



Committee Report

To: Warden Mitch Twolan
Members of the Executive Committee

From: Bettyanne Cobean
Acting Chief Administrative Officer

Date: May 7, 2020

Re: Economic Recovery Recommendations and Funding.docx

Staff Recommendation:

That the Executive Committee endorse the establishment of the Support the Bruce: Business Sustainability Fund as outlined; and,

That the budget be amended to include the Support the Bruce: Business Sustainability Fund program funded by a \$2,500,000 loan with the loan payments financed from the Working Capital Reserve; 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 Bruce County Emergency Business Sustainability Loan; and,

That the County Treasurer be authorized to transfer up to \$1,780,000 from the loan to establish the Bruce County Emergency Business Sustainability Loan; 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); and,

That the Treasurer be authorized to apply for a loan through CIBC with a 5-year amortization and for an amount of up to \$2,500,000 for the Support the Bruce: Business Sustainability Fund which includes the loan and the grants outlined; and,

That the Treasurer shall bring a borrowing by-law for the Support the Bruce: Business Sustainability Fund to Council for approval.

Background:

To further contain the spread of COVID-19, the Ontario Government ordered the mandatory closure of all non-essential workplaces effective Tuesday, March 24th at 11:59pm. Many businesses in Bruce County are experiencing financial strain and hardship as a result.

Recovery from emergencies typically sees the creation of Recovery Committees tasked with looking at all elements of recovery from Human Needs to Finance and Infrastructure. It is apparent that the economic impacts to individuals/communities/businesses as a result of COVID-19 will be at the forefront of recovery efforts.

As many businesses in Bruce County are experiencing financial strain and hardship during this period, Bruce County struck the “Bruce County Economic Task Force” through its Municipal Emergency Control Group (MECG) to address the economic impact of the COVID-19 pandemic. It is imperative that the County as a region, should begin thinking about what individuals/communities/businesses will need to first stabilize and then move onto recovery, then growth post-pandemic.

In order to support recommendations on Economic Recovery, the Economic Task Force was established to be guided by local Business Stakeholders that represent the geography of Bruce County, as well as the various sectors of the economy. Resources / Committee Support to the Taskforce come from various organizations as outlined in Appendix ‘A’ Economic Task Force Membership; as well as local municipal professionals, Chief Administrative Officers, Clerks, and Treasurers to support the implementation of various recommendations. A ‘Hub and Spoke’ communication model has been enacted to support the outreach of the Task Force to relevant stakeholders.

There are a number of considerations that are guiding any actions or recommendations of the group:

1.Phase of Efforts: three phases of efforts as outlined that will need to be considered by the Taskforce:

1. Stabilize Phase (Short Term ST)
2. Rebuilding Phase (Mid Term MT)
3. Growth Phase (Long Term LT)

The current phase of effort is on the short term, stabilizing phase of 1-2 months

2. Core Economic Sectors: the work of the group should focus on our three core sectors of the Bruce economy:

1. Small Business (including Tourism / Service / Retail)
2. Agriculture
3. Energy

3. Stakeholder Audiences: there are three audiences that should be considered to be engaged in any of the work of the Taskforce

1. Small Business Community (including individuals / employees)
2. Local Stakeholder Coordination (i.e. municipalities, Chambers, BIA’s, etc.)
3. Advocacy Stakeholder Coordination (how to elevate local issues to regional, province or federal stakeholders to address)

The Bruce County Economic Task Force's immediate priorities are to:

- Undertake an Environmental Scan of all that is possible to support the business community.
- Advocate for the urgent needs of our business community to local, regional, Provincial and Federal Governments.
- Investigate business supports that can be implemented by various levels of government, implementing those tools at our collective disposal.
- Provide resources and information about business supports available from various levels of government.
- Work with other levels of government and stakeholders to develop and implement support programming for business owners, affected employees, and their families, who are experiencing financial impacts as a result of COVID-19.
- Provide direct support to help guide small businesses through the process of accessing emergency financial assistance and programming from all levels of government.
- Work with local BIA's and Chambers to collectively promote small businesses that are still open, including local food and agri-businesses.

Short Term Stabilizing Recommendations (1-2 months)

There is no set recovery program that is available for use; rather the Task Force started with an environmental scan to identify what tools the County and its partner municipalities have at their collective disposal while elevating local issues to appropriate provincial / federal counterparts.

This work was supported by and cross referenced against data from one-on-one interviews with businesses and through the COVID-19 Business Impact Survey, which together gave the Task Force the information on the state of the Business Community.

The results of the research were not surprising amid a pandemic that forced many businesses to close. Highlights from respondents as of April 22nd are as follows: (The full survey report results are attached to this report).

- The largest **sectors** completing the survey were from accommodations, food services and retail comprising of 23% of the respondents. The professional services and healthcare and social assistance industries were next, both shy of 9%.
- 67% had less than five **employees** as of March 1, 2020.
- 47% **laid off staff** at the time of completing the survey. A deeper analysis showed approximately 700 employees have been laid off.
- When requesting how has COVID-19 **impacted their business operations**, no one has currently reported to have to close permanently, however 54% are closed temporarily, 55% have postponed some form of investment, and 42% have reduced their operating hours.

- Just over 20% of the businesses noted they are very unlikely of **risk of closing permanently**, 27% selected that it is possible, 37% are unsure at this time, and 15% will most likely close permanently.
- 26% of the businesses currently have no **monthly income**, 60% are experiencing a significantly reduce (25-99% reduction) income, 12% are observing slightly reduced (under 25% reduction), while only 1% has not seen a change in monthly revenue.
- A sample of 75 respondents were asked to include the approximate amount COVID-19 impacted their **gross monthly revenue**. The average gross monthly revenue was a loss of \$21,480.
- Collecting data from sample of 75 of the respondents, 45% indicated their **business structure** was sole proprietorship, 37% are classed as a corporation and the remaining 17% were made up by either partnership or limited liability company.

This survey and interview information was used as a preliminary guide to inform the potential local government supports and actions for development.

Included in Appendix 'B' is the Short-Term Stabilizing - Business Recovery Planning Criteria Matrix that illustrates the details of how the recommended actions were developed. The following is the list of the top 9 Ideas for Action that were developed as an outcome of evaluation against the criteria.

1. County Property Tax Adjustment 2020
2. Municipal Property Tax Adjustment 2020
3. Loan Program in Partnership with Community Futures Development Corporation (CFDC)
4. Waiving of County Fee (Planning fee)
5. Waiving of Municipal Fee (Building Permit, Planning, BIA, Utility Fees etc.)
6. Starter and Summer Company Program Funding Increase (2020 / 2021)
7. Spruce the Bruce Program Funding Increase (2020 / 2021)
8. Business Pivot/Adaptation Grant
9. Tourism Innovation Lab Funding Increase 2020

At this point, the Task Force has broken into Sub Committees for each of the 9 Ideas for Action where they will flush out details and consider the feasibility of each idea. There are two immediate priorities that come to the forefront, (1) Property Tax Adjustments; and (2) Securing Funding in order to support Actions as they advance.

With regards to (1) the County Treasurer is advancing changes to the County Property Taxes through the Corporate Services Committee where the recommendation is to defer the property tax and lower the rate of interest. On the 2020 property taxes, moving forward with the deferral and reducing the late penalty interest rate to the County overdraft rate which is 1.7%. This is the County portion of tax levy only; this is a deferral of what the municipality pays the County. It is hoped that by the County deferring and reducing its overdraft rate, our municipal partners will follow suit.

With regards to (2) it is important to consider how the County may address funding in order to support potential Actions as they advance. The following "Short Term Stabilizing Details"

section details this consideration and outlines the potential program to advance #3 Loan Program in Partnership with Community Futures Development Corporations (CFDCs). There have been two recent examples of other municipalities putting in place similar funding arrangements with their local CFDCs that Bruce County may want to consider.

(1) Case Study - Bradford West Gwillimbury (BWG) Emergency Business Sustainability Fund

The Emergency Business Sustainability Fund (EBSF) was created when the Town of BWG made a one-time grant of \$250,000 to the third-party not-for-profit business support agency Nottawasaga Futures (their local CFDC) in order to allow them to provide emergency relief to local small businesses. Grants of \$2,500 were available to eligible home-based businesses and \$5,000 to eligible small businesses with fewer than 10 employees. Nottawasaga Futures anticipates that the program will have helped 60 to 70 small or home-based businesses.

(2) Case Study - Wellington County Small Business Recovery Fund

Wellington County approved entering into an agreement with the Wellington-Waterloo Community Futures (WWCF) and Saugeen Economic Development Corporation (SEDC) to allow the establishment of the Keep Well - Emergency Business Sustainability Fund. The amount of the fund was \$1 million dollars contributed by Wellington County. The general terms were to provide low-interest loans of up to \$25,000, 3% interest rate, cash flow and working capital for struggling businesses and funds available within 3 days of signing.

Short Term Stabilizing Details

Of the nine top ideas put forth for action to support Bruce County businesses through this economically challenging period, five would require additional funding in order to support the potential action.

1. Loan Program in Partnership with CFDCs
2. Starter and Summer Company Program Funding Increase (2020 / 2021)
3. Spruce the Bruce Program Funding Increase (2020 / 2021)
4. Business Pivot/Adaptation Grant
5. Tourism Innovation Lab Funding Increase 2020

The following details are initially provided to Committee to consider securing the appropriate funding. As details of the programming are developed, updates will be brought forward to advice on the program rollout.

1. Loan Program in Partnership with CFDCs

Recommendation is that the County enter into an agreement with the Bruce Community Futures Development Corporation (BCFDC) and Saugeen Economic Development Corporation (SEDC) to allow for the establishment of the "Bruce County Emergency Business Sustainability Loan" to be administered by the two Community Futures Development Corporations serving Bruce County.

Recommendation is to develop a \$1.78 million fund that would fund the Bruce County Emergency Business Sustainability Loan.

2. Starter and Summer Company Program Funding Increase (2020 / 2021)

The County currently partners with the Province of Ontario to deliver the Starter Company Plus Initiative and the Summer Company Initiative. There are currently 7 Starter Company Plus grants of \$5,000 each (total \$35,000) and 4 Summer Company grants of \$3,000 each (total \$12,000).

Recommendation is to increase the funding to offer more grants. 10 additional grants of \$5,000 for both 2020 and 2021 for Starter Company Plus (total \$100,000) and 10 additional grants of \$3,000 for Summer Company for 2020 and 2021 (total \$60,000)

3. Spruce the Bruce Program Funding Increase (2020 / 2021)

The Spruce the Bruce Program has an annual budget of \$120,000 that is executed through Community Improvement Plans to deliver grants to community groups and businesses to support downtown revitalization and community development.

Recommendation is to reallocate (\$120,000) and increase (\$80,000) the funding for 2020 and 2021 to support businesses recovery. Supporting community development and our downtown economic engines as essential to community vitality and tourism.

4. Business Pivot/Adaptation Program

This program does not currently exist however through the County's administration of the Small Business Enterprise Centre in partnership with the Province of Ontario, resources exist to support our existing business community and their adaption in the face of COVID-19.

Recommendation is to provide grant support similar to the Starter Company Program in the amount of \$5,000 for existing businesses who are adapting business models to conditions under the Pandemic. The recommendation is to deliver 30 Business Adaption Grants in both 2020 and 2021 (\$150,000 per year).

5. Tourism Innovation Lab Funding Increase 2020

The Bruce County Tourism Innovation Lab held its inaugural year in 2019 through its partnership with the Ontario Tourism Innovation Lab (OTIL) and local partners South Bruce Peninsula, Northern Bruce Peninsula and the Regional Tourism Organization Seven (RTO7). OTIL Lab is funded in part by the Province of Ontario in addition to 5 others including, Tourism Windsor Essex, Ontario's Southwest, Libro Credit Union, Hackforge and the Tourism Industry Association of Ontario (TIAO). Local partners contribute to the partnership with OTIL and Bruce Power has funded a total of 6, \$3,000 Spark Grants equally distributed for 2019 and 2020. This initiative finds, fosters and supports unique tourism experiences, product ideas and collaborative partnerships that build a community of tourism innovators, idea makers and

entrepreneurs. Currently, the program offers a \$3,000 Spark Grant to 3 successful candidates chosen by a panel of local tourism professionals. Recommendation is to increase the number and value of grants given as part of the Tourism Innovation lab to grow sustainable tourism options on the Bruce Peninsula and throughout Bruce County. Currently, there are 3 grants for \$3,000 for the Peninsula only. Recommendation is to move to 10 grants at \$5,000 for both 2020 and 2021, with the full \$50,000 funded under this proposal

Of the Short-Term Stabilizing ideas for action that have been put forward, the Loan Program in Partnership with CFDCs is seen as the most pressing to support our Business Community. Therefore, the details of a potential program and the financial considerations are outlined below. As noted, as the details of each of these Stabilizing Ideas are developed, reporting will take place with Committee.

Bruce County Emergency Business Sustainability Loan

To support Bruce County businesses through this economically challenging period, the recommendation is to enter into an agreement with Bruce Community Futures Development Corporation (BCFDC) and the Saugeen Economic Development Corporation (SEDC) to allow the establishment of the Bruce County Emergency Business Sustainability Loan to be administered by the two Community Futures Development Corporations (CFDC) serving Bruce County.

In response, the CFDCs have designed a proposed funding program based on their existing loan process. The Bruce County Emergency Business Sustainability Loan is intended to provide low-interest loans to support cash flow and working capital with no principal or interest payments for the first six months of the loan. The loan will have established business criteria and an application process scrutinized by both CFDC staff and an approval team. The CFDCs will also provide expertise in business planning, counselling services and skills training to ensure the success of each beneficiary.

Bruce County Emergency Business Sustainability Loan Terms

It is recommended that the terms of the Bruce County Emergency Business Sustainability Loan duplicate the terms of Wellington County's Keep Well - Emergency Business Sustainability Fund as the terms have already been reviewed and/or approved by the local Community Future Development Corporations (CFDCs). Having the same terms will ensure a quicker roll-out of the program and follows an established plan by a neighbouring County. The general terms are (subject to change):

- Low-interest loan of up to \$25,000
- 3% interest rate
- For cash flow and working capital for Bruce County businesses struggling during the pandemic
- Funds are *normally* made available within three days after the signed Letter of Offer is returned to the CFDC staff
- No payment for 6 months
- Requires recent financial statement
- Financial statement shows the business can pay back the amount

- Loan repayment over five years with flexible repayment terms and no prepayment penalties
- Applications and funds administered by the CFDCs
- County funding provided to CFDCs for the program, via agreement
- CFDCs provide County with regular activity updates, including the amount and location of business
- CFDCs require weekly calls from clients, monthly for one year following the reopening of the business.
- CFDCs provide business and their staff with training opportunities

It is noted that while some loans will end up being defaulted on, we can estimate a 70% repayment rate or \$1,246,000 being repaid plus interest. These repayments will occur throughout the 5-year period commencing 6 months after the individual loan to the business is advanced. The repayments could offset our loan payments or be allocated to an economic development reserve to further support ongoing future economic development in Bruce County to support our business community through the pandemic period until a vaccine is developed which could be as long as 12 to 18 months.

Financial Considerations

The total cost to be financed for the “Support the Bruce: Business Sustainability Fund” is \$2,500,000 (or lower) over a period of 5 years. CIBC has indicated a 5-year locked-in rate of 2.442% as of April 27, 2020. The actual loan will not be finalized until later in 2020 and the final interest rate will not be known until then. The amount to be financed consists of \$1,780,000 for the Bruce County Emergency Sustainability Loan plus \$720,000 for the above-detailed grants and actions as shown in the chart below.

Recommended Action	2020	2021	TOTAL
Loan Program in Partnership with CFDC's	\$1,780,000		\$1,780,000
Starter Company Plus	\$50,000	\$50,000	\$100,000
Summer Company	\$30,000	\$30,000	\$60,000
Spruce the Bruce Funding Increase	\$80,000	\$80,000	\$160,000
Business Pivot/ Adaptation Grant	\$150,000	\$150,000	\$300,000
Tourism Innovation Lab	\$50,000	\$50,000	\$100,000
		TOTAL	\$2,500,000

Based on a conservative 2.50% interest rate and \$2,500,000 borrowed, the annual payments will be \$538,117, the estimated cost of borrowing will be \$190,585 (not including loan defaults). The expected interest rate, amount borrowed, and subsequent loan payments are currently anticipated to be lower.

**2020 Debenture Requirements for Capital and Operating projects
and projects not included in 2020 Annual Repayment Limit (ARL)**

Project	Loan Amount
Integrated Energy Performance Project	\$ 2,226,449
Long Term Care Homes Exterior Cladding (EIFS)	\$ 2,000,000
Kincardine Housing Project	\$11,650,000
Oswald Bridge (advanced March 2020)	\$ 3,066,000
Support the Bruce: Business Sustainability Fund	<u>\$ 2,500,000</u>
Total	\$21,442,449

Annual Amounts Payable assuming 5.00% or otherwise noted

Item	Annual Payments
2020 ARL available for payments	\$10,558,440
Integrated Energy Performance Project (2.33% act.)	-\$ 273,363
Long Term Care Homes Exterior Cladding (3.00% est.)	-\$ 134,431
Kincardine Housing Project (3.00% est.)	-\$ 594,374
Oswald Bridge (2.45% advanced March 2020)	-\$ 194,832
Support the Bruce: Business Sustainability Fund (2.50% est.)	<u>-\$ 538,117</u>
Total	\$8,823,323

Bruce County has the capacity within the Annual Repayment Limit (ARL) to finance this project and all other projects both in progress and currently proposed for 2020 which involve debt financing. If all of these projects are financed at the amount indicated, then Bruce County has \$8,823,323 remaining available in its ARL which represents additional borrowing capacity of \$109,957,000 assuming 5% with a 20-year amortization.

**Source of Funds for Support the Bruce: Business Sustainability Fund
(\$2,500,000 at 2.50% over 5 years)**

Department	Annual Payments
Non-Departmental (reserve and reserve offset)	\$538,117

The loan payments to CIBC will commence in the 2020 calendar year and will be included in subsequent budgets. The anticipated actual loan payments to CIBC for 2020 will be a portion of the full annual amount while 2021 will be the full noted amount due to the anticipated disbursement date being late 2020.

The loan payments to CIBC will not result in an increase to the County tax levy. While some of the funds to the CFDCs would be repaid with loan repayments from the businesses, the loan repayments from the businesses would not commence until 6 months after the CFDC loans the money to the business. It is also acknowledged that not all of the loans to the businesses will be repaid and so this is a very conservative analysis that has assumed no repayments.

CIBC Loan Repayment analysis:

\$2,500,000 at 2.50% (est.) for 5 years is \$538,000 per year payment

- 2020
 - \$224,170 (approx.) funded from working capital reserve
 - No tax levy implication
 - Reduced money in working capital reserve in case of emergencies
 - May have more pressure on working capital reserve for interest on carried forward projects
- 2021
 - \$538,000 from working capital reserve
 - No tax levy implication
 - Reduced money in working capital reserve in case of emergencies
- 2022
 - \$12,890 from working capital reserve
 - \$525,110 from freed up money from end of LTC/Admin Expansion loan (current 20 year debt expires 2022)
- 2023
 - \$538,000 from freed up money from end of LTC/Admin Expansion loan
 - plus repay \$775,000 taken from Working capital reserve in 2020 and 2021 repaid from freed up money from end of LTD/Admin Expansion loan
- 2024
 - \$538,000 freed up money from end of LTC/Admin Expansion loan
- 2025
 - \$314,000 freed up money from end of LTC/Admin Expansion loan

The working capital fund reserve has the capacity as according to the following estimations:

- 2020 year-end balance \$ 672,063
- 2021 year-end balance \$ 372,063
- 2022 year-end balance \$ 597,173
- 2023 year-end balance \$1,610,233

In summation, while recognizing that the numbers used are estimates of anticipated or proposed costs and interest rates, Bruce County has the financial capacity to finance this investment in Bruce County.

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. We know this through the data collected both in interviews and surveys and that what they need is access to financing and supports that would help them through this unsettled time.

The Task Force has worked over the last several weeks to develop a set of actions that will support the business community through this period. What has been presented for Committee consideration is the overall list, the details of the 5 ideas that require additional funding, and the proposal to fund a Support the Bruce: Business Sustainability Fund with the first priority the launching of the Bruce County Emergency Business Sustainability Loan in partnership with our two local CFDCs.

The Treasurer has presented a proposal for funding that would support the actions as outlined and highlighted the \$190,585 interest cost to the County over the 5 years (not including loan defaults) as well as the method for carrying the program over those 5 years.

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 'C'. Municipalities have asked the Province to clarify municipal interests around these programs and services. That clarity has not been provided at the time of writing of this report.

Section 28 of the Planning Act provides for Community Improvement and Section 28(7) allows municipalities to offer Grants or loans in relation to a community improvement plan to registered owners, assessed owners and tenants of lands and building within the community improvement project area.

Interdepartmental Consultation:

Planning and Development, Corporate Services, Senior Management Team

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 of Planning and Development and Edward Henley,
Director of Corporate Services

Approved by:



Bettyanne Cobean
Acting Chief Administrative Officer

APPENDIX 'A'
ECONOMIC TASK FORCE MEMBERSHIP

Role / Function	Name	Location
COMMITTEE (18)		
Chair	Kara Van Myall, Director, Planning & Development	County
Deputy Chair	Jill Roote, Manager, Economic Development	County
Member, Tourism (2)	Ashley Salen, Blue Heron Cruise Lines	NBP
	Graham Thomas, Eco-Adventures	NBP
Member, Retail (2)	Dave Rudell, Southampton Olive Oil Company	SS
	Darryl Perry, Penetangear	Kincardine
Member, Professional Services (2)	Wendy Liddle, RAGBOS Director (Real Estate)	AE
	Dr. Laura Barfoot, Chiropractor	SS
Member, Food and Accommodation (2)	Restaurant, Steve Harris, Rosina's Restaurant	SS
	Andrew Windsor, Best Western Walkerton	Brockton
Member, Agriculture (2)	Adam Ireland, Dairy, SB Business Association	SB
	John Rodgers, President, BCFA	NBP
Member, Manufacturing (2)	Andy Dunlop, Kaumagraph International	SS
	John Larsen, Larsen and Shaw Limited	Brockton
Member, Nuclear (2)	James Scongack, Bruce Power	Bruce
	Alison Fernandes, OCNI	Bruce
Member, Political Representatives (2)	Mitch Twolan, Warden, Bruce County	Bruce
	Steve Hammell, Mayor, Arran Elderslie	AE

COMMITTEE SUPPORT (14)

Local EDO's
Museum and Culture
Finance, Local Treasurers
Local CAO's
Local Clerks
Local BIA's
Local Chambers
CFDC
CFDC
Ministry of Ec Development
Ministry of Tourism
OMAFRA
Regional Tourism Organization 7
Four County Labour Market Planning

Regional Ec Dev Group, Lead Manpreet Sangha
Cathy McGirr, Director
Edward Henley, Director, Treasurer Rep
Sonya Watson, CAO Rep
Emily Dance, Clerk Rep
Rick Clarke, BIA Rep
Kimberley Inniss-Petersen, Chamber Rep
Barb Fisher, Bruce Community Futures
Rose Austin, Saugeen Community Futures
Steve Smith, Regional Advisor
Christine Anderson, Regional Advisor
Cheryl Brine, Regional Advisor
Bill Sullivan, Chief Executive Officer
Gemma Mendez-Smith, FCLMPB

County
County
County
Brockton
HK
Kincardine
SS
Bruce
Saugeen
Province
Province
Province
Region
Region

APPENDIX 'B'
SHORT TERM STABILIZING - BUSINESS RECOVERY PLANNING CRITERIA MATRIX

Legend

Each idea or suggested action is scored by seven weighted criteria to help prioritize them by the most obtainable goals in the short term (1-2 months). Each of the criterion were weighted from three to one, with three being the more obtainable option, with the expectation of actionable. Lastly, if the action can be completed by local government it received the score of five, if not, it was moved to an advocacy list to be elevated to the Provincial or Federal Government.

Actionable Local government (County and municipality) can do something	Yes Weight: 5		No Weight: 0
Direct Support Can local government provide direct support?	Outside Business Control Weight: 3	Moderate Business Control Weight: 2	Business Control Weight: 1
Timing	1-2 months Weight: 3	3-6 months Weight: 2	6+ months Weight: 1
Complexity Composed of interconnected parts	Low Weight: 3	Moderate Weight: 2	High Weight: 1
Impact to Business Have a strong effect on business	High Weight: 3	Moderate Weight: 2	Low Weight: 1
Number of Businesses Impacted	High (more than 40 businesses) Weight: 3	Moderate (10-40 businesses) Weight: 2	Low (1-10 businesses) Weight: 1
Local Government Financial Implication	Low Weight: 3	Moderate Weight: 2	High Weight: 1

Matrix

All of the ideas that were collected and were actionable by the local government were added to the following matrix. Each idea was scored by the criteria listed in the legend above. The score for each criterion was added to create the total score. The ideas with the highest total score represent the most obtainable ideas for local government to out into place in the short term. The ideas are ranked by descending order of total score. It is recommended that the Economic Task Force use the top scoring ideas as the priority for its' efforts.

	Ideas	Actionable	Direct Support	Timing	Complexity	Impact to Business	Number of Businesses Impacted	Government Financial Implication	Total Score
1	County Property Tax Adjustment 2020	5	3	3	2	3	3	3	22
2	Municipal Property Tax Adjustment 2020	5	3	3	2	3	3	3	22
3	Loan/ Grant Subsidy Program in Partnership with CFDCs	5	3	3	3	3	3	1	21
4	Waiving of County Fee (Planning fee)	5	3	3	3	3	3	1	21
5	Waiving of Municipal Fee (Building Permit, Planning, BIA, Utility Fees etc.)	5	3	3	2	3	3	1	20
6	Starter and Summer Company Program Funding Increase (2020 / 2021)	5	3	3	3	3	2	1	20
7	Spruce the Bruce Program Funding Increase (2020 / 2021)	5	3	3	3	3	2	1	20
8	Business Pivot/Adaptation Grant	5	3	2	3	3	3	1	20
9	Tourism Innovation Lab Funding Increase 2020	5	3	3	3	2	1	2	19

10	County and Municipal Property Tax Adjustment 2021 (if required)	5	3	1	2	3	3	3	20
11	Staff Training/Education Post COVID-19	5	2	1	1	3	3	2	17
12	Local Development Charges Deferral	5	3	1	1	3	2	1	16
13	Community Improvement Plan (CIP) Renewal - Incentive Program	5	3	1	1	2	3	1	16
14	Collaborative Marketing Campaign	5	3	1	1	1	3	2	16
15	Reprioritization of County / Local Tourism Destination Marketing (DMO)	5	3	1	1	1	3	2	16
16	Addressing Workforce Redeployment to Agricultural Sector	5	2	1	1	2	2	2	15
17	Municipal or County Led Loan/ Grant	5	3	1	1	1	3	1	15
18	Investigate Digital Mainstreet Program	5	2	1	1	1	3	2	15
19	Redevelop/Launch Local Adventure Passport Program	5	2	1	1	1	2	2	14

Advocacy

The following items are other ideas that came from the Economic Task Force members as items to consider for advocacy to the provincial and/or federal governments.

	Federal Advocacy Matters
20	Extend (beyond February intake) the Summer Jobs program
21	Corporate Tax Deferrals
22	Temporary Foreign Worker Program
23	Canada Emergency Commercial Rent Assistance program
24	Defer Customs / Duty fees for businesses that use a broker
	Provincial Advocacy Matters
25	Electricity and Utility Rate Deferrals / Rebates
26	Development Process Improvement - MMAH / Conservation Authorities
27	Landlord / Tenant Issues
28	Look at the Tax legislation and flexibility within it
29	Consider opening rural Main Street businesses
	Both Federal and Provincial Advocacy Matters
30	Agricultural Advocacy around Support for Smaller Producers
31	Infrastructure Stimulus funding
32	Broadband Expansion Support

Description of the Action Items:

1. County Property Tax Adjustment 2020

Recommendation to defer the property tax and lower the rate of interest. On the 2020 property taxes, moving forward with the deferral and reducing the late penalty interest rate to County overdraft rate which is 1.7%. This is a County portion of tax levy; this is a deferral of what municipality pay the County.

2. Municipal Property Tax Adjustment 2020

Recommendation that municipalities defer property taxes and lowering the interest rates.

3. Loan/ Grant Subsidy Program in Partnership with CFDCs

Launching a Quick Loan or Subsidy Program in partnership with CFDCs to help support businesses.

4. Waiving of County Fee (Planning fee)

Waiving of the County Planning fee to help businesses to better manage cashflow.

5. Waiving of Municipal Fee (Building Permit, Planning, BIA, Utility Fees etc.)

Waiving of the municipal planning fee, building permit fee, development fee, water and sewer fee etc. to help businesses in reducing the expenses.

6. Starter and Summer Company Program Funding Increase (2020 / 2021)

The County currently partners with the Province of Ontario to deliver Starter Company Plus Initiative and Summer Company Initiative. There are 7 Starter Company Plus grants of \$5000 each and 4 Summer Company grants of \$3000 each. Recommendation is to increase the funding to offer more grants.

7. Spruce the Bruce Program Funding Increase (2020 / 2021)

Recommendation is to reallocate and increase the funding for 2020 and 2021 to help businesses recover. Supporting community development and our downtown economic engines as essential to community vitality and tourism.

8. Business Pivot and/or Adaptation Grant

Recommendation is to provide grant support for existing businesses who are adapting business models to conditions under the Pandemic. Some examples are:

- Online presence and encourage sale of gift certificates
- Weekly Discount Promotions: Promote a weekly or monthly 10% discount at certain restaurants or vary for areas in Bruce County.
- Changes to Restaurant delivery model

- Made in Bruce' Value Add: This program provides an opportunity to sell more local product through certain consumer touch points or all consumer touch points.
- Create a Bruce County/Ontario Loyalty Program

9. Tourism Innovation Lab Funding Increase 2020

Recommendation is to increase the number and value of grants given as part of the Tourism Innovation lab to grow sustainable tourism options on the Bruce Peninsula. Currently, there are 3 grants.

10. Property Tax Adjustments 2021 (if required)

If need be, continue with the County and Municipal Property Tax adjustments.

11. Staff Training / Education post COVID-19 Workplace Safety Training

Offering training to business owners, employees and clients post COVID-19 to keep staff of the business and their customer safe.

12. Local Development Charges Deferral

Recommending delayed payment agreements with individual investors to encourage investment and supporting development and growth.

13. Community Improvement Plan (CIP) Renewal / Incentive Program

Recommending review and renewal of CIP program that is responsive and in tune with current needs.

14. Collaborative Marketing Campaign

Create a collaborative marketing campaign that lower tier municipalities can tap into, echoing a “stronger together” message.

15. Reprioritization of County / Local Tourism Destination Marketing (DMO)

Since 2015, the County has been pivoting its tourism function from visitor attraction to resident and business attraction recognizing that prior to COVID-19, the tourism industry was strong in Bruce County. Consideration of work re-prioritization to enhance or bring back tourism efforts and destination marketing organization functions.

16. Addressing Workforce Redeployment to Agricultural Sector

Addressing the shortage of workers and highlight opportunities to cross purpose workers to support farmers in the area. Consider how Jobs in Bruce may play a role.

17. Municipal or County Led Loan/ Grant

Providing direct grant support for businesses to help recover post COVID-19.

18. Investigate Digital Mainstreet Program

Investigate the Digital Mainstreet Program to work through the municipalities to help businesses so that they have an online presence.

19. Redevelop and Launch Local Adventure Passport Program

Redeveloping and launching the local adventure passport program in partnership with the municipalities.

Note Municipal business recovery supports ideas and comments:

- Municipalities consider using EBIT (Expenses before Interest and Tax) - both actual dollars and percentages and establish a level of support based on EBIT information. Changes to the Municipal Act may be needed.
- Repurposing existing municipal business grant programs by adjusting criteria, funding guidelines to ensure that funding can still flow to the businesses without requiring matching funding.
- Assisting with the additional cost of making workplaces and tourist touch points safe through grant programs.
- Support employees with more financial security including measures to keep them “whole” for the duration of the crisis and afterward.
- Underwrite insurance costs so that the business does not pay full insurance on facilities when that are not used.
- Cancellation and deposit fund support to be considered to keep moving the cash flow.

Actions Completed

1. Bruce County Task Force Initiated - Hub and Spoke model where representatives are responsible for dissemination to relevant counterparts.
2. Online Supports - Revise the Business to Bruce program to assist businesses during the pandemic, or during recovery. Online support is provided as businesses are now seeing how critical it is to have this e-commerce in place.
3. Relevant to COVID-19 and business, provide supports - webinars replacing seminars.
4. Environmental Scan - Business Survey has been launched to better understand the situation.
5. Immediate communication of available resources: positive support and encouragement to plan for the start of recovery.
6. Business Resiliency Map - A tool to show how businesses are adjusting to the conditions under the Covid-19 pandemic. It offers a map with icons coloured by economic category, each which when clicked reveal the business details and what modified services (if any) are currently offered.
7. Marketing Innovation - Publicize any industries or businesses that are aiding in the pandemic (retooling, donating money or resources, innovating, etc.) to help continue to promote innovation in our area.



Appendix 'C'

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).