

June 1, 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 the Vancouver BIA Partnership, a coalition of 22 business improvement associations in Vancouver, we are writing to you as the voice of more than 25,000 businesses and commercial property owners that make up our downtown, main streets and commercial districts. These businesses – restaurants, cafes, salons, boutiques, hotels - are the economic engines that drive our economy and the lifeblood of our communities.

We are appreciative of the response to our letter dated April 17, 2020 and for the continued multi-level government action to the COVID-19 pandemic in support of Canadian businesses and employees. The various financial assistance programs have provided a lifeline to many businesses to withstand temporary closure or reduced operations, however, many have also fallen through the cracks due to ineligibility. Within each of our 22 commercial districts across Vancouver, there have already been permanent business closures. As we transition to slowly re-opening our economy, we recognize the urgency with which these programs must be expanded and extended, much like the Canadian Emergency Wage Subsidy, to ensure the viability of those businesses fortunate enough to re-open their doors.

As such, we recommend the following measures:

- Modify the CECRA program to allow tenants to directly apply for the grant with the stipulation that the funding be put towards lease expenses;
- Increase the loan and grant amounts available to businesses under both CEBA and CECRA programs, as well as match the forgivable portion for both at 50%;
- Reduce eligibility thresholds to ensure as many businesses as possible qualify. For instance, 70% is too
  high for the CECRA and will exclude many businesses that have experienced less than a 70% revenue
  reduction, but are similarly truggling to survive;
- Expand the period of assistance that is available beyond June 2020.for all business support programs.

A recent survey was conducted by the BC Chamber of Commerce, Greater Vancouver Board of Trade and Business Council of British Columbia and received responses from more than 1,300 businesses across the province and the data supports our recommendations as outlined above. Of the responses, only 26% of businesses impacted by COVID-19 feel

that they may generate a profit during Phase 2 of BC's Restart Plan and more than half of businesses expect it will take at least two months to get going again based on all the new industry health and safety guidelines. Furthermore, 80% of businesses are still struggling with decreased sales. Overall, more than 4 in 10 businesses will require ongoing federal and provincial assistance to survive this pandemic.

A second relevant survey conducted by the BC Chapter of the Canadian Federation of Independent Business (CFIB) found that 40% of businesses in BC will not be able to pay June rent without financial assistance, and 48% believe that rent relief could make the difference between their survival and permanent closure. Unfortunately, 52% of landlords do not intend to apply for CECRA funding and as a result 44% of businesses feel that the government allowing tenants to directly access the CECRA rent subsidy should be made a priority.

The economic recovery period will be long and tenuous. Businesses re-opening their doors face many challenges in the months ahead, including operating at reduced capacity, implementing new health and safety protocols, weakened consumer confidence levels, decreased tourism etc. Consequently, businesses will require continued government assistance throughout the recovery period. The next six months are critical for business survival and with the potential risk of a second wave, the government must continually reassess the situation and respond accordingly.

Our economy depends on healthy and vibrant downtowns, main streets and commercial districts throughout BC to provide critical employment, important goods and services, support for local economies, inspire growth and innovation, as well as create strong and resilient communities. B.C.'s recovery is inextricably linked to the survival and success of the hundreds of thousands of businesses throughout our province.

Yours sincerely,

Teri Smith, Executive Director, Robson Street Business Association On behalf of Vancouver BIA Partnership

cc: Mayor Kennedy Stewart, City of Vancouver