



## BURLINGTON DOWNTOWN

Thursday August 6<sup>th</sup>, 2020

To: *Chair and members of Environment, Infrastructure and Community Services Committee*

Re: **COVID-19 Response- Main Street Business Support Report**

As a representative of the small business community in Burlington Downtown, numbering over four hundred independent owners/operators, the Burlington Downtown Business Association (BDDBA) has concerns with some elements of the present report. These concerns are shared by the Burlington Chamber of Commerce as the voice of more than 900 members businesses across the City and their thousands of employees.

The report correctly states that “...*The Burlington business community continues to struggle. Small businesses have been amongst the hardest hit by the COVID-19 Pandemic*”. This is the daily lived experience of small business operators and their employees. Faced with catastrophic losses during the early stages of the pandemic, plunging revenues continue into Phase 3 of provincial re-opening of Halton’s economy. This downward trend affects not just the categories of small business with well-known challenges like restaurateurs and accommodations, but retailers, professional and technical services, as well as personal service providers.

The City of Burlington, and Team Burlington, have embarked on a campaign of effective, ongoing interventions designed to provide short-term and ongoing relief for small business entrepreneurs.

The present report holds the promise of continuing this campaign of relief and support using municipal levers. However, we feel that it falls short in terms of the City’s financial contribution, reliance on Regional dollars and expediency.



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The largest cluster of independently-owned small business in the City of Burlington is located in the Downtown.

Our Downtown occupies 3.0% of the City's land area but generates 25% of the City's property tax revenues. The total commercially assessed value in the B.I.A in fiscal 2020 is approximately \$370,000,000 and we boast over 3,300 jobs across the Downtown district.

This is the value that our downtown business district brings to the City of Burlington. These businesses and many others across the City are hurting.

We are looking to the City to provide a **meaningful level** of relief through a well articulated, immediate program of business supports in the form of grants.

Interventions are needed to protect small businesses; unfortunately earmarking \$125,000 to this cause is not sufficient.

The most vulnerable small businesses face both financial and COVID-related challenges coupled with a crisis in consumer confidence. The sober reality for these businesses is that sales are not expected to return to pre-COVID levels and many are predicting a "break even" financial model as the best case scenario for the balance of 2020.

**Recommendation:** That the City of Burlington commit a minimum of \$250,000, in the form of grants, as Small Business Supports.

**Recommendation:** That the City of Burlington make these grants retroactive for costs incurred by small businesses from March 2020.

A commitment of \$250,000 would make a meaningful difference for the small businesses community. This amount can be formulated to benefit one hundred applicants to a maximum grant of \$2,500 per business.



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A recent poll by the BDBA asked business members to estimate how much they have invested (in total) in materials like PPE, Plexiglass barriers, sanitizing wipes, physical distancing decals etc. in the month of July 2020. The responses range from an investment of \$0 to \$3000.

When surveyed about approximately how much the business has invested in these materials since March 2020, respondents told us that their investment ranged between \$200 - \$5,500.

Restaurants, in particular, are at the higher end of these investments. They cite significant out-of-pocket expenses for additional cleaning chemicals, disposable napkins and menus, fogging sanitizer units, other forms of PPE, and additional patio tenting to name a few. These costs are not expected to abate in Q4 2020.

The BDBA and the Burlington Chamber of Commerce support a request to the Region of Halton for funding to match the City of Burlington's grant investment. We do not support the dissemination of City dollars for Small Business Supports *subject to Halton Region's approval of matching funds.*

**Recommendation:** That the City of Burlington un-tether the commitment of Small Business Support grants from the condition that Halton Region approve matching funds.

Further,

**Recommendation:** That the City of Burlington identify a local delivery partner for the allocation of Small Business Support grants.



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The City of Burlington has an immediate opportunity to get much needed Small Business Support grants into the hands of eligible businesses by the end of August 2020! This can be accomplished through a simplified, local, expedient process that does not require a commitment from Halton Region.

The timelines associated with decision-making at Regional Committee and Regional Council will unnecessarily delay the progress of delivering real time local grants to those small businesses that are most in need. We believe that Burlington can lead by example at Halton Region by making a meaningful financial commitment to its local small business community and set the standard for encouraging other cities and towns to follow suit.

Any commitment to funding from Halton Region would be an add-on to Burlington's program and result in servicing more small businesses. On the condition that Halton Region does not make a fiscal commitment, or commits to a share of dollars less than Burlington's proposed matching fund scenario, our small business community would not be shut out of opportunities for immediate relief.

A campaign of ongoing interventions may be required to give small businesses immediate relief citywide. These interventions can also sustain recovery by building longer-term resilience if they are made immediately available.

As of August 2020 the small business community in Burlington is operating in a financially precarious state.

Small business revenues have plunged everywhere since the onset of the pandemic. It is also widely known that many entrepreneurs have been forced to permanently shutter their doors, while others are teetering on the brink of insolvency.



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For those that have made it to stage 3 of the provincial re-opening of the economy they are now facing new fixed costs associated with the purchase of PPE, cleaning supplies, signage, Plexiglass retrofits, etc. for their businesses in order to comply with new health and safety guidelines to protect both their employees and consumers.

We strongly urge Committee and Council to make a serious and meaningful commitment to support Burlington's business community based on the re-considered delivery model and enhanced financial contribution outlined in this letter.

Respectfully submitted,

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Burlington Downtown Business Association

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Burlington Chamber of Commerce