

Six Actions Local Governments Are Taking To Help Their Businesses Survive COVID-19



COVID-19 has greatly accelerated the rate of business closure and reduced the rate of business start-up. According to data reported by Statistics Canada in August, the number of businesses operating in Canada declined by 11%, from 798,000 in April 2019 to 711,000 in April 2020. Construction, retail, accommodation and food and other services accounted for over half of the closures.¹

While some closures are temporary, many will be permanent. Based on a recent survey, CFIB estimates that 1 in 7 small businesses (between 55,000 and 218,000 businesses nationally) will close permanently as a result of COVID-19.² In its July Canadian Survey on Business Conditions, Statistics Canada found that nearly 1 in 5 businesses reported that they could only continue to operate at their current level of revenue and expenditures for less than six months before considering further staffing actions, closure or bankruptcy.³

The economic health of our communities is very much dependent on the strength of our small and medium-sized enterprises (SMEs). Given the economic outlook and growing concerns regarding the potential impact of a second wave, we are conducting research into what local governments can do to help retain their existing base of SMEs.

In our preliminary research, we have identified 6 areas where local government is taking action. We are now conducting a survey of communities across Canada to learn more. After reviewing our preliminary findings, please take a couple of minutes to complete our short survey. We will then share the results with you.

Action #1: Easing the Impact of Property Taxes and License Fees

Some cities, such as Vancouver, Edmonton, and Saskatoon, are deferring deadlines for property taxes to ease the financial burden on the business community. Brandon has implemented several changes to the payment of property tax, including the extension of the deadline, an amendment to its TIP (Tax Installment Plan) to allow for variable or flexible payments, and a deferral of penalties for unpaid taxes.⁴ While the City of Yellowknife, NWT has not deferred or suspended payments to the City, the penalties for late payments of property tax and utilities have been waived.⁵

Edmonton announced a business licence fee reduction to ease the financial burden on those affected by COVID. Specifically, the City is offering a 50 per cent business licence fee reduction upon request for businesses that renew or apply for a new business licence between

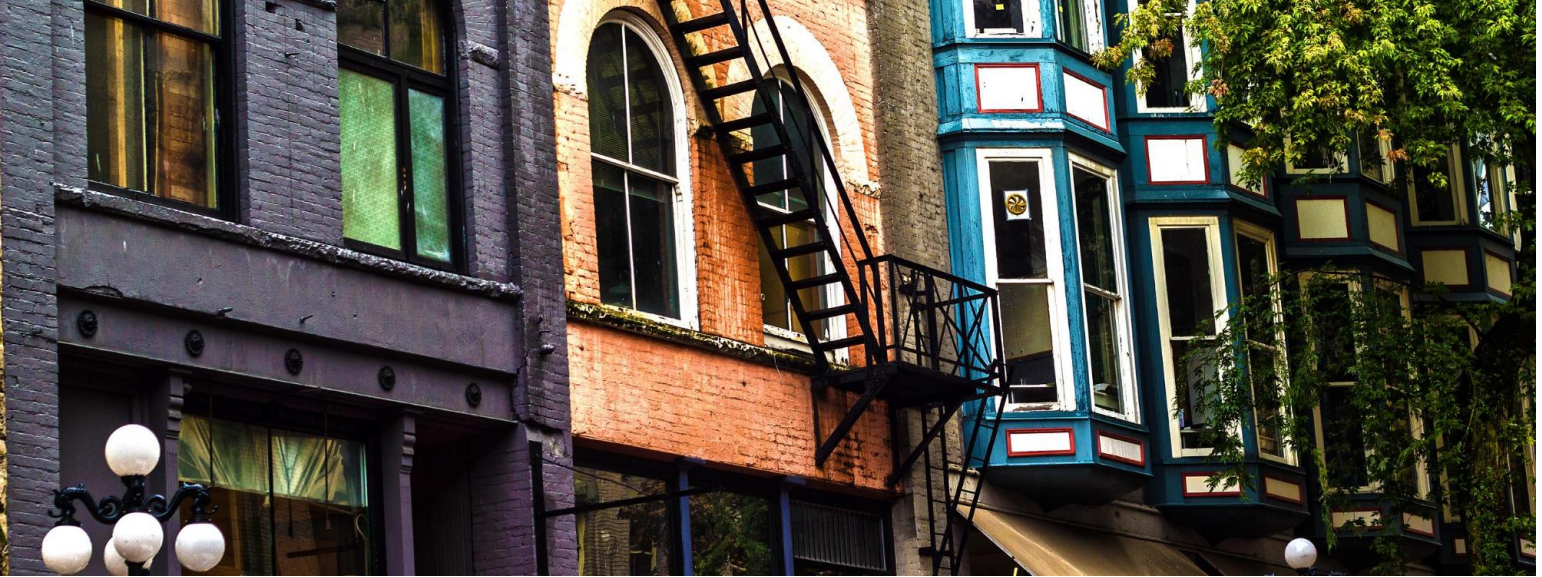
¹ <https://www150.statcan.gc.ca/n1/pub/11-626-x/11-626-x2020014-eng.htm>

² <https://www.smallbusinessseveryday.ca/dashboard/>

³ <https://www150.statcan.gc.ca/n1/daily-quotidien/200714/dq200714a-eng.htm>

⁴ http://economicdevelopmentbrandon.com/images/pdf/COB_COVID-19.pdf

⁵ <https://www.yellowknife.ca/en/living-here/coronavirus-disease--covid-19-.asp>



June 1 and December 31, 2020.⁶ In Calgary, the business license renewal fee has been waived for one year.

Some cities are taking or advocating for measures to ensure that utility services are not interrupted for those struggling financially due to COVID-19. For example, the City of Edmonton recommended to the Alberta Utility Commissions and utility partners a deferral period to defer payments up to 90 days, ensuring no interest, penalties or service cut-offs will occur. Similar initiatives have been implemented in other Alberta cities and towns including Calgary, Lethbridge, Medicine Hat, and Red Deer.

Action #2: Creating Online Resources

Cities are developing user friendly online resources that are valuable to businesses. Some examples included timely updates or step-by-step guides for re-opening (e.g. food safety protocols) and templates such as posters and other graphic materials to assist businesses in re-opening and to help inform customers about new protocols. The City of Vancouver partnered with the city's Business Improvement Associations to develop a package of materials, entitled "Open with Care", that businesses can use when re-opening. It includes floor decals for physical distancing, buttons that can be distributed online or via social media, and community call-outs for signage or social media (e.g. call outs to support local businesses; call-outs encouraging physical distancing). These materials were made available in English, Traditional Chinese, Vietnamese, and Punjabi.

Some communities are collating existing resources and presenting them on their websites for businesses to access. For example, Whitehorse has collated a list of available resources and other information relevant to local businesses. This list includes information on financial relief available from federal and territorial government; updates from both Yukon and Whitehorse Chamber of Commerce; COVID related signage that can be used by businesses; and other useful directories (e.g. workplace guidelines from WHO).⁷ Similarly, Torbay has created a dedicated resource page

⁶ https://www.edmonton.ca/business_economy/covid-19-support-for-edmonton-businesses.aspx

⁷ <https://www.whitehorse.ca/business/doing-business-in-whitehorse/covid-19-resources-for-businesses>

illustrating various forms of payment referrals and business supports provided by provincial and federal government.⁸

Action #3: Providing Financial Relief

In some larger cities with available reserve funds, local financial relief funds have been set up to help businesses with the financial impact of COVID-19. For example, Edmonton has set up a two-phased Economic Recovery Grant, delivered through the City and Business Association streams. The City provides matching grants up to \$25,000 per grant to applicants struggling to reopen or pivot their business. The Business Association stream will provide up to \$75,000 per grant to applicants who deliver projects or programs that directly support the program criteria.

Action #4: Providing Technical Assistance and Expertise

While cities and towns are not always in the position to provide direct financial relief, they can still provide businesses with the expertise needed to navigate existing supports and resources. For example, some cities are providing hands-on, technical assistance to those seeking relief from other levels of government. Other cities are offering their expertise to businesses navigating the COVID crisis in the form of webinars.

Sylvan Lake developed the Business Coaching Program, an innovative program that connects local licensed businesses with Certified Management Consultants (CMC). The CMCs provide businesses with up to up to 12 hours of one-on-one business coaching delivered by phone or videoconference to help navigate these challenging times.⁹



Created by Eucalyp
from Noun Project

⁸ <https://torbay.ca/article/support-for-businesses-during-covid-19-pandemic/>

⁹ <https://forms.sylvanlake.ca/EconomicDevelopment/Business-Coaching>



Some communities are delivering a series of webinars to assist their businesses in adapting to the changing environment. Toronto hosts free weekly online events that provide sector-specific advice and advice tailored to minority-owned businesses. Brampton has organization various sessions including a webinar titled “Crisis Marketing: How to Recover Customers and Revenue Taken by Covid-19” which explores how businesses can adjust their business strategy and find new sources of revenue taken by COVID-19.¹⁰ Another webinar details the various COVID-19 benefits available to businesses.¹¹

Community can also provide technical assistance. The BusinessTO Support Centre (which is facilitated by the City of Toronto) provides one-on-one support with completing applications for government assistance. Businesses are paired with an advisor who can provide guidance on applications, municipal programs, and other business advice.¹² Similarly, the City of Seattle, WA announced on March 10th, 2020 that the Office of Economic Development will provide direct technical assistance to local small businesses as they apply for relief from the U.S. Small Business Administration.

Action #5: Repurposing Public Space

Another measure that cities can take to assist businesses is to repurpose public spaces so that businesses can re-open and adhere to new physical distancing requirements. For example, by repurposing streets, parking lanes and side streets, cities can support businesses who require additional space for queuing customers, loading zones, and additional spaced seating arrangements.

Vancouver launched the Temporary Expedited Patio Program on June 1, 2020. The program will allow businesses to convert their on-street parking or curb space into temporary patios to facilitate

¹⁰ <https://www.brampton.ca/EN/Online-Services/Events/Pages/Event.aspx/8947/ed=20200715/st=1400/et=1500>

¹¹ <https://www.brampton.ca/EN/Online-Services/Events/Pages/Event.aspx/8965/ed=20200706/st=1300/et=1500>

¹² <https://www.toronto.ca/home/covid-19/covid-19-economic-support-recovery-for-businesses/covid-19-business-sector-resources/>

physically distanced seating arrangements.¹³ Somewhat similarly, Edmonton has relaxed rules around temporary patios, sidewalk cafes and outdoor retail expansions. The City has development guidelines and applications for temporary expansions to allow businesses to create more space for customers.¹⁴

Actions #6: Maintaining Contact and Monitoring Issues

Some communities have been proactive in undertaking evaluations of the impact that COVID-19 has had by distributing surveys to local businesses. These surveys are intended to uncover how the pandemic is affecting different local businesses and what those businesses need in terms of information and support. For example, Toronto conducted a survey to detail the impact of COVID-19 on businesses (e.g. reduced business hours), determine what support was needed from government, and assess awareness of existing supports.¹⁵ Hamilton administered a survey to local businesses which revealed the impact of COVID on various industries in the community, including lost revenue and the extent of layoffs.¹⁶

¹³ <https://vancouver.ca/doing-business/expedited-patio-program.aspx>

¹⁴ https://www.edmonton.ca/business_economy/temporary-outdoor-patios-sidewalk-cafes-and-retail-space.aspx

¹⁵ https://www.toronto.ca/wp-content/uploads/2020/05/96e0-TO_BizImpact-V04_200506-3.pdf

¹⁶ <https://www.documentcloud.org/documents/6936432-08-2-Economic-Development-Initiatives-and-COVID.html>