

Subject: Covid-19 Business Impact Survey

Department: Community Services

Division: Economic Development & Culture

Report #: CMS-2020-007

Meeting Date: 2020-10-19

Recommendations

That report CMS-2020-007 be received.

Background and Analysis

Gauging the impact of the Covid-19 pandemic on local Orangeville businesses is of critical importance to the municipality. The Town is the major business and services hub within Dufferin County and accounts for nearly half of Dufferin's population. The Town's share of jobs (16,127 or 66% - 2016 Census) is significantly higher than its share of population (47%), demonstrating its role as a service centre in the region and supporting the need for an Orangeville-centric approach to pandemic recovery efforts.

Between March 31 and April 6, 2020, the Town of Orangeville's Economic Development & Culture office completed its first electronic COVID-19 Business Impact Survey of 191 local businesses. The objective of the survey was to understand the business environment while in the initial stages of the pandemic, demonstrate the municipality's concern for local businesses, identify the most pressing needs of local entrepreneurs, and to help formulate potential ways to provide support as the organization moved forward with recovery planning.

As the Province eased restrictions for business operations within the Wellington-Dufferin-Guelph region, the majority of the Town's ventures initiated Stage 3 re-opening steps over the course of the summer. Between August 17 and September 10, 2020, the Economic Development and Culture office undertook a second Covid-19 Business Recovery Survey and it was completed in partnership with the County of Dufferin and the Town of Shelburne.

In keeping with the objectives outlined within the Town's COVID-19 Business Recovery Plan, the second round of engagement shifted from online surveying to targeted,

sectoral interviewing of the business community. By reaching out to select businesses across various sectors representing the Town's business make-up, staff were able to ensure representation across all business sectors, sizes and stages of development. This one-to-one contact also enabled staff to obtain more detailed information from participating business owners and to provide immediate, customized assistance and information where possible. In total, 41 business interviews were conducted.

Results

Detailed survey results are outlined in Attachment 1 to this report. Outlined below are some of the key findings from the survey:

Capacity - Sixty-eight per cent (68%) of businesses surveyed have remained open in some capacity from the onset of the pandemic, and another 29% have reopened after a temporary closure. The majority of businesses (63%) indicated that they are currently operating at 75% or better of their maximum capacity and of those responses, 28% are operating at a capacity of 100% or better.

Revenues – Overall, 53% of business owners indicated that they were generating 75-100(+) % of monthly revenues over the same time last year. However, this level of success dropped most significantly in tourism-oriented businesses. Within the Accommodation and Food Services sector, 33% of respondents advised of revenues at 75% or greater over last year and 44% advised of revenues at 49% or lower. Arts, Entertainment and Recreation Services were also harder hit than other sectors - 45% advised that revenue levels were 49% or less over the same time last year.

It should be noted that while retailers - and food establishments particularly, expressed concerns for the upcoming winter season and their capacity to weather another pandemic wave, they also advised that their ability to expand their outdoor patio space contributed significantly to their ability to recover revenues over the summer months. Appreciation was expressed for the efforts by Council to quickly respond to their needs and adapt the Outdoor Patio by-law to support their expansion of space. Businesses located on both private and public property took advantage of the revised by-law and acknowledged the impact to their summer recovery efforts.

Workforce - Workforce questions were also addressed within the survey. Surprisingly, when total number of employees pre-Covid was compared to total number of employees at the current time, the number increased by an average of 23%. Fifty-one per cent (51%) of businesses anticipate no changes to staffing within the next three months, 46% anticipate hiring, and one business (3%) indicated that there would be layoffs (a seasonal norm).

Covid Emergency Funding Uptake - Approximately 28% of businesses advised that they had/were currently utilizing the Canada Emergency Wage Subsidy (CEWS), 48% had staff that had utilized the Canada Emergency Response Benefit (CERB) and 40% had utilized the Canada Emergency Business Account (CEBA). The least utilized Covid

Assistance Program was the Canada Emergency Commercial Rent Assistance Program (CECRA), with only three business reporting its use.

Future Outlook – Participating businesses were asked about their outlook for the remainder of 2020. Thirty-five per cent (35%) of respondents indicated that they were moderately pessimistic, while another 30% advised of being moderately optimistic. The top three concerns cited for the future included a global or Canadian recession, the financial impact of Covid on their operations and/or liquidity and capital, followed by concerns for decreased consumer spending/confidence.

Business owners were asked for their input on the biggest economic opportunities for the community's recovery from Covid. While responses varied, the importance of buy local campaigns to support local businesses was a common theme. Businesses also recognized a need to pivot and find ways to delivery sales and services online.

No significant trends were identified with respect to longer-term changes related to telework/remote work plans. However, businesses did indicate expectations of increased revenues being generated from online sales in the future.

Other – The majority of businesses indicated that they were receiving enough information and updates on resources available to them and expressed high interest in continuing to receive information related to financial grants, cashflow and emergency funding as it becomes available.

Miscellaneous thoughts and concerns were also solicited from participants, and wherever possible, staff addressed questions and concerns directly. While no specific patterns emerged, some concern was expressed for the difficulty in accessing/qualifying for federal programs such as the CEBA and for the lack of monitoring/verification required by employers for individuals accessing the CERB program.

The Economic Development and Culture office continues to track commercial business closures. To date, staff is aware of 11 closures since March 2020, with 7 to 8 of the closures being a direct result of the pandemic impacts.

Overall, Orangeville's business community appears to have been resilient thus far. However, as the fall approaches and the Covid numbers rise, there is also a great deal of trepidation for the future.

Town Response

In June 2020, the Town launched a Covid Business Recovery Plan. The document outlined major actions that would be required to support Orangeville's business community with its response, re-launch and recovery efforts.

To date, progress has been made on almost all components of the Business Recovery Plan and staff will continue to adapt and quickly respond to opportunities that become available to support Orangeville's entrepreneurs. To date, the majority of

implementation measures have been enacted through the adoption of increased digitalization tools by staff (i.e. Teams, Zoom, WebEx, phone, emails, website and social media platforms). The business community has responded well to the delivery of virtual services.

Action	Audience	Status/Accountability
<p>Online Recovery Portal/ Communication/Outreach</p> <p>-communication on all government programs including eligibility and application requirements</p>	<p>Local business community</p>	<p>Launched March 17/20 - Ongoing</p> <p>-Approximately 100 revisions to date (03-09/20)</p> <p>-Funding announcement by Province anticipated 10/20 to support Small Business Covid Recovery Network. Funding will promote services of the SBEC network, expand webinar opportunities, provide access to Growth Wheel program– a planning tool for use with businesses. Program will also enable office to provide direct, intensified and specialized support to businesses across multiple topic areas to 09/21 with \$32,000 grant.</p>
<p>Situational Impact Assessment</p> <p>-periodic surveying of business community at critical points to determine responses required</p>	<p>Local business community</p>	<p>Ongoing-periodic</p> <p>-First survey March 31-April 6 of 191 businesses to establish issues, needs and benchmark for future impact. Report to Council May 11/20</p> <p>-Second survey August 17-Sept 10/20. 1-1 interviews with 41 business owners across multiple sectors. Report to Council Oct 19/20</p>
<p>Buy Local Initiatives</p> <p>-promotion of Orangeville and Orangeville businesses to local and regional markets</p>	<p>Retail/food sector businesses</p> <p>General public</p>	<p>Ongoing</p> <p>-Social media profiling of local businesses delivered between March – June when openings resumed. Included launch of ‘Take Out Tuesday’ campaign</p>

	<p>GTA high income consumers</p>	<p>--Local radio campaign promoting buy-local July-August/20</p> <p>-Toronto Star Horizon Travel magazine ad -Sept 26/20 targeting 100,000 GTA subscribers</p> <p>-Digital advertisement at Young/Dundas Square -Sept 14-20/20</p> <p>-Globe & Mail Great Taste of Ontario Road Trip publication – October /20 targeting 600,000 readers</p> <p>-In the Hills buy local ad – November/20 edition</p> <p>-Buy local promotion ongoing via social media</p>
<p>Business Retention Initiatives</p> <p>-delivery of initiatives to support resolution of issues/explore opportunities</p>	<p>Existing business community</p> <p>General public</p>	<p>Ongoing</p> <p>-Apr/20 outreach to local manufacturers resulted in 7 direct referrals to FedDev contacts for potential PPE production opportunities</p> <p>-Database of local and provincial PPE suppliers launched 05/20 to support re-opening efforts of business</p> <p>-Ongoing guidance, advice, support throughout community on specific business issues and /or Covid. 3493 consultations and inquiries addressed between Mar.-Sep. 2020, a 15% increase over same period in 2019.</p> <p>-Orangeville Resiliency Map launched 06/20 for businesses to share their re-opening hours/operational status/PPE requirements for public awareness and consumption. Map promoted to community</p> <p>-Outdoor Café and Display of Merchandise by-laws adapted and implemented June 8/20. 11 public property patios expanded (+5 from 2019)</p>

		<p>and 2 non-objection alcohol letters issued for private property (figures do not include patio expansions on private property). Extension of Outdoor Patios to November 30 approved by Council Sept 29/20</p> <p>-Grant of \$40,000 received to deliver second Digital Main Street program August/20. Program will support eligible businesses to adopt/expand digitalization efforts and potentially qualify for grants of up to \$2500. Program ends Feb/21</p> <p>-Although not Covid driven, the filming of Ice Wine Christmas in Sept/20 resulted in additional revenue (store front rentals), expenditures in the Downtown by 40+ crew as well as a donation of \$8000 to the BIA, providing a much needed boost to retail, food and accommodation businesses</p>
<p>Education/Learning</p> <p>-office shifted to online webinar delivery. Focused effort on Covid management/best practices and emphasis on digitalization practices</p>	<p>Local business community</p>	<p>Ongoing</p> <p>-“Ask the Expert” 3-part series launched April/20 with Councillor Andrews (Finance & Operations-04/20; Employment Issues and Solutions-05/20; Reopening Protocols-06/20)</p> <p>-October 27 Economic Outlook Summit will be delivered virtually for first time. Economic forecast will be followed by panel of businesses exemplifying pivoting success</p> <p>-Fall 2020 workshop series to be delivered entirely online (09-12/20) and feature relevant topics to manage COVID (cybersecurity, online marketing, CRA Q&A, etc.). Seminars by outside providers promoted along with internally offered events– Between 03-09/20, 39 digitalization and 50 Covid specific learning events were promoted by office.</p>

<p>Tourism Strategy & Action Plan</p> <p>-project launched despite Covid and adapted to consider mid-long term Covid impacts</p>	<p>Local tourism-oriented, arts and culture businesses</p> <p>Cultural and tourism oriented organizations</p>	<p>Launched May/20 – in progress</p> <p>-Community and stakeholder input solicited despite restrictions. 41, 1-1 interviews (06/20) / 27 Stakeholder surveys (07/20) / 40 attendees to Public Info Session (07/20)</p> <p>-Interim report provided 09/20 & reviewed by BEDAC. Final plan anticipated 12/20</p>
<p>Expand BEDAC role</p> <p>-expand Terms of Reference to enhance Covid recovery input/members to raise business awareness of supports</p>	<p>BEDAC members</p> <p>ED & C Staff</p> <p>Local business community</p>	<p>Launched - ongoing</p> <p>-Expanded role of committee approved at 06/20 meeting and by Council 07/20.</p> <p>-1-1 surveys completed with BEDAC business members (09/20)</p> <p>-BEDAC reviewed/commented on Business Recovery Plan/undertakings – 06/20 and 09/20</p> <p>-BEDAC reviewed/commented on Tourism Strategy Interim Report – 09/20</p>
<p>Showcase Cultural and Artistic Talents</p> <p>-shift delivery of events online. Expand Utility Box Art Display program to include Alder Mural Program</p>	<p>Local artists</p> <p>Cultural businesses and organizations</p>	<p>In progress</p> <p>-2020 Arts & Culture Awards will be delivered online October 22/20</p> <p>Total 2020 art installations - 8</p>
<p>Infrastructure Project Preparedness</p> <p>-preparation for relevant priority infrastructure projects/stimulus funding (multiple Town divisions examining)</p>	<p>Implementation of projects would support local businesses and job creation</p>	<p>In progress</p> <p>-Council approved \$50,000 to explore feasibility of multi-use development at 82-90 Broadway. Report to Council 11/20</p> <p>-Report to Council and budget submission made for 2021 Community Improvement Plan</p>

		-Parks & Rec Master Plan (08/20) recommendations re Alexandra Park being examined
<p>Workforce</p> <p>-Participate/partner for initiatives to support business community and workforce development</p>	<p>Local business community</p> <p>Partner organizations</p> <p>Workforce Planning Board (Waterloo-Wellington-Dufferin)</p>	<p>Launched</p> <p>- Career and Employment Community Services programs available to support workers and employers promoted regularly</p> <p>-EcDev Mgr. will participate in Scenario Planning Project with Western ON area Ec. Dev partners to explore key internal/external factors impacting labour force over next 12-24 months. Potential workforce scenarios will be identified and results will support strategic planning for mitigation efforts (launch TBC – 10/20)</p> <p>-Ongoing monitoring for potential initiatives</p>

Staff will continue to monitor for further incentive and relief initiatives from the federal and provincial governments so that the office can best tailor municipal efforts to fulfill gaps and address specific areas of need.

Strategic Alignment

Orangeville Forward – Strategic Plan

Priority Area: Economic Vitality

Objective: Attract, retain and expand businesses

Sustainable Neighbourhood Action Plan

Theme: Economic Development and Culture

Strategy: Enhance economic resiliency through attraction, expansion and retention of diverse business industries

Notice Provisions

N/A

Financial Impact

None at this time.

Respectfully submitted

Ray Osmond,
General Manager,
Community Services

Prepared by

Ruth Phillips,
Manager, Economic Development &
Culture

Attachment(s): 1. Covid-19 Business Impact Survey Results – September 2020