



SUBJECT: Team Burlington – COVID-19 Business Update April 2020

TO: Mayor and Members of Council

FROM: Burlington Economic Development Corporation

Report Number: BEDC-03-20

Wards Affected: All

File Numbers: 125

Date to Committee: Select date

Date to Council: April 20, 2020

Recommendation:

Receive and file Burlington Economic Development Corporation report BEDC-03-20 providing Team Burlington – COVID-19 Business Update April 2020.

PURPOSE:

Vision to Focus Alignment:

- Increase economic prosperity and community responsive city growth
- Deliver customer centric services with a focus on efficiency and technology transformation

Executive Summary:

Since the emergence of the COVID-19 crisis, we have been taking a coordinated approach with Burlington's business support organizations (Team Burlington), which includes Burlington Economic Development, Burlington Chamber of Commerce, Burlington Downtown Business Association, Aldershot Village BIA, and Tourism Burlington, in supporting businesses during COVID-19. Team Burlington is reassessing our workplans and priorities daily as the COVID-19 crisis continues to ensure our business community has the most up-to-date resources, information and support they need. During this challenging time, we are focusing our efforts on:

1. Keeping our business community well informed as relevant and timely information becomes available.
2. Providing key tools/resources to support organizations during this very difficult time.
3. Working closely with our community partners to play a key leadership role for the business community and connecting organizations to support business.
4. Advocating for the interests of business and the provision of relief measures to ensure the viability of businesses into the future with all levels of government.
5. Developing recovery plans so we are poised to support the restart of business and welcome new development when we are able.

We have created a one stop shop for business resources and updates on COVID -19 hosted on the Burlington Chamber of Commerce's website at <https://burlingtonchamber.com/team-burl-supporting-burl-business-during-covid-19/> and have developed a Team Burlington Business Support Forum Series.

In the short term, we will be focused on providing the support and resources needed to get our businesses through this crisis. This will mean supporting our business community through a shop/love local campaign to encourage consumers to continue to patronize local businesses and where necessary use alternative means to secure goods and services (e.g. e-commerce, contactless delivery, curbside pick-up, etc.), as well as support for other sectors looking to innovate to deliver essential services (e.g. manufacturers where it is possible to re-tool). We will also be supporting our essential businesses through service delivery programs focused on maintaining a healthy workforce and helping recruit/replenish the workforce where needed. Based on the latest census data, 35.9% of Burlington's labour force falls into the high-risk category (ages 50-64) for COVID-19 meaning our labour pool for essential businesses is at high risk of impact by the virus.

In the long-term, we will be focused on supporting an economy that is fundamentally changed and almost certainly in recession. A prolonged closure of non-essential businesses may lead many to permanently close their operations and create a ripple effect across the economy of unemployment. Focusing on supporting the growth and attraction of successful businesses together with helping our existing businesses recover from the crisis will be essential to our community's long-term economic health and viability. This will require a total rethinking and retooling of the economic development strategy, locally, regionally, provincially and nationally.

Team Burlington is leveraging our partner organizations, including the Ontario Chamber of Commerce, Canadian Chamber of Commerce, Innovation Corridor Council, Ontario Business Improvement Area Association and Tourism Industry Association of Ontario. Burlington Economic Development has become a leader of a newly formed GTA Economic Development Working Group. This will help pool the resources of economic development offices across the GTA to understand the impacts of COVID-19 on business and provide support, research and advocacy to all levels of government on the economic supports needed to get business through this crisis.

Background and Discussion:

Team Burlington is reassessing our workplans and priorities daily as the COVID-19 crisis continues to ensure our business community has the most up-to-date resources, information and support they need. During this challenging time, we are focusing our efforts on:

1. Keeping our business community well informed as relevant and timely information becomes available.
2. Providing key tools/resources to support organizations during this very difficult time.
3. Working closely with our community partners to play a key leadership role for the business community and connecting organizations to support business.
4. Advocating for the interests of business and the provision of relief measures to ensure the viability of businesses into the future with all levels of government.
5. Developing recovery plans so we are poised to support the restart of business and welcome new development when we are able.

The City of Burlington closed all public access to facilities and moved to an essential services delivery model as of March 15. A state of emergency was also declared by Mayor Meed Ward for the City of Burlington on March 22 encouraging the closure of all non-essential businesses to support physical distancing. The City of Burlington has/will be enacting the following measures to support business during the COVID-19 crisis:

- Waiving of interest and penalty on delayed property tax payments
- Free Transit
- Free Parking

A timeline of Federal and Provincial measures and local impacts is contained in the COVID-19 Economic Overview in Appendix A. On March 23, the Ontario Government ordered the mandatory closure of all non-essential workplaces effective as of Tuesday, March 24 at 11:59 p.m. for 14 days. On March 30, this closure was extended until April 13 with the possibility of extending this order as the situation evolves. On April 3, the list of essential businesses that are permitted to operate was further reduced.

Throughout this timeframe, Team Burlington has worked closely with our provincial and federal counterparts and released several updates on what the supports mean for the business community. Since March 13, Team Burlington has moved virtual and is coordinating with our team and our partners through various channels. Burlington Economic Development has also launched a business support number for companies to call for business assistance.

COVID-19 Actions and Response

Since the emergence of the COVID-19 crisis, Team Burlington has been taking a coordinated approach in supporting businesses. We have created a one stop shop for business resources and updates on COVID -19 hosted on the Burlington Chamber of Commerce's website at <https://burlingtonchamber.com/team-burl-supporting-burl-business-during-covid-19/>.

We are meeting daily to review Federal and Provincial announcements and how we communicate the impacts for business, what support needs we are seeing from the business community, creating educational opportunities and resources, and advocating for different levels of business support.

We are also coordinating meetings with economic development offices across the Greater Toronto Area (GTA) to set up an economic development working group on COVID-19 and economic recovery. This will help pool the resources of economic development offices across the GTA to understand the impacts of COVID-19 on business and provide support, research and advocacy to all levels of government on the economic supports needed to get business through this crisis.

We are already seeing significant economic impacts from the necessary measures the government is taking to address COVID-19. With the impacts of some Provinces ordering the closure of non-essential retail and restaurants, Service Canada received 2.13 million EI claims during the last two weeks of March which represents approximately 12% of Canada's labour force being jobless. This was just in the early stages of the crisis and we can expect economic impacts to increase based on the mandated closure of additional businesses deemed non-essential. This means the indefinite closure of businesses that are not vital to supporting the food supply chain, national/local infrastructure and efforts to fight COVID-19.

In the short-term, we are focused on providing the support and resources needed to get our businesses through this crisis. In the long-term, we will be focused on supporting an economy that is fundamentally changed and almost certainly in recession. A prolonged closure of non-essential businesses may lead many businesses to close permanently and create a ripple effect across the economy of unemployment. We will be moving from economic development focused on supporting the growth and attraction of successful businesses to helping our existing businesses recover. This will require a total rethinking and retooling of the economic development strategy, locally, regionally, provincially, and nationally.

COVID-19 Virtual Business Support Forums

Team Burlington is hosting a series of business forums. Each forum will focus on a different level of government in order to help make sense of the information being rolled out, as well as the economic impacts that are already occurring at different scales.

The first session on Municipal and Regional Business Support was held on April 2 and had municipal and regional representatives available, including Mayor Meed Ward and Tim Commisso for a Q&A and to provide an update. Over 70 businesses participated in this session and a recording of the session has been made available online at <https://www.youtube.com/watch?v=coJxfMn5Eoo>

The second session on Provincial & Federal Business Support took place on April 6. This forum focused on Provincial and Federal COVID-19 updates as it pertains to businesses and included MPP Effie J. Triantafilopoulos, Oakville North—Burlington; MPP Jane McKenna, Burlington; MP Karina Gould, Burlington; MP Pam Damoff, Oakville North—Burlington; Federal Minister of Economic Development and Official Language, Melanie Joly; and provincial Associate Minister of Small Business and Red Tape Reduction, Prabmeet Sarkaria. Over 60 businesses participated in this session and a recording of the second session has also been made available online at <https://www.youtube.com/watch?v=yCydmJppORo>

These sessions provided the business community with timely information and are available online at: <https://burlingtonchamber.com/team-burl-supporting-burl-business-during-covid-19/>

A third session focusing on Small Business issues has been scheduled for April 16 and a fourth session focused on tourism recovery initiatives will take place in late April/early May. Future sessions are being planned on an ongoing basis as business needs are identified to support them through both crisis and economic recovery.

Long Term Economic Recovery Planning and Support

A survey conducted by the Toronto Region Board of Trade on the Impacts of COVID-19 on March 30-31, 2020, had 104 respondents, including 69% from Halton Region/Hamilton; more details are contained in Appendix A: COVID-19 Economic Overview. This survey pointed to:

- 68% decline in average revenue forecasted over the next 30 days
- 40% have laid off staff; another 29% are considering laying off staff
- 42% of businesses can sustain themselves for more than 3 months with the current social distancing measures in place
- 86% of businesses indicated they need more information and assistance to effectively access the business relief measures and programs recently announced by the federal, provincial and municipal governments.

These are just the short-term impacts to businesses, and we can expect much greater impacts to the viability of our local business community the longer this crisis continues. At present, Team Burlington is focusing our efforts on supporting businesses through the crisis and is already beginning to think about long-term economic impacts and the supports needed to sustain and grow our local businesses over the long term. As we move forward, Team Burlington will be engaging the City of Burlington and other partners to create a coordinated approach on the supports we can provide businesses at the local level and continue advocacy to other levels of government to provide businesses the tools and resources they need to survive and thrive in the post COVID-19 economy.

Financial Matters:

Currently initiatives have been funded through individual Team Burlington member's budgets; however, additional funding support may be required as we move forward with recovery initiatives.

Climate Implications

The implementation of Team Burlington – COVID-19 Response does not have any major climate implications. One of the unintended results of closures and reduction of services has been reduced greenhouse gas emissions.

Engagement Matters:

The contents of this report have been developed based on business feedback, in conjunction with our Team Burlington Partners and their members.

Conclusion:

Thank you for receiving our Team Burlington – COVID-19 Business Update April 2020. We look forward to engaging with Council on an ongoing basis on the supports needed to ensure our local economy can be sustained through both the economic crisis and recovery associated with COVID-19.

Respectfully submitted,

Anita Cassidy
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Appendices:

A. COVID-19 Economic Overview

Notifications:

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Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council. Final approval is by the City Manager.