

April 20, 2020

# **Honourable Mary Ng**

Minister of Small Business, Export Promotion and International Trade
Government of Canada

## **Honourable Melanie Joly**

Minister of Economic Development and Official Languages Government of Canada

### Honourable Bill Morneau

Minister of Finance Government of Canada

## **Honourable Michelle Mungall**

Minister of Jobs, Economic Development and Competitiveness Province of BC

## **Honourable Selina Robinson**

Minister of Municipal Affairs and Housing Province of BC

## **Honourable Carole James**

Minister of Finance Province of BC

Dear Ministers,

On behalf of Business Improvement Areas of BC (BIABC), the provincial umbrella organization representing more than 60 business districts across BC, we are writing to you as the voice of tens of thousands of small businesses that make up our downtowns, main streets and commercial districts. These businesses are the economic engines that drive our economy and the lifeblood of our communities.

We appreciate the collaboration between governments to provide support to workers and businesses through this crisis and were pleased to hear of a new commercial rent relief program being implemented by the federal and provincial governments, as well as expanded eligibility requirements for the CEBA program.

The necessary requirements placed on all non-essential businesses to close and other essential services to reduce operations during COVID-19 mean that many Small Medium Enterprises (SMEs) are unable to pay their commercial rents, property taxes and other expenses. A recent survey conducted by CFIB has indicated that only half of business owners believe their business will survive if current conditions continue through to the end of May. Consequently, the temporary closures will increasingly turn permanent and the recovery of BCs economy will be severely impacted.

The window of opportunity to provide meaningful help is now and we need the federal and provincial governments to collaborate to ensure appropriate supports are put in place. Below are four areas of assistance we believe are needed to counter these unparalleled threats to businesses and jobs.

# 1. Commercial Rent Relief

We respectfully ask that the Province of BC work with all levels of government, landlords and tenants towards implementation of a commercial rent relief framework for SMEs that are closed or have significantly reduced operations due to COVID-19. This framework should stabilize the important landlord-tenant relationship and include an incentive that ensures any benefits provided to commercial landlords are passed on to the tenants immediately, thereby keeping both whole during this challenging time.

Consideration also needs to be given to the many property owners that are also small businesses. Some may not be inclined to take on debt in such an uncertain time and therefore the forgivable terms of the proposed CECRA loan need

to be easily accessible and sufficient to provide meaningful relief such that small property owners feel confident to take on the risk to help their tenants.

Additionally, expansion of property tax deferment program to include commercial properties is required and a necessary step to ensure municipal revenues and core services are protected.

# 2. Financial Aid, Not Debt Deferral

We ask that all levels of government prioritize access to financial aid including grants rather than debt deferral measures to ensure that capital expenditures, and all incurred costs during COVID-19 closures are covered. Eligibility requirements must be expanded to include the many businesses that are family-owned and operated. Approximately 22% of businesses in B.C. have only 1 to 4 employees, many of which do not qualify for the various financial aid currently available. Both of the above measures will help to ensure SMEs have appropriate access to financial aid that will not lead to insurmountable debt thereby hampering their ability to re-open.

# 3. Technology Development Funding

The ability to bring operations online and have a digital presence has never been more critical for SMEs. Unfortunately, many businesses do not have either, nor the resources to invest in technology or the know-how to navigate website development, social media and e-commerce platforms that are necessary in this day and age. At a time when non-essential businesses are completely closed or operations are significantly reduced, the ability to fulfill important product and service needs, as well as maintain customer connections is vital for business relevancy and survival. Government funding to support a program similar to Digital Main Street in Ontario would not only provide invaluable resources for SMEs now, but will set them up for future success and increase resiliency in uncertain times.

# 4. Economic Recovery Task Force

We appreciate the Province's action in establishing an Economic Recovery Task Force comprised of leaders from business, labour, First Nations and not-for-profits to provide guidance regarding the cross-government economic response to the COVID-19 crisis, as well as the long-term economic recovery efforts. A request was made to Deputy Minister Meggs for inclusion of BIABC on this task force and we would like to reiterate the value we can bring to this important discussion, given our direct connection to the small businesses and commercial property owners throughout the province.

To conclude, we need greater and urgent economic relief for both SMEs and commercial property owners to protect our neighbourhood-level serving businesses and to ensure our economy is in a stronger position as we build towards recovery.

Yours sincerely,

Teri Smith

President, BIABC

CC: John Horgan, Premier, Province of BC

#### **BIABC Members:**

Abbotsford Downtown Business Association, Abbotsford

City of Abbotsford, Abbotsford

Heights Merchants Association, Burnaby

Burnaby North Road BIA, Burnaby

Downtown Chilliwack BIA, Chilliwack

Comox Business in Action, Comox

Austin Heights BIA, Coquitlam

Downtown Courtenay BIA, Courtenay

Cranbrook Downtown Business Association, Cranbrook

Tsawwassen BIA, Delta

Fort Langley BIA, Langley

City of Fort St. John, Fort St. John

Kamloops Central BIA, Kamloops

Kamloops North Shore BIA, Kamloops

Downtown Kelowna Association, Kelowna

Uptown Rutland BIA, Kelowna

Downtown Langley Business Association, Langley

Downtown Maple Ridge BIA, Maple Ridge

Mission Downtown Business Association, Mission

Greater Nanaimo Chamber of Commerce, Nanaimo

Downtown New Westminster BIA, New Westminster

Lower Lonsdale Business Association, North Vancouver

Town of Osoyoos, Osoyoos

Parksville Downtown Business Association, Parksville

Downtown Penticton Association, Penticton

Penticton Industrial Development Association, Penticton

Downtown Port Coquitlam BIA, Port Coquitlam

Downtown Prince George BIA, Prince George

Quesnel Downtown Association, Quesnel

South Quesnel Business Association, Quesnel

West Quesnel Business Association, Quesnel

Salmon Arm Downtown Improvement Association, Salmon Arm

Sechelt Downtown Business Association, Sechelt

Sidney BIA, Sidney

Downtown Squamish BIA, Squamish

Cloverdale BIA, Surrey

Downtown Surrey BIA, Surrey

Fleetwood BIA, Surrey

Newton BIA, Surrey

Terrace Downtown Improvement Area, Terrace

Cambie Village Business Association, Vancouver

City of Vancouver – BIA Program, Vancouver

Collingwood BIA, Vancouver

Downtown Vancouver BIA, Vancouver

Gastown Business Improvement Society, Vancouver

Hastings Crossing, Vancouver

Hastings North BIA, Vancouver

Mount Pleasant BIA, Vancouver

Point Grey Village BIA, Vancouver
Robson Street Business Association, Vancouver
South Hill Business Association, Vancouver
Strathcona BIA, Vancouver
Vancouver Chinatown BIA, Vancouver
West Broadway BIA, Vancouver
West End BIA, Vancouver
South Granville BIA, Vancouver
Downtown Vernon Association, Vernon
Downtown Victoria Business Association, Victoria
Oak Bay BIA, Victoria
White Rock BIA, White Rock
Williams Lake Central BIA, Williams Lake