 applications:

- 38 were adaptations,
- 20 were expansions, and
- 12 were ineligible

Upon review, 58 applications met eligible and approved criteria / projects, totaling \$283,575 in requested funding. (This amount does not include the 13 applications on the waiting list).

Ten of these 58 businesses have already received Spruce the Bruce (STB) funding for projects in 2020 and have requested \$61,850 through the Business Pivot Grant. Four of the applicants may receive funding through Tourism Innovation Lab (TIL) and have requested \$20,000 through the Business Pivot Grant. The TIL applications will be reviewed and approved the week of July 13.

Number of Applications	Funding Amount	Application Status
44	\$201,725	Eligible Projects
10	\$61,850	Eligible Projects / STB funding received
4	\$20,000	Eligible Projects / TIL Application in review
<b>58</b>	<b>\$283,575</b>	<b>Total Eligible Projects</b>
13	\$65,000	Waiting List
<b>71</b>	<b>\$348,575</b>	<b>Total Eligible Projects + Waiting List</b>

This creates an issue around Equitable Distribution of funding where the potential exists for one business to receive more than one grant funding and another business received nothing as the fund is fully subscribed.

**Recommendation #1:** The recommendation is to prioritize those businesses who have not yet received funding through other sources.

In the current application intake, this would result in assisting 14 business owners that would not receive funding otherwise.

**Issue #2 - Single Project Funding:** With the roll out of the grant streams being staggered, smart business owners have applied to multiple grant streams to maximize their potential funding opportunities and buffer against not receiving funds through one stream. Additionally, multiple projects from the same business owner are applied to under multiple funding streams.

As a result, several projects are represented in multiple streams which creates further equal distribution challenges and therefore the following recommendation is offered:

**Recommendation #2:** The recommendation is that funding is applied on a per project basis and therefore, if funding is acquired through one grant stream it is ineligible for another grant stream; and  
If a business owner receives funding through one grant stream (even if it is a different project), businesses that have not received funding will be prioritized under Recommendation #1.

Staff will work with applicants to align their applications to the most appropriate funding stream.

**Issue #3 - Timing of Funding:** Through knowledge received during consultations and outreach with businesses over the past several months, there is a clear understanding of the need business owners have for financial supports at this time. The current landscape due to COVID has not only prevented many businesses from operating at full capacity but has also required them to adapt or pivot their business model.

**Recommendation #3:** These adaptations need to occur now to address this new and likely continuing reality. As such, the recommendation is to advance the 2021 funding allocation into 2020 to support this need. Many business owners have stated that receiving supports in one year's time will be too late - they need help now.

Given the high demand and quick uptake of applications, as well as the urgency business owners have to adapt their businesses at the present time, if the application for the Starter Company Plus and Business Pivot / Adaptation program was reopened for a pre-determined amount of days, the total available grant funding would be easily spoken for and addressed in 2020.

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

The original table provided to Committee to outline the funding allocations for Support the Bruce: Business Sustainability Fund has been modified to illustrate the funding of \$50,000 for the Starter Company Plus initiative and \$150,000 for the Business Pivot / Adaptation Grant advancing into the 2020 budget. This would allow a total of \$400,000 in grant funding to be dispersed to local business owners in 2020.

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

#### **Interdepartmental Consultation:**

None

#### **Link to Strategic Goals and Elements:**

Goal #7: Stimulate and reward innovation and economic development  
D. Vocally support all industry in Bruce County

Written by: Kara Van Myall, Director and Tori Matichuk, Business Development Coordinator,  
Planning and Development

#### **Approved by:**



Sandra Datars Bere  
Chief Administrative Officer