



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Planning, Development and Recreation
Division: Economic Development
Report Number: 2020-318-Planning, Development and Recreation
Prepared By: Bob Peters, Division Manager
Meeting Date: June 8, 2020
Subject: Update – Cornwall Small Business Emergency Support Loan

Purpose

To provide Council with an update on the Cornwall Small Business Emergency Support Loan Program.

Recommendation

That Council receive this report and authorize the extension of the program to accommodate up to 115 participants.

Financial Implications

Funding for the Small Business Emergency Support Loan would be provided under the Community Improvement Program, with total program funding capped at \$500,000. Funds are available in the Brownfields Reserve and as loans are paid back the Reserve would be replenished. If fully subscribed and if all applicants meet their commitments by December 31, 2022, the forgivable portion of the loan would be \$100,000. The forgivable portion would be included and funded through the 2021 and 2022 budgets at \$50,000 each year.

If Council approves the extension of funding to 115 participants, program funding would be capped at \$575,000 and the budgeted forgivable portions would be increased to \$57,500 per year.



Strategic Priority Implications

This development falls under the Economic Development section of City Council's Strategic Priorities. It is also supported by the City's Economic Development Strategic Plan.

Background / Discussion

On April 29, 2020, City Council approved the Cornwall Small Business Emergency Support Loan program, which provides an interest-free loan of up to \$5,000 for qualifying businesses. The goal of the loan program to provide support to offset the effects of the COVID-19 crisis, and at the same time, provide assistance to local businesses as they work to transition to a more resilient business model.

The program was extensively marketed in a short period of time and received very positive reaction from the business community.

Within two weeks, 99 Cornwall small businesses had applied for the program before the initial intake was closed on May 15.

The intake deadline was subsequently extended to May 29, 2020. As of this deadline, an additional 13 applications have been received.

A review of the first intake has been completed, and staff have begun to distribute funds subsequent to the signing of a loan agreement. As of June 2, approximately 76% of the funds have been dispersed.

The City has received applications across many business sectors, including: retail, restaurant, manufacturing, wholesale, entertainment, fitness, professional services (legal, accounting, medical, etc.), personal care services (hair salons, barbers, message therapy, etc.), and contractor services (painting, landscaping, mechanical, etc.).

Administration will prepare a final report to Council summarizing the Program results.

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| Document Title: | Update - Cornwall Small Business Emergency Support Loan - 2020-318-PDR.docx |
| Attachments: | |
| Final Approval Date: | Jun 2, 2020 |

This report and all of its attachments were approved and signed as outlined below:

Mark A. Boileau - Jun 2, 2020 - 2:28 PM

Tracey Bailey - Jun 2, 2020 - 3:41 PM

Maureen Adams - Jun 2, 2020 - 4:42 PM