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To our local and national leaders,

**Re: Save Small & Medium-Sized Business through Ongoing Federal Support During COVID and Beyond**

The Riverside District BIA and the Bloorcourt BIA are two of Toronto's 80+ BIAs. We collectively represent approximately 350 small and medium sized businesses and property owners.

Small and medium sized businesses remain the 'engine of the Canadian economy' and while they are instrumental, they remain equally as vulnerable and fragile during the COVID-19 pandemic and beyond.

As one of our local businesses put it: "At this stage, we need financial measures to help us through the next 6 months as business returns. We're not out of the woods yet and I believe the next 6 months will be even tougher as weather gets cooler, deferrals kick in, rent goes back up, and government subsidies wind down. Not only do we need to maintain revenues, but we need to aggressively grow them while keeping costs down if we're to come out of the pandemic. "

**What we've heard:**

Phase 3 should not be viewed as 'business as usual' and the next 6 months are predicted to be the hardest yet for businesses who are facing a drop in revenues, limited capacities, increased health protocols and loans coming due and rents going up.

This pandemic has highlighted some underlying systems that prove to be inequitable for small and medium sized businesses in the areas of commercial assessments, commercial rents, taxation classes, loan interest rates, and other areas. To enable ongoing recovery and resiliency, these systems need to change.

## **Program Recommendations:**

- RENT ABATEMENT: CECRA program needs to be retired and a new, improved rent abatement scheme needs to replace it - one that is more equitable and does not pit landlords against tenants and leave the success of a tenant up to the goodwill of a landlord. The application process should be reversely done with the tenant applying and not the landlord. We recommend that the qualifying criteria for loss of revenue be lowered to 40% instead of the current 70%.
- WAGE SUBSIDY: The CEWS is a key program which should continue through 2021. The wage subsidy for employers remains essential to keep in place through the end of 2021 to help ensure small and medium sized businesses do not fail and people remain employed.
- LOANS FOR SMALL/MEDIUM BUSINESS: Need to be continued and expanded, but with more forgivable options and longer timelines for repayment to reflect the continuing nature of COVID and allow for real recovery. It's recommended CFIB loans increased to \$80K with \$40K being foregiveable. CMHC needs a mandate to expand for small and medium sized businesses to use a BDC-concept approach to allow the ability for businesses to capitalize their debt, taking the concept used in home financing and applying it to small and medium sized businesses, especially given historically low interest rates.
- TAX DEFERRALS: In terms of taxes, provide 1-2 years to amortize and pay off taxes.
- DATA-DRIVEN DECISION MAKING: Use data gathered from federal programs to date and provide tailored support to small and medium sized business sectors (e.g. hospitality) based on real need.
- BUY LOCAL Canada-wide Campaign: now is the time to start the push for a concerted Canada-wide buy local campaign to keep dollars flowing to local businesses and keep the economy moving toward recovery.
- BETTER SUPPORT SERVICES FOR SMALL/MEDIUM SIZED BUSINESS: improve upon the resources available to have business advisors readily available to help businesses through the application process to enable more equitable participation in government programs. Ensuring timely accessibility via phone to assist applicants step by step to address issues with inability to get through on phone lines.
- GRANT PROGRAM FOR BUSINESS PIVOTING: programs to help organizations pivot their business model to strengthen their brick and mortar/physical locations to diversify their products or services to be more resilient during COVID and beyond

- GRANT PROGRAM FOR HEALTH PROTOCOLS - small and medium businesses are bearing the burden of putting health protocols in place which include extra staff to implement cleaning requirements to purchasing expensive PPE supplies - these grants should be expanded to ease this burden and help businesses.

Above all, this is an important opportunity to create programs and change underlying systems to allow for a solid foundation for small and medium sized businesses to be resilient and supported for the longer term.

We would welcome and appreciate further dialogue. Thank you sincerely for your ongoing support of small and medium sized businesses.

On behalf of the Riverside District BIA and Bloorcourt BIA:

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