



Committee of the Whole Report

For the Meeting of May 14, 2020

To: Committee of the Whole **Date:** May 7, 2020
From: Kerri Moore, Head of Business and Community Relations
Subject: Support Small Business, Arts and Culture, and the Visitor Economy Progress Report

RECOMMENDATION

That Council receive this report for information.

EXECUTIVE SUMMARY

At the March 19, 2020 Council meeting, Council considered motions that directed staff to examine and report back on the City's fiscal legislative, and legal powers to support small businesses and jobs, arts and culture and the visitor economy. In addition, Council directed staff to review the 2020 operational and capital plans and report back on other initiatives that could provide some degree of mitigation to individuals and residents and businesses from the impacts of the COVID-19 Pandemic.

A number of these considerations were responded to in the report from the Deputy City Manager attached as Appendix A. The purpose of this report is to respond to what the City has done and is able to do given the legal constraints of section 25 of the *Community Charter* that prohibits granting assistance to business.

At the onset of the Pandemic, the Mayor through the Business Hub convened a meeting with key business partners in the City to obtain information on the impact to small business and to ascertain how the City could best support small business and jobs. This engagement has been instrumental in gathering real time information on how our local economy has been affected by COVID-19.

In response to these early calls, the Business Hub has created a resource page to act as a one stop resource for local businesses on the City website with access to federal, provincial and local programs, worked in partnership with other City staff to roll out a targeted marketing and sales campaign to both educate local businesses about resources available to them and provide information on how residents might best support them, as well as continuing to explore other areas for support and recovery through COVID-19.

Other City departments have been working to explore changes to City regulations, requirements, or to facilitate new ways for businesses to operate. The Strategic Real Estate team implemented a rent deferral program and continues to review federal and provincial aid programs. The Arts, Culture & Events department have also created a COVID-19 webpage for the arts and culture sector providing a list of all the local, provincial and federal resources, and are looking at supporting alternatives to live performances primarily through online streaming platforms. The Victoria

Conference Centre in partnership with Destination Greater Victoria have introduced a number of initiatives to help mitigate some of the impacts, in particular working with our lead tourism organizations and local stakeholders for recovery plans when given the signal its appropriate to travel again.

The City is committed to supporting local businesses, arts and culture, and the visitor economy through information sharing and advocacy to other levels of government. In addition, City staff are actively pursuing other initiatives to address COVID-19 related impacts and the details of those initiatives, as well as the decisions of Council to this point, are detailed in this report.

PURPOSE

The purpose of this report is to provide Council with an overview of all of the City's fiscal, legislative and legal powers to support small businesses and jobs, the non-profit sector, arts and culture and the visitor economy in order sustain the local economy during the pandemic and position for a strong recovery. As well this report highlights the activities that the City has been involved with to provide support in these areas.

BACKGROUND

At the March 19, 2020 Council meeting Council passed three motions relating to the COVID-19 pandemic that are relevant to this report:

Council Member Motion - COVID-19 City Response to Support Small Business, Arts and Culture and the Visitor Economy

1. *Direct staff to examine all of the City's fiscal, legislative and legal powers to support small businesses and jobs, the non-profit sector, arts and culture and the visitor economy in order sustain the local economy during the pandemic and recover stronger and more resilient than before.*
2. *Report back to Council on an urgent basis.*

Motion Arising:

Direct staff to look at the operational and capital plan for 2020 to see what will not be accomplished in this year due to COVID-19 and bring recommendations to Council as to what would come out of the budget accordingly.

Council Member Motion - Reducing Economic Hardship Arising from COVID-19

1. *Direct staff to develop an Action Plan without delay identifying measures within municipal jurisdiction to reduce economic hardship on individuals and organizations impacted by COVID-19, including consideration of the following measures:*
 - a. *Repurposing underutilized facilities for emergency shelter and healthcare for the unhoused, to allow for social distancing, proper care, harm reduction, and recovery.*
 - b. *Emergency regulations to restrict evictions of tenants who have suffered a loss of earnings due to quarantine, self-isolation, layoff or declining economic activity.*
 - c. *Temporary deferral of fees, taxes and other payments owing to the city from those suffering hardship.*

2. *Advocate to the Governments of British Columbia and Canada for immediate action along the following lines:*
 - a. *Emergency housing and healthcare for the unhoused through the retrofitting of underutilized facilities to allow for social distancing, proper care, harm reduction and recovery.*
 - b. *Income support through Employment Insurance, statutory Paid Sick Leave provisions and / or other programs to replace earnings that have been lost as a result of COVID-19, with immediate and retroactive effect, including eligibility for precariously employed workers in the service sector and “gig economy”, self-employed workers and small business operators.*
 - c. *A temporary moratorium on evictions, foreclosures and payment of debt and utility fees.*
 - d. *Support for Indigenous communities that are particularly vulnerable to COVID-19 due to substandard health, housing, water and social service systems.*
 - e. *Temporary deferral of payroll deduction remittances (i.e. EI, CPP, Income Tax) and income tax instalment payments where necessary to reduce pressure on business cash reserves and maintain payment to employees and suppliers*
3. *Request that the Mayor write, on behalf of Council, to the Premier of British Columbia and the Prime Minister of Canada, requesting immediate action along the lines outlined above, and indicating the City of Victoria’s willingness to cooperate with those orders of government to ensure an integrated and effective response to COVID-19, including reducing economic hardship on individuals and organizations and safeguarding the economic base of the community.*
4. *Direct staff to prepare bylaw amendments to allow for the temporary waiver of financial penalties for non-payment of municipal utilities fees and taxes during provincially declared emergencies.*
5. *Request that the Province of British Columbia grant local governments the discretion to postpone payment of property taxes with no financial penalty in 2020 for those that meet a provincially determined threshold.*
6. *Request that staff consider initiating emergency childcare services for essential services workers during the COVID19 public health emergency, either as a city-operated service or in partnership with external childcare providers.*
7. *Request that the University of Victoria reconsider the displacement of students current living in student housing who have no alternate housing options.*
8. *Council request that landlords not increase rents at this time of crisis and defer rents for those in need.*

Council has received reports back on the Financial Plan (operating and capital) noted in the second motions and reports back on many of the issues identified in the third motion that required actions from staff.

ISSUES & ANALYSIS

Under the *Community Charter*, the City, like all other local governments in British Columbia, is prohibited from assisting businesses and is unable to take any action that would provide help to any specific business operator or sector. City efforts, therefore, must focus on the larger scale

efforts directed at the economic well-being of the community, which includes commercial activity that drives the local economy.

Following is an overview of the City actions undertaken within our legislative and legal powers to support small businesses and jobs, non-profit sector, arts and culture and the visitor economy.

City Business Hub

The City's Business Hub has implemented the following tools and initiatives to support the small business and jobs sector during the pandemic and towards recovery, including:

- compiling a resource page with information on the City's website that includes access to federal, provincial and local programs that could bring some relief to businesses through COVID-19, in addition to outlining ways to potentially support our local economy and the businesses in it. The page is updated frequently with new resources and support networks as they become available
- working in partnership with the City's Engagement team to roll out a targeted marketing and sales campaign, both through social media channels and print advertisements to aid in both educating local businesses about resources available to them and providing information on how residents might support the local economy through COVID-19. The campaign runs from April 23 to May 21, 2020 and includes Victoria businesses that utilized local resources to support them through the pandemic and examples of the various initiatives available to our community to help support them
- twice weekly calls with business leaders in the community to address emerging issues and concerns, identify gaps in support or resources, and triage responses as required
- exploring any opportunities for reduction or postponement of City of Victoria permits or other fees
- developing materials to provide guidance on operational and safety expectations to be met through new guidelines provided by the Provincial and Federal Government and WorkSafe BC; and
- continuing to support the local business community through inquiries made directly to the Business Hub for support and information.

Strategic Real Estate

The City's Strategic Real Estate unit (SRE) has pursued a number of initiatives to help mitigate some of the impacts of the pandemic on businesses leasing City owned lands, including:

- in March 2020, implementing a rent deferral program to permit COVID impacted businesses to defer the majority of their lease payments during the 3-month period April through June 2020.
- accelerate available year end operating cost credits for tenants to reduce overall lease payments.
- ongoing communications with other municipalities regarding potential options being considered to help mitigate impacts on businesses leasing public lands.

- reviewing federal and provincial aid programs (e.g. Canada Emergency Commercial Rent Assistance) to determine if they are eligible for City participation to reduce lease costs; and
- disseminating information sites out to our tenants, as they become known, where they can access up-to-date information on various support programs and resources.

Arts Culture and Events

The City's Arts, Culture & Events (ACE) department has initiated the following tools and programs to support the arts and culture sector during the pandemic and towards recovery, including:

- staff gathered a list of local, provincial, and federal COVID resource page for the arts and culture sector as well as a listing of local concerts and events to help promote Victoria based organizations. Staff continue to update the site regularly.
- the City of Victoria's Artist in Residence, Kathryn Calder, has performed live stream concerts from her home in Victoria and will continue to seek ways to engage the public safely following provincial health guidelines.
- the City of Victoria Poet Laureate John Barton and local poets took The Worldliness of Poetry event online and shared poetry virtually during April's National Poetry Month.
- Commute Bus Shelter program and Commercial Alley program continue to seek artists for temporary display downtown.
- staff continue to work with event organizers postponing and going ahead with events after May 30th. Staff continue to monitor the public health officer's guidelines for events and public gatherings; and
- a report will be forthcoming regarding options for allocation of the Festival Investment Grant program.

Tourism

The Victoria Conference Centre (VCC) in partnership with Destination Greater Victoria (DGV) have introduced a number of initiatives to help mitigate some of the impacts of the pandemic on tourism with a primary focus on recovery, including:

- supporting local businesses through blogs and communication. The "Open for Business" blog was created specifically for those that have pivoted to support locals
- the VCC Sales Team has been focused on rebooking Conferences/Meetings for future years. Considerable success is focused on deferred business and not lost business
- marketing campaigns have been launched for the Destination; #MyVictoriaMoments is a campaign designed for people to share photos and videos to stimulate dreams and consideration for when travel is again appropriate
- working on a broad partnership basis for recovery plans when given the signal that it is appropriate to travel; and
- all employers and associations are working hard to ensure workers are getting access to government assistance programs.

City Actions Under Development

Curbside Use

The City permits certain business operations to pay for and receive priority use of parking stands for Horse Drawn Carriage operators and sightseeing vehicles. The allocations of the stands and the fees are established by Council in the Vehicles for Hire Bylaw. In addition, the 35 licensed pedicab operators in the City pay a "yellow curb fee" under the same Bylaw enabling them to stop and stand in marked yellow curb areas in the areas in which they operate. The operators have requested a waiver of fees resulting from the inability to conduct their business under the pandemic declaration. Staff will be bringing forward a report on these issues for council's consideration later this month.

Street Vending and Commercial Activity in the Public Domain

A staff group (Engineering & Public Works, Sustainable Planning & Community Development, Bylaw, Finance and Business & Community Relations) are exploring possibilities to expand parklets, sidewalk cafes, street vending and commercial use of public space opportunities to meet new social distancing protocol for businesses and offer alternative options for them to potentially pivot operations amid pandemic recovery.

Animate and Enliven Downtown

Support recovery efforts with future opportunities to animate and enliven downtown and neighbourhood villages. This could help bring residents and visitors back into the core to support local businesses. This may include live music concerts in downtown businesses, expanded busker program, beautification projects hiring artists for temporary public art projects, and expansion of the storefronts project.

Emergency Response and Recovery Toolkits

As outlined in the economic action plan *Victoria 3.0* Recovery Reinvention Resilience, the Business Hub in partnership with business leaders in the community are developing toolkits for businesses to respond and recover from disaster and emergency.

CONCLUSIONS

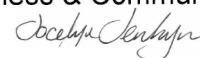
The City of Victoria will continue to listen to the business community to explore changes to City regulations and requirements to facility new ways for businesses to operate across the small business, arts and culture and visitor economy sectors that could provide further relief and support during and following the COVID-19 pandemic.

Respectfully submitted,

Quinn Anglin
Business Ambassador



Kerri Moore
Head of Business & Community Relations



Report accepted and recommended by the City Manager: _____

Date: May 12, 2020

List of Attachments

Appendix A: 2020 Financial Plan – Potential Adjustments