

To: Members of Committee
From: Burlington Economic Development
Date: September 10, 2020
Re: COVID-19 Business Support

Background

At the July 22, 2020, [Burlington Economic Recovery Network \(BERN\)](#) meeting, key issues were identified to support economic recovery including supporting the safe restarting of the economy and rebuilding consumer and employee trust in engaging with businesses. As a result of this, a report was submitted to Council ([BEDC-05-20](#)) outlining the business conditions in Burlington and the impact of COVID-19 on small independent owners, particularly public facing businesses, such as retail and restaurants. Further details on the impacts to small business and Burlington's economy can be found in Appendix A Burlington Small Business Economic Impacts. On August 13th Burlington City Council approved the provision of \$125,000 for an immediate and timely small business relief grant program for COVID-19 related reopening costs.

[Team Burlington](#), in partnership with the City of Burlington, is launching the Burlington Safe Restart Program with the intent to provide grants to assist Burlington's small business community. The Burlington Safe Restart Business Support Program will help businesses open safely and follow key public health guidelines to stop the spread of COVID-19.

The objectives of the program are:

- To support the restoration of consumer confidence in engaging with the economy as measured by an increase in customers or sales for the businesses supported;
- To support employee safety and increase employment in Burlington for businesses supported as measured by an increase in employees returning to work, new employees hired or employees increasing hours;
- To support public health and safety and stop the spread of COVID-19 by the adoption of the [POST Promise](#) as measured by businesses participating in the program;
- To support the retention and growth of Burlington businesses by offsetting business investments to support safe reopening as measured by the number of businesses participating that report negative impacts due to COVID-19 and that this program, along with other business supports, have resulted in continuing business operations; and
- To support Burlington's recognition as a supportive and open for business community by displaying the Burlington Safe Restart materials as part of the grant conditions.

These objectives will be measured by a post support survey administered to businesses three months after the funding disbursements are approved.

Conditions of Support by the Burlington Safe Restart Grant Program

- Meet all the eligibility criteria outlined below that have been adapted to reflect a small business definition in the Burlington economy from the [Canada United Small Business Relief Program](#).
- Costs applied for meet the eligible activities and costs criteria.
- Businesses must confirm that they will adopt the [POST Promise](#) in their business operations in support of public health guidelines to stop the spread of COVID-19.
- Businesses will display Burlington Safe Restart signage acknowledging that their business has been supported by Team Burlington, including the City of Burlington.
- Businesses will participate in promotion of the Burlington Safe Restart program including participating in a site visit by members of Council and Team Burlington representatives to promote the businesses' participation in the program. This may include onsite photography and promotion via social media and other channels.
- Participation in a brief survey to track their business success after receiving the Burlington Safe Restart Grant.

Eligibility Requirements for Applicants

- Independently owned small business;
- Located within the geographical boundaries of Burlington;
- One application per business;
- Only For-Profit organizations are eligible to apply, and must be incorporated, or operating as a sole proprietor, in Canada as of March 1, 2020;
- Customer-facing business with a publicly open space;
- Had less than 20 employees for the period prior to March 2020;
- Are in full compliance with all applicable government laws, rules, regulations, guidelines, and other legally binding measures (laws);
- Meet at least **one** of the following criteria:
 - Closure or temporary closure of business operations from March 2020 due to emergency measures
 - Employee layoffs from March 2020 due to emergency measures
 - Significant revenue decline (over 30%) from March 2020 due to emergency measures
- Must submit one of the following documents (dated prior to March 1st, 2020):
 - Proof of business registration
 - Sales tax (GST/HST) registration
 - Recent sales tax (GST/HST) filing

Eligible Activities and Costs

The maximum amount available per application is \$2,500. The following categories of purchases are eligible for reimbursement under the program:

- Purchase of Personal Protective Equipment (PPE) - masks, face shields, latex gloves etc.;
- Renovation of space to adhere to re-opening guidelines (as described below);
- Renovation of space includes any alterations, temporary or permanent, made to the applicant's business specifically to reduce the risk of customers or staff contracting the novel coronavirus, referred to as COVID-19. These renovations can include:
 - The building or purchase of physical barriers
 - The creation of signage or floor markers
 - The building or purchase of sanitizing stations
 - The building or purchase of materials used to create a structure to facilitate curbside pickup or contactless payment, or to otherwise move aspects of the business outside
 - The alteration of a building's windows and doors
 - The installation of touchless devices such as doors or waste containers
 - The expansion of space to allow for physical distancing (e.g. patios)
- Third party labour costs associated with any of the above provided there is no conflict of interest with said third party.

Eligible expenses directly related to the above categories are permitted provided that purchases were made no earlier than March 15, 2020. This grant program provides funding for PPE and renovation expenses that have already been made. Receipts for all eligible expenses should be kept; however, you do not need to provide them as part of your application right now. The City of Burlington reserves the right to audit all eligible expenses. The program will have an initial 2 week application window. At the end of this period applications will be assessed to prioritize those businesses experiencing the largest financial impact and hardships from Covid-19. Further funding application windows will be opened until funds are exhausted.

Sample application questions can be found in Appendix B Burlington Safe Restart Program Application Questions and a draft application form is hosted on Survey Monkey at the following link <https://www.surveymonkey.com/r/CYYYLZL>. The form is designed to be simple to complete and not overwhelm small business owners we anticipate it will take less than 5 minutes to complete once supporting documentation is gathered.

Appendix A – Burlington Small Business Economic Impacts

While the majority of businesses in Canada have been impacted by the COVID-19 pandemic it appears that small businesses have been hit particularly hard by this crisis even as businesses started reopening.

According to the [Canadian Survey on Business Conditions](#) administered in collaboration by Statistics Canada and the Canadian Chamber of Commerce, small businesses were more likely than businesses with 100 or more employees to see revenues down by 40% or more from April 2019. Whereas half of all businesses saw a decline of 20% or more in revenue, businesses in the accommodation and food services (72.6%), arts, entertainment and recreation (66.7%) and retail trade (60.3%) sectors were most likely to report a decline in revenue greater than 20%.

The results of the survey also found that small businesses were more likely to report laying off employees due to the pandemic, request credit from financial institutions to cover operating costs and have their request for rent or mortgage payment deferral rejected.

Much of Burlington's economy relies on small businesses, which means the City's economy will see significant impacts due to COVID-19. Approximately 65% of businesses in Burlington have under 10 employees.

Within the retail and trade industry, 17% of businesses have 1-4 employees and 22% of businesses have 5-9 employees. In the accommodation and food services industry, 16% of businesses have 10-19 employees.

Sources:

https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00018-eng.htm?fbclid=IwAR2g6Molw7e4X_c7Et6gl_b5hVRUtru_XVlpRwRWE8aCc09hQXXkcJJinpl

<https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00055-eng.htm>

<https://www150.statcan.gc.ca/n1/daily-quotidien/200429/dq200429a-eng.htm>

Halton Employment Survey, 2019

Appendix B – Burlington Safe Restart Program Application Questions

Applicant Contact Information

Applicant Full Name

Email

Phone Number

Business Information

Legal Business Name

Are you a Canadian registered business?

Business Website (if none, state “NA”)

Address

Industry Sector

Number of Employees

Did you close or temporary close your business operations from March 2020 due to emergency measures? (yes/no)

Have you had to lay off employees since March 2020 due to emergency measures? (yes/no)

Have you faced significant revenue decline (over 30%) from March 2020 due to emergency measures? (yes/no)

Are you a customer-facing business with a publicly open space? (yes/no)

Have you applied to other reimbursement/grant programs to cover PPE and renovation costs? (yes/no)

What is the total cost to your business for PPE and renovations to date?

What is the total amount of grants you received to cover PPE and renovation costs from other sources?

Please calculate and enter the difference between your PPE and renovation costs and the total amount of grants you have already received for these expenses from other sources.

Please upload either Proof of business registration, Sales tax (GST/HST) registration, or Recent sales tax (GST/HST) filing.