

Municipality Of Chatham-Kent
Community Development
Economic Development Services

To: Mayor and Members of Council
From: Stuart McFadden, Director, Economic Development Services
Date: November 24, 2020
Subject: Municipality's Assistance to Small Business – COVID-19 Pandemic

Recommendation

It is recommended that:

1. The amount of \$125,000 be approved to be utilized from the Municipality's funding received through the Province's Safe ReStart Agreement for Ontario to further expand and fund the Digital Main Street Grant program offered through the Small Business Centre to Chatham-Kent's rural businesses.

Background

The Canadian economy changed dramatically in March 2020 as a result of the COVID-19 pandemic and has a profound effect on the ability for small businesses in Chatham-Kent to operate.

A new CIBC study finds that the majority (81%) of Canadian small business owners say COVID-19 has negatively impacted their operations and many (42%) worry about their viability or their business over the next year. However, optimism for the longer term remains strong with most business owners (76%) are confident they can rebound after the crisis.

The majority (85%) agree the uncertainty of how long COVID-19 measures and operating restrictions will last is currently the hardest aspect to manage. While this report is being written, positive news concerning the potential of a vaccine being made available in early spring 2021, may certainly alleviate some uncertainty.

Many business owners (54%) say sales have dropped, and an additional 28% have had to temporarily shut down operations altogether. Most have made significant changes to weather the crisis including reducing operating expenses (34%), dipping into savings (29%), laying off staff (25%) and applying for more credit (15%).

The Ontario government, in partnership with the Federal government is providing all 444 Ontario municipalities with direct emergency funding through the Safe Restart Agreement. This funding is provided to give the support and flexibility needed to protect the health and well-being of communities which continuing to deliver critical public services as the province continues on the path of renewal, growth and economic recovery.

The Municipality of Chatham-Kent was successful in being the recipient of \$5.8M during Phase One of this Agreement.

Because of the restraints in the highly successful provincially funded Digital Main Street program of which eligible businesses needing to be being located in downtown areas, hundreds of rural Chatham-Kent businesses are deemed ineligible for grant funding to improve their digital footprint. This dilemma was highlighted in the CK COVID Economic Recovery Municipal Response report that Council received on September 28, 2020 with the recommendations that, "if COVID-19 funding criteria allows, Council encourage allocating up to \$250,000 to offer Digital Main Street supports to businesses outside of the 1 km. designated radius of the existing grant. These additional dollars will allow the businesses to receive support in re-building through an e-commerce model."

In addition, on September 21, 2020, Council received the Human and Social Impacts of COVID-19 report that collaborated the theme staff have heard of all increase in mental health concerns. Businesses are worried about laying people off and being financial viable. The Digital Main Street program builds owners' capacity to transition their business and allows them to engage in ways that support a COVID response.

Comments

The Digital Main Street Grant Program (DMSG) currently administered by the Ontario Business Improvement Area Association assists main street businesses with the adoption of technologies and provides grant opportunities to enable the digital transformation process.

The objectives of the DMSG are to:

- Provide main street business with resources, training and support for adoption of digital technologies;
- Provide opportunity for a collaborative partnership between existing Business Improvement Area's (BIA's), Municipalities, Chambers of Commerce or Small Business Centre's through the creation of a Centralized Project Partnership to form a citywide Digital Service Squad (DSS) to assist main street businesses within the community in executing their Digital Transformation Plan (DTP).

In light of the current COVID-19 pandemic and the effectiveness of this very successful program, Economic Development Services is anticipating a surge of both current and future entrepreneurs to adopt and escalate the use of technology to expand their online

presence in order to increase profits, brand awareness, efficiency of operations and increase their business-customer interactions/sales online and in-store.

Because the criteria of the current program that only funds businesses that are located in main street areas, Economic Development Services is requesting that \$125,000 be directed from the Ontario Safe ReStart Agreement to allow rural businesses outside the downtown areas this same opportunity.

The \$125,000 would provide 50 Chatham-Kent businesses outside of the current BIAA districts with the opportunity to apply for a \$2,500 grant to further their digital and e-commerce technology. Economic Development Services staff would provide the same training and follow the same criteria as the existing DMS program to maintain consistency.

With lessons learned from the current pandemic and the unknown of health and safety measures going forward, local businesses will be looking for effective and profitable methods to recover and move forward in the new retail and service world. Newly developed or heightened digital presence will enhance the ongoing viability and sustainability (resiliency) of both new and long-standing businesses.

As businesses adjust to the new operating conditions due to COVID19, the need to transition online is crucial to future financial sustainability. Through feedback and social media, many business owners have indicated that funding is necessary with pivoting their business model.

Assistance provided to Chatham-Kent businesses to date since commencement of COVID-19

Below are some of the initiatives, not inclusive, the Municipality has already undertaken to mitigate the effect of COVID-19 on Chatham-Kent small businesses.

Connection with Chatham-Kent Small Businesses

- At the onset of the Provincial pandemic business restrictions and guidelines in mid-March, a database of 200+ critical businesses was compiled and contacted in regards to opening/closures, curbside pickup regulations, potential funding available, PPE supplies and equipment, etc.
- Since that time, an additional 600+ businesses have been communicated with in regards to their challenges during the pandemic, funding availability, landlord/rent reduction programs, PPE supplies and equipment, safety and maximum capacity guidelines in reopening, digital and e-commerce footprint enhancements, curbside pickup regulations, etc.
- Some of the provincial and federal funding supports available to eligible small businesses to minimize the impact include:
 - Loan Guarantee for Small and Medium-Sized Enterprises – Business Credit Availability Program Export Canada (EDC)

- Co-Lending Program for Small and Medium-Sized Enterprises – Business Credit Availability Program, Business Development Canada (BDC)
- Canada Emergency Business Account (CEBA) – providing interest-free partially-forgivable loans of up to \$40,000. Program has recently been expanded to include an additional interest-free \$20,000 loan of which 50% would be forgivable
- Community Futures – immediate lending option of \$5,000 with long-term lending options of between \$5,000 to \$250,000 based on needs
- Farm Credit Canada – near term credit available to farms and the agri-food sector
- Canada Small Business Financing Program – loans available to any chartered bank for companies with less than \$10M in revenues for capital acquisition
- Futurpreneur – loans of \$20,000 to start businesses for individuals aged 18-39
- Canada Emergency Wage Subsidy – covers a portion of employee's wages for eligible employers currently with a subsidy rate of up to a maximum of 75% remuneration
- Regional Relief and Recovery Fund (RRRF) – providing funding of \$1.5B in assistance to businesses and communities that may require additional support to cope with and recover from the pandemic
- Canada Recovery Benefit (CRB) – providing funding of \$500 per week for up to 26 weeks for workers who have stopped working or have had their income significantly reduced
- Canada Recovery Sickness Benefit (CRSB) – provides \$500 per week for up to two weeks for workers affected by COVID-19
- Canada Recovery Caregiving Benefit (CRCB) – provides \$500 per week for up to 26 weeks per household for workers affected by COVID-19
- Support for Women Entrepreneurs – providing new funding to provide timely support and advice to women entrepreneurs
- Black Entrepreneurship Loan Fund – supports to black business owners and entrepreneurs that will provide loans of between \$25,000-\$250,000
- Rent Relief – all commercial landlords could apply for rental assistance to help cover 50% of commercial rent for tenants for the months of April-September 2020
- Electricity Relief – supports more affordable electricity bills for eligible residential, farm, small business and not-for-profit consumers
- Ontario Pause on Commercial Evictions – passing of the Protecting Small Business Act temporarily halting or reversing evictions of commercial tenants
- Canada United Small Business Relief Fund – helping small businesses with their recovery efforts
- Ontario's Main Street Relief Grant PPE support businesses: Get \$1,000 to help with COVID-19 costs. Ontario provided a grant to help businesses with the unexpected costs of PPE and also property tax and energy bills due to restricted service or shutdown

- The Chatham-Kent Small Business Consultants have also fielded 419 inquiries from local small businesses/entrepreneurs since April and have conducted 121 meetings with individuals looking or thinking of starting a small business. As well, 93 meetings with existing small businesses have taken place.
- Several informative webinars have also taken place to educate small businesses on topics such as (also available on You Tube page <http://www.youtube.com/channel/UC2hviBtRHCdOMTSIEEUWmtg>)
 - Growing Your Business with Help from the Small Business Centre
 - Shopify and Shipping – What You Need to Know
 - Creating the Ultimate E-Commerce User Experience

Chatham-Kent Small Business Recovery Grant Fund Program

- Municipal Community Grant budget dollars were reallocated to create a \$200,000 grant program to provide small businesses assistance with recovery efforts caused by the pandemic
- \$2,857 grants awarded to 70 eligible Chatham-Kent small businesses during the period of August 10th – September 1st, 2020

Testimonials

“The Chatham-Kent Small Business Recovery Grant was instrumental in helping us to cover some expenses while we re-opened. It played a helpful role as we began to welcome back returning clients and be able to focus on advertising to potential new customers. We were grateful to have been included in this opportunity to help us through this tough time for our young business.”

Stephanie Simmons, Owner, Sugar That, Chatham

“I wanted to express how grateful I was to be selected to receive the Chatham Kent Small Business Recovery COVID Grant. It helped me to keep my doors open after being closed for three months. I used it to pay my lease and pay down my line of credit. The timing was perfect at such a scary time for small business.

It was such a simple process to apply and your staff were very helpful. I feel very lucky to have received this assistance at such a vulnerable time for a small family-run business just trying to keep the doors open in our wonderful community.”

Teresa Roscoe, Owner, Treasures on Talbot, Blenheim

“The Chatham-Kent Small Business Recovery COVID19 Grant provided the essential funding required re-opening our not-for-profit community retail store after the significant losses due to mandated closure requirements. Simply put, without this grant to help with required public safety renovations and re-start operational costs, we would not have been able to re-open or sustain operation of this community outreach program.

We also want to acknowledge the outstanding support and efficiency of the grant application process by Economic Development Services.”

Doug Gilmer, New to You, Ridgetown

“As a successful recipient of the Chatham-Kent Small Business Recovery COVID Grant, I was pleased with the application process and result! The application was straight forward, the liaison was helpful and the grant aided our business during a very challenging time.”

Dr. Jamie Richards, The Life By Design Centre, Blenheim

“Please be advised that the grant money received aided the Kent Athletic Youth Organization, KAYO Boxing Club, to get over the hump at a time where we were close to throwing in the towel and closing the doors after 32 years of service to the youth of the Municipality of Chatham-Kent.”

Floyd W. Porter, President, KAYO, Chatham

“Elite Windows and Doors was happy to receive the grant money. It allowed Elite to increase our advertising once we were allowed to reopen. We were able to inform our customers that we were open for business again and here to serve them. Elite also used some of the funds to adjust our showroom to help reduce the risk of catching or spreading Covid-19. The result was a large increase in orders and customers. Elite Windows is very appreciative of the grant money. It was a big help to our business. Elite may not make back all of the lost revenue this fiscal year, but it has certainly allowed us to reduce the losses we were facing. Thank you to Council for helping local businesses like Elite.”

Randy Sterling, Operating Executive, Elite Windows & Doors, Chatham

“Fortress Tavern applied for the Chatham-Kent Small Business Recovery COVID Grant and we received it! The grant allowed us to make changes to our venue and expand our customer base during COVID19. We can't thank the city enough for the support of small business in Chatham-Kent. From the very beginning of our project, the city has made everything go smoothly. We always received assistance and information in a timely fashion. Mayor Darrin Canniff and his co-workers have made owning a small business during a pandemic possible and we appreciate both the funds and the support!”

Wayne and Robin, Owners, Fortress Tavern, Chatham

"Melt Massage Therapy is a new and growing business in Blenheim providing therapeutic massage services. Prior to the pandemic, a plan was quickly coming together to add a new modality to the clinic, one that would benefit the community's physical and emotional wellbeing. On March 17th, my governing body, the CMTO demanded all RMT's in Ontario cease practice immediately. As a result, Melt's plan was put on hold and money set aside to purchase the new equipment was put towards the

new commercial space that was being completely retrofitted. When Melt Massage received word that RMT's across Ontario were allowed to reopen at the end of May, we were still determined to add this modality now more than ever, it was just going to take some time.

Shortly after re-opening, I was made aware of a post from Economic Development, about the small business recovery grant! The application was very straightforward and easy to complete and communication was exceptional when I had questions. When I received word that Melt Massage Therapy was one of the companies awarded the small business recovery grant, we knew exactly where that money needed to go!

On September 23rd, a brand new sensory deprivation tank, aka the Float Pod was added to Melt Massage Therapy's clinic. This incredible addition has been beneficial to so many clients on so many levels! Many have experienced a decrease in chronic pain, insomnia, headaches, anxiety, while others have experienced a new sense of total relaxation. The benefits that can be achieved through Floating Therapy are incredible and I am so thankful that Melt Massage Therapy is able to offer this to Chatham Kent. I look forward to continue to serve my community with next level health care."

JoDee Kazarian, RMT, Melt Message Therapy, Blenheim

"The Recovery Grant funds I received went into 2 things that I would not have been able to do otherwise. One was to resurface the back room over my stock, which leaked during heavy rain. This was of utmost importance. Also, revamp my website, which is still in the works at the time of this email.

The process you requested was reasonable and efficient, I thank those involved and submit that the value of this grant to Absolute Sound counts. This almost full stop of revenue and trickle thereafter, has made all local business minimize costs and try to just survive, as the economic future is still uncertain. I have been able to do repairs, a small amount of sales, and service Chatham Kent customers during this pandemic, and hope for all of us that it ends soon. Again thank you."

Mike Woodcock, Owner, Absolute Sound, Chatham

"We at Tease Hair Salon are so grateful to be one of the recipients of the small business recovery grant. As we are still in our phase of growing as a business the support received was a huge relief in this challenging time. The application process was very beneficial, as it helped us take an in-depth look at what we needed to be COVID safe and protect both ourselves and our guests.

With outstanding rent arrears, the extra costs of PPE and other supplies necessary to reopen the salon, this grant helped us take a deep breath and realize our business was going to make it. As small business owners we appreciate the ongoing support from the Municipality and our community."

Brittany and Nicole, Owners, Tease Hair Salon, Chatham

"I'm so thankful to the Economic Development Service Department and the Municipality for thinking of small businesses like me during this pandemic.

The grant was able for me to pay utilities, taxes and other expenses still incurred while I was unable to work. When I was allowed to reopen the grant also helped with PPE and additional costs for preventatives to open my business.

The application and payment process was not difficult at all. The application was very straightforward and the payment was automatically deposited to my account.

Also, my questions were answered immediately from the Economic Development Service Department and they couldn't have been more helpful."

Diane Morehouse, Owner/Operator, Styling Salon, Dresden

"Thank you Darlene for your help with the Small Business Recovery COVID 19 Grant. The funds I received helped my business get through a period when business was very slow. Hopefully there will be an additional grant in the future."

John Timmermans, Owner, Walt's Garage, Chatham

"As you may know, the food and hospitality industry has been the hardest in this pandemic. Our industry is struggling to stay alive, let alone the new inured costs of PPE etc. But the show must go on and we have to adapt and change. The Chatham Kent Small Business Recovery Grant has assisted in some of that change. It comes at a time where relief is needed. It helped pay for some of the PPE allowing us to focus on other investment needs. We would like to thank everyone involved that made this process easy and painless. Your support could not have come at a better time."

Bob Delagrammatikas, Owner, Flapjacks, Chatham and Tilbury

"Thank you Chatham Kent Small Business Recovery Grant. The funds were used towards extra sanitation dispensers for wiping down equipment and refills, automatic foam hand sanitizer dispenser and refills, and COVID 19 signage. Since reopening after the shutdown, our sanitation supplies have tripled. This grant helped us reduce our costs of extra sanitation and cleaning after months of no income."

Mark Persyn, Owner, Power Fitness Gym, Wallaceburg

"The COVID grant assisted in a variety of ways. The application and payment process was seamless and communication throughout the process was clear. As a small business without access to other methods of COVID relief, the CK grant allowed for investments to create a safer environment for my customers and helped the business return to regular operations."

Jen Aitkin, Owner, Homebaked Kitchen Company, Chatham

“As a small business owner in Chatham, we are very, very grateful and humbled that we were one of the recipients chosen to receive the Chatham-Kent Small Business Recovery COVID grant. This helped out greatly to purchase new single seating for our students in the classroom for physical distancing as well as purchasing all of the extra PPE we needed in order to open back up after 4.5 months of being closed. Wishing all business owners the very best as it has been a very tough year for all.

Thank you very much to the Municipality of Chatham-Kent Economic Development Services.”

Cindy Rosseel, Owner, DriveWise, Chatham

“Thankfully, I was a recipient of the Chatham-Kent Small Business Recovery COVID Grant. During a time of uncertainty and stress, the grant gave me hope for the future of my business and freedom to make decisions to move my business forward. The process for the grant was easy to navigate and accomplish. I am sure this was my experience due to the efficient and dedicated staff at Economic Development Services. They were helpful, friendly and such a pleasure to work with. I have been able to survive and thrive during this pandemic because of the assistance of the grant. Thank you.”

Angel Bilagot, Owner, The Co., Chatham

"Chatham-Kent Small Business Recovery COVID Grant has been a valuable assistance source to keep our operations up and running during these tough times. The process from application to payment was easy and straightforward. We are very thankful that there was a resource to help local businesses!"

Thomas Armstrong, Owner, Armstrong Academy of Martial Arts, Chatham

“The Chatham-Kent Small Business Recovery COVID Grant was welcomed assistance during these uncertain times. The financial grant helped ease some short-term pressure and helped purchase much needed PPE/COVID supplies. The grant process was fairly easy and the turnaround time was quick. As a fairly new small business, this definitely helped us keep the doors open.”

Devon L. Hansen, Owner, Chatham Music Academy, Chatham

“We are extremely grateful to be a recipient of the Chatham-Kent Small Business Recovery COVID Grant this year. It has been a tough time for people and businesses all around this year. As a new company with a storefront, it has been a difficult time especially as we were closed for about 5 months. We did not qualify for any other assistance and are grateful that the Municipality stepped up to help small businesses around Chatham Kent like ours to help cover some of our unrecoverable expenditures during closure and our reopening. Thank you to our clients and especially to Chatham Kent for their support at this time. We live in a great community. We hold a lot of gratitude for being in a community that has allowed us to stay afloat at a time like this. Thank you from the bottom of our hearts.”

Rose Linseman, Owner, RAD Studio + Eco Store, Chatham

"Howdy: I wanted to thank the Municipality of Chatham Kent for their endeavor to assist businesses in our community with the Chatham-Kent Small Business Recovery COVID Grant. The application was straightforward and we were appreciative of the \$2,800 TJ Stables received. We were able to use these funds to help us pivot our business to create, promote and market other new services and initiatives, including our Family farm tour and Spirit horse tour. Thank you for the help in these crazy times."

Terry Jenkins, Owner, TJ Stables, Chatham

"The grant we received from the Economic Development Services was very much needed at such a difficult time. We used the funds towards advertising, repairs on our equipment and rent. This was the first grant we have ever applied for and were even grateful just to be considered. The application process was easy and straightforward. The professionalism from you and all the staff at the Municipality of Chatham-Kent was definitely an added bonus. The process as a whole was seamless. Once again, we would like to thank you for everything."

Dan, Muddy River Wholesale, Chatham

"We are writing to inform you about the wonderful gains we made with the funds from the Chatham-Kent Small Business Recovery COVID grant. We were able to hire someone to improve our on-line presence and up-date the information that we already have. Links between our website and Facebook are being constructed which will connect our on-line auctions and bingos to a larger audience. The funds have enabled us to adapt to the many changes that are happening in the business world during this pandemic. We have had to take a gallery and make it a viable on-line entity. This has been very tricky and time-consuming, so the funds have helped us gain the assistance we need and promote our new endeavours. We have also been able to connect with the necessary and developing on-line clientele. We are very appreciative of the money that we received."

Chris Ford and Sue Rumball, Owners, Art and Heirloom Shoppe, Chatham

"The grant has helped me cover the cost of bills, supplies and moving expenses due to a relocation from COVID- 9. The ease of this application made this process very smooth, as well as the payment process. Economic Development Services was very helpful with any questions I had. They are a great asset to this community. I thank you again for reviewing & accepting my application."

Stephanie Wood, Owner, Studio Grand Hair Salon, Chatham

"The Chatham-Kent Small Business Recovery Grant was a big asset to keeping my business afloat. The application process was very easy and quick."

The grant was a big help to maintain bills with little to no income during the shutdown. I was quite surprised how quickly I received the grant after I was accepted. It was not the

long-drawn-out process I was expecting. Hopefully more of these grants are still to come to help other small businesses that did not receive it.”

Michael Noltie, Owner, Sod Buster Brewing Company, Dresden

“I would like to thank you for the financial assistance I received. I was able to utilize the funds to push advertisement for a brick and mortar local business. The financial assistance was also used to offset the cost of PPE for both our employees and customers.

We expanded our operation to better serve our customers safely. This change in turn involved employing an additional six summer students and two full-time managers for our entire season. It also gave back some normal life in a safe manner for the local residents of Chatham-Kent. I was personally thanked by several members of our community for putting a little normal back into people's lives and in turn saving lives. It made me tear up to be honest. As a return gesture to help give back to the community that supported us throughout the summer, we gave ice cream cones away on our last day of the season. We could not have responded to the current health crisis as a business without this type of financial support.”

Jim Warnock, Owner, Baja Café and Riverside Ice Cream, Chatham

“Thank you so much for the opportunity to apply for and receive the Chatham-Kent Small Business Recovery Grant. As you know in the challenging times of today's retail world, many additional expenses are being incurred in the supplying of PPE equipment to staff and customers. This grant was invaluable in allowing us to purchase the necessary supplies for safe reopening once we were allowed to do so.

The application process was easy and straightforward and the payment was received promptly after approval. The staff at Economic Development Services' provided exceptional service and couldn't have been more helpful. Thank you again for this wonderful opportunity.”

Victoria Pawlak, Owner, The Family Treasure Chest, Chatham

“Jazzbah is fortunate to be included as one of the recipients for the Chatham-Kent Small Business Grant. Thank you!! Our business was hit devastatingly during this time. The grant gave us the ability to replenish stock and do reopen on a more solid footing.

New pressing demands, sanitation supplies, workstation shields and other COVID-19 necessities has allowed us to meet these without additional out of pocket expenses. We were able to reopen our doors safely for our guests.

Funds from the grant allowed a positive account standing to pay bills, while waiting for our customer flow to return to as much as “normal” in these uncertain times.

We at Jazzbah appreciate the help from the Economic Development Services gave us. This came at a time of great uncertainties. We thank you for easing this process.”

Carol Hall and the Jazzbah Team, Chatham

"With the ever changing environment around my small business and not knowing what would come next due to the pandemic, the Chatham-Kent Small Business Recovery COVID Grant provided me with the financial assistance when it was needed most. My small business revolves around supplying craft breweries with malt, and as soon as they heard of a possible shutdown during the beginning of COVID, malt sales were slow, as they did not want to fill their tanks with beer or sit on malt overhead themselves.

At the time, my truck was having issues and bills continued to come. With this grant, I was able to get my delivery truck back on the road as well as pay for warehousing and other overhead costs. As the economy began to slowly open back up and breweries began selling more beer out-the-door, malt sales improved and the business was partially operational once again. It was very important to me to receive the grant from Chatham-Kent, as it provided me with the financial security that was very much needed during a lull and scary part of the year for my business, and most importantly my overall well-being as a small business owner."

Connor O'Neill, O'Neill Malting Company, Chatham

Digital Improvement Grant Program

- Economic Development Services' reallocation of budget dollars to create a \$60,000 Digital Improvement Grant Program to assist small businesses with creating/enhancing their digital online footprint
- 24 successful applicants were awarded a grant of \$2,500 each

Testimonials

"At a time of such uncertainty, the Chatham Kent Economic Development Services provided my business with the motivation, inspiration and ability to pivot in an unexpected way. Their support provided me with much needed advice, mentorship and the freedom to make new choices. I am very thankful to have such an astounding service for business owners in Chatham Kent."

Angel Bilagot, The Co., Chatham

"Receiving the Chatham-Kent digital media grant has already opened up a new door into online marketing for Hashtag Fitness. Within a couple days of working with Matt, setting goals and implementing suggestions he had made into our online marketing plan, our social media accounts have significantly increased in activity and in followers resulting in more membership sales. This grant gave us the motivation, support and resources that we did not have to invest in the proper tools that we needed to make our

online marketing more professional and promotable. We are extremely grateful for this opportunity.”

Alyssa and Chase, Hashtag Fitness, Tilbury

“The opportunity that Chatham-Kent Economic Development has given my business is absolutely invaluable. We have injected our grant directly back into our community with supporting a local marketing agency. They are helping me grow and share Rekindle's story with a much larger audience.”

Devin Schaffner, Founder of Rekindle, Chatham

Starter Company Plus Provincial Program

- A provincially-funded program administered by Chatham-Kent Small Business Centre providing entrepreneurs the opportunity to receive business training and assistance as well as the opportunity to apply for a financial grant
- 23 local entrepreneurs completed the Starter Company Plus training session from July 20-24, 2020 as well as an additional 20 entrepreneurs received training during the week of October 26-30, 2020
- One of the most valuable components of this program is the education entrepreneurs receive during training. Small business training sessions such as what is currently offered, would cost the entrepreneur in excess of \$3,000 to gain the business knowledge that is provided. The two most recent Starter Company Plus sessions provided potential local businesses with \$129,000 in in-kind training.
- 9 grants of \$5,000 each were awarded to the first round of entrepreneurs with an additional 9 grants of \$5,000 will be awarded to the second round as soon as business plans are received and scored

Testimonials

“The “Starter Company Plus Program” was a great learning experience. It has been very important during the COVID-19 situation. I was able to get all the answers to my questions from a professional consultant. I learned special techniques and marketing strategies that I can use during these difficult times. The company has improved the social media and online tools. We are building the web site that will include E-Commerce. Our business model needed to be changed not only to survive but also to grow.

I am truly thankful for the support that I have been receiving. I feel very motivated to continue working on the online and storefront in downtown Chatham.”

Cecilia Mackey, Owner, PERUCAN Enterprises

“The Starter Company Plus program is a fantastic program for anyone venturing into a small business endeavour. It was extremely informative and helpful as far as marketing ideas, financial planning, creating goals and plans/ideas for future advancements

in business. As a new business owner of La Cabello Salon & Colour Bar, the help I received financially assisted me in obtaining a complete retail line of high-end salon products, which has helped to boost my retail sales greatly. Thank you Starter Company Plus!"

Beth Gilhuly, Owner, La Cabello Salon & Colour Bar

Digital Main Street Grant Program 1.0

- A fully funded provincial program that provides main street businesses with resources, training and support for adoption of digital technologies. This grant also provides eligible businesses with the potential of receiving a \$2,500 grant to improve their e-commerce and digital footprint.
- 51 main street businesses were successful in receiving a \$2,500 grant each
- 94 additional businesses were also assisted with training, advice, guidance and mentorship as well as having 3D videos and photography catalogues created

Testimonials

"At a time of such uncertainty, the Chatham Kent Economic Development Services provided my business with the motivation, inspiration and ability to pivot in an unexpected way. Their support provided me with much needed advice, mentorship and the freedom to make new choices. I am very thankful to have such an astounding service for business owners in Chatham Kent."

Angel Bilagot, The Co., Chatham

"Receiving the Chatham-Kent digital media grant has already opened up a new door into online marketing for Hashtag Fitness. Within a couple days of working with Matt, setting goals and implementing suggestions he had made into our online marketing plan, our social media accounts have significantly increased in activity and in followers resulting in more membership sales. This grant gave us the motivation, support and resources that we did not have to invest in the proper tools that we needed to make our online marketing more professional and promotable. We are extremely grateful for this opportunity."

Alyssa and Chase, Hashtag Fitness, Tilbury

"We were absolutely thrilled to receive this Digital Improvement grant for our business. It has helped us improve our content for our website, and on our social media platforms, in what has become a virtual world since COVID19."

For a young business like ours, we could not have completed projects like this without the help of this grant, so we are very thankful! The response to our content has helped us reach a wider audience in Chatham-Kent and we're so pleased with the effort the Chatham-Kent community is putting into buying local and supporting local businesses."

Jess Snobelen, Snobelen Farms

Digital Main Street Grant Program 2.0

- Additional grant has been received from the Province to run the Digital Main Street Program 2.0 until February 28, 2021 to assist main street businesses in improving their e-commerce and digital presence
- To date, the Digital Main Street Squad has connected with:

Wards	# Business Contacted/Seen	# businesses application approved for \$2,500 grant	# businesses application in pending stage for \$2,500 grant	# businesses applied – status unknown
6	92	10	7	52
3, 4 & 5	96	11	4	21
1 and 2	83	11	12	24
Totals	271	32	23	97

Communication Response Efforts

- Following March 11th, things quickly began to evolve across all levels of government and new information was flowing quickly as unprecedented actions were being taken, including the closure of Canada and US border to all non-essential travel. Economic Development was careful in ensuring that information was issued that was deemed as important and a conscious effort was made not to drown businesses and the public with a flood of unnecessary COVID details.
- A series of goals was established regarding communications:
 - Keep businesses informed on timely information
 - Keep the community informed by reinforcing Public Health communication efforts
 - Support workforce/employees to help inform both those who were able to continue to work as well as provide information for those who may be in a layoff situation
 - Look for opportunities of collaboration, partnership, and community engagement
 - Share positive messages and highlight examples of successful change
- Throughout the first eight weeks of the pandemic, there was a push to communicate information that addresses these goals. Examples include:
 - Highlighting businesses that pivoted their sales from in-store to delivery creating a subtle way to remind people to shop local

- Providing details on a wide variety of training and webinars designed to help businesses navigate change, not just events hosted locally but anything that would support business
- Ensuring that all critical information such as taxes, utilities, financing and more were posted on social media and also compiled into an easy-to-use website
- Issuing an open letter to the people of Chatham-Kent from the Director of Economic Development
- Distributing 16 email newsletters with COVID reaching an average of 4,000 people/newsletter
- Celebrating new businesses that opened during the initial stages of the pandemic
- Sharing opportunities for non-profit, fundraising and social enterprises
- Newspaper, radio and digital as well as targeted social media ads were placed to inform people of where they could find more information related to business and COVID resources

Shop Local, #Shop CK Campaigns

- Chatham-Kent Economic Development has always encouraged people across the region to shop local
- For the past two years, Economic Development has been actively promoting the #ShopCK brand through a variety of initiatives
- A formal campaign was launched on June 1st using a combination of traditional media including radio, newspaper and outdoor signage. In addition, a video series called “Thank you for shopping local” launched. This campaign ran the entire summer and to the start of September.
- Community Attraction and Promotion-Tourism launched a “See You in CK” campaign in August. This campaign is currently focused on encouraging Chatham-Kent residents to shop, support and explore local Chatham-Kent businesses. For the holiday season, the campaign features festive activities, days in Chatham-Kent inspiration featured on the www.visitck.ca website, as well as ways to safely support local. The campaign is underpinned by website content, videos, and local print/radio/digital advertising thus driving awareness of local businesses.
- An additional #ShopCK campaign will be launched in December reminding people to shop local by providing them with examples of businesses and hidden gems across Chatham-Kent. This is done using daily social media posts of at least one business.

Restaurant Patios

- Guidelines were approved for temporary patios to be installed on private property
- A number of local restaurant/dining establishment were contacted and provided the guidelines in the event of their desire to construct temporary patios on private or municipal property

- To support the information that was shared, Economic Development and the Small Business Centre made a special point of sharing a variety of patio examples from businesses across Chatham-Kent on their social media channels

Other Assistance Provided

Not inclusive, several other municipal departments have contributed to the assistance of local Chatham-Kent small businesses:

- Chatham-Kent is a member of Southwestern Integrated Fibre Technology Inc. (SWIFT), a not-for-profit municipally-led broadband expansion project created to improve internet connectivity in underserved communities and rural areas across Southwestern Ontario
- The Municipality contributed \$762,400 to SWIFT in 2019 and an additional \$3.6M in 2020 to provide numerous Chatham-Kent small businesses access to fibre connectivity to enhance their digital footprint capabilities.
- Planning Services – approval of the Community Improvement Plan designed to help make it easy for investors and businesses to launch new development projects including five incentives programs:
 - Property Tax Increment Equivalent
 - Building and Planning Fee Rebate
 - Development Charge Partial Exemption Program
 - Façade Improvement Program
 - Residential Conversion and Affordable Housing Grant

To date, since the inception of the new Chatham-Kent CIP in March 2020, over \$250,000 worth of grants have been allocated to small businesses to assist with façade improvements, residential apartment conversions in mixed-use commercial/residential buildings and building permit and planning application fee rebates.

- Building Services – deployment of staff from other areas to create an enhanced Enforcement Team to assist with essential/non-essential business openings, complaints, enforcement of government guidelines/regulations, etc.
- Community Attraction and Promotion offered a range of supports to small businesses in Chatham-Kent:
 - Tourism (VisitCK) received \$90K in FedDev grant money to help support the local tourism sector. These funds were aligned with base budget dollars to support the following activities and have centered on a “See You in CK” campaign. Activities are outlined below:
 - Redesigned and launched the www.Visitck.ca website to better showcase local tourism operators and businesses
 - Launched a “Dream Day in CK” contest – 10 winners of \$1,000 in gift certificates for CK businesses, injecting \$10,000 directly into the hands of local businesses
 - Days in CK – website content showcasing day trips and suggested itineraries promoted to CK residents through the VisitCK website, digital, print and radio, and showcasing businesses/things to do the length and breadth of the Municipality

- Provided 300 COVID-19 tool kits to tourism related small businesses. The toolkits contained locally sourced materials including a “See You in CK” branded reusable non-medical face mask, hand sanitizer, and information signage for businesses.
- Supporting CK business to apply for the World Tourism and Travel Council’s Safe Travels Stamp, a new global tourism consumer confidence program
- Providing a digital hub for tourism sector COVID-19 supports and distributed 7 tourism sector newsletters to keep tourism operators abreast of sector activities and supports
- Hosted 14 tourism operators at the annual Tourism Industry Association of Ontario (TIAO) virtual conference – offering them the opportunity to learn more about the tourism landscape across the globe
- Hosted two travel writers, helping to showcase Black History operators and TJ Stables/Spirit Horses encounter
- SPARK grant initiative, Round 2 – will be launched in Q1 2021 and will offer 3 local tourism businesses the opportunity to win a \$3,000 grant as well as mentorship supports
- Shop, Support, Explore Local campaign for the holidays – a print and digital “See You in CK” campaign showcasing all the great holiday-themed activities in CK as well as holiday shopping, take-out options in all communities, a winter warm-up bakery trail, and highlighting all the ways to support local tourism-oriented businesses. The campaign is supported by 7 videos featuring 26 CK business owners/BIA’s/Chambers of Commerce
- Resident Attraction and Retention (LivingCK)
 - Showcased over 10 stories of people who have chosen to live in CK and to establish small businesses here. The combined digital reach of the stories was 200,000 – of both internal and external audiences
 - Continued promotion of “things to do in CK” that encourage residents to get out and explore local and to support local businesses and communities
- Directed and approved by Municipal Council, Financial Services administered the delay of municipal property taxes from May 1 to July 10 and waive late payment charges on the current year tax arrears from April 1 to July 10, 2020. The August 4, 2020 property tax installment due date also extended to September 11, 2020.
- Payment due dates after April 1, 2020 for business licenses, loan agreements, CIP agreements and accounts receivable were deferred to June 30, 2020 and all late penalty charges were waived for this period.
- Public Health – provided daily website and media updates on COVID-19 active numbers and assisted small businesses with inquiries concerning safe business practices and greenhouse temporary foreign workers housing challenges.
- The Community Development department led the engagement of business and non-profit organizations through the development of the Chatham-Kent Economic

Task Force resulting in 500 businesses and non-profits engaged representing over 15,000 people in the workforce.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report support the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation(s) in this report support(s) the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

The following departments have provided information to the contents of this report:

- Community Attraction and Promotion, Tourism Services
- Planning Services
- Building Services
- Public Health

The General Manager, Finance, Budget, Information Technology and Transformation, CFO/Treasurer has reviewed the recommendation in the report.

EMT supports allocating \$125,000 from the Ontario Safe ReStart funds to expand the Digital Main Street Program outside the defined BIA downtown areas.

In addition, the Chatham-Kent Economic Recovery Task Force Co-Chairs are supportive of the recommendation.

Financial Implications

The request for \$125,000 would be provided through the already received \$5.8M Ontario ReStart Agreement and would be utilized by March 31st, 2021. Economic Development Services staff provide grant funding opportunities to small business entrepreneurs through their normal job duties.

Prepared by:

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Reviewed by:

Reviewed by:

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Attachments: None

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