



Municipality of North Grenville

Report No.
CAO-003-2020

File No.
C7-FIN

Agenda Date:	May 19th, 2020 - Council Meeting
Subject:	Small Business Grant Program
Attachments:	Appendix 1: Response Reserve & Cost Containment Fund Allocation Plan

RECOMMENDATION

The following recommendation is provided for Council's consideration:

That Council endorse the establishment of the Small Business Grant Program as outlined in Staff Report CAO-003-2020;

And Further That Council allocate \$100,000 from the COVID-19 Response Reserve to be used to support the Small Business Grant Program.

BACKGROUND

On April 1, 2020 Council approved the creation of the COVID-19 Response Reserve through the transfer of approximately \$960,000 for use to offset unbudgeted expenses experienced by the Municipality related to the COVID-19 pandemic (**Appendix 1**). The Economic Development Division, as part of the development of the business support program, has engaged with the local business community to identify effective support initiatives specifically designed to provide assistance to businesses during this period of local and provincial emergency.

The Economic Development Division is focused on helping the local business community prepare, persevere and, ultimately, prosper as we collectively face the COVID-19 pandemic. Staff has received feedback from businesses that demonstrates need for financial support in order to manage the impacts of the pandemics on business operations. Businesses are in need of funding support beyond what is currently being offered by the Federal and Provincial Governments. Many businesses have indicated that they do not qualify for the Federal and Provincial relief programs (business loans, wage subsidies and rent relief) and are looking for additional funding opportunities.

Many businesses were forced to close their doors and lay off employees due to restrictions imposed under the Province's emergency order, and are facing uncertain cash flow as they plan to reopen their business. As the Province moves forward with their plan to reopen the economy, businesses will need support to adapt to the new business and service delivery methodologies to meet operating guidelines established by the Province (i.e. social distancing). Businesses are continually developing plans to add new services or connect to customers in new ways. Businesses have and will continue to incur additional expenses as they develop options to safely provide goods and services to customers.

LINK TO COUNCIL WORK PLAN

The Small Business Grant Program will help to contribute towards the achievement of the following strategic goals set out in Council's work plan:

- 1) North Grenville is an attractive place to set up businesses
- 2) Increase the NG commercial base through strategic investments in community driven economic growth

Prepared by:

Original Signed By

Matt Gilmer
Economic Development
Officer

**Recommendation submitted
for Council
Consideration by:**

Original Signed By

Gary Dyke
CAO



Municipality of North Grenville

Report No.
CAO-002-2020

File No.
C7-FIN

Agenda Date:	April 8, 2020 – Special Council Meeting
Subject:	COVID-19 Response Reserve & Cost Containment Fund Allocation Plan
Attachments:	N/A

RECOMMENDATION

That Staff Report CAO-002-2020 be received;

And Further That Council approve the Allocation Plan for the funds in the COVID-19 Response Reserve and the funds identified in the COVID-19 Cost Containment Plan.

BACKGROUND

On April 1, 2020 Council approved the creation of the COVID-19 Response Reserve through the transfer of approximately \$960,000 for use to offset unbudgeted expenses experienced by the Municipality related to the COVID-19 pandemic and also for the development of community and business support programs. The funds for the Response Reserve came from the deferral or cancellation of capital investment projects slated for 2020.

In addition to the creation of COVID-19 Response Reserve, Staff have implemented a Cost Containment Plan (referenced in Staff Report CAO-001-2020) to further offset forecasted expenses related to the COVID-19 pandemic. As noted in report CAO-001-2020, the forecasted savings through the Cost Containment Plan total approximately \$400,000.

These two municipal initiatives have created funding support for the COVID-19 pandemic response in the amount of \$1,360,000.00.

The following report has been prepared in consultation with the Director of Finance to provide Council with an outline of the potential allocation of the above noted funds. It is noted that the allocation plan and the forecasting of expenditures is based on a 90 day timeline to the end of June 2020.

ANALYSIS

For the purposes of clarity, the fund allocation plan has been broken down into the following categories:

- i. Revenue loss off-set - **\$135,000**

This represents the projected rental revenue loss due to the closure of municipal facilities.

ii. Unbudgeted operating expenses - **\$75,000**

Allocations includes expenses related to:

- one-time technology upgrades to support the holding of virtual Council meetings
- increased media buys and communication initiatives
- new signage for municipal outdoor facilities in response to closure Orders

iii. Community Support Programs - **\$290,000**

Community support program allocation is further broken down as follows:

- Waiving of new penalty and interests on deferred property tax accounts
\$110,000
- Extra Security measures (contracted security services) for the protection of closed businesses¹
\$30,000
- Enhancement of the 'Love NG' marketing and promotion program in support of local businesses¹
\$150,000

The total requested allocation of funds at this time is **\$500,000.00**; leaving a balance of \$860,000 in available COVID-19 related funds.

It is noted that municipal staff are engaged with members of the community as well as the local business community on an ongoing basis to explore other potentially needed community support initiatives during this period of local and provincial emergency. As new support programs are identified, they will be brought before Council for review and consideration.

FINANCIAL/STAFFING IMPLICATIONS

This item has been identified in the current budget: Yes ☐ No **X** N/A ☐

This item is within the budgeted amount: Yes ☐ No **X** N/A ☐

Staffing implications, as they relate to implementing Council's decision on this matter, are limited to the existing staff complement and applicable administrative policies as approved by Council.

LINK TO COUNCIL WORK PLAN

The establishment of this Emergency Reserve to respond to COVID-19 is part of responsibly managing the resources and tax base of North Grenville by ensuring the Municipality pre-emptively has sufficient, dedicated resources available to provide necessary measures.

¹ These initiatives were identified as required through discussions with local business organizations.