

## Special Committee of the Whole Report

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**DATE:** Tuesday, March 17, 2020

**WARD(S):** ALL

### **TITLE: CITY OF VAUGHAN ECONOMIC MEASURES IN RESPONSE TO THE GLOBAL NOVEL CORONA VIRUS (COVID-19) PANDEMIC**

**FROM:**

Mary Reali, Deputy City Manager, Community Services  
Michael Coroneos, Deputy City Manager, Corporate Services and Chief Financial Officer

**ACTION:** DECISION

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#### **Purpose**

Since the declaration of the global Covid-19 pandemic on March 12, 2020, the City's Economic and Cultural Development Department (ECD) has received feedback from the business community and leading national associations.

The following recommendations are based on that feedback and are meant to provide support and stimulus to the local economy while easing strain for local citizens as they manage the repercussions from the global Covid-19 pandemic.

Enacting these recommendations will provide relief to businesses and citizens *and* demonstrate to the local business community and consumers that the City of Vaughan is committed to ensuring the well-being of citizens and the economy

#### **Report Highlights**

- The global Covid-19 pandemic is causing significant disruption to business
- The City of Vaughan has an opportunity to support its businesses and citizens by suspending bylaws that can ease legislative burdens
- The City's Business Advisory Services can help affected business owners access supports from other stakeholders and levels of government

## **Recommendations**

1. That section 11(1), and any other section of City of Vaughan Bylaw 062-2018 as determined by the Director and Chief Licensing Officer be temporarily suspended for 30 days following Council approval of this recommendation, thereby allowing the loading and unloading of commercial vehicles, transport trucks, and other vehicles on a 24-hour basis at places of business in Vaughan.
2. That sections 7 and 8, and any other section of City of Vaughan Bylaw 284-94 as determined by the Director and Chief Licensing Officer be temporarily suspended for 30-days following Council approval of this recommendation, thereby suspending the limit imposed on the weight and size of vehicles on certain roads allowing for efficient movement of supply and goods.
3. That relevant sections of City of Vaughan Bylaws 029-2019 and 183-2019 as determined by the Chief Financial Officer and City Treasurer be suspended until June 1, 2020, namely collection of the four per cent Municipal Accommodation Tax (MAT) by transient accommodation providers in Vaughan.
4. That the City of Vaughan maintain frontline Small Business and Entrepreneurship Services designed to support and assist local businesses, regardless of other City service closures as a response to the global Covid-19 pandemic.
5. That the temporary suspensions to City of Vaughan Bylaws outlined in Recommendations #1-#3 above be subject to extension, subject to Council approval.
6. That staff be authorized to commence planning of long-range economic and fiscal measures to support and promote recovery of the local economy and key sectors, subject to Council approval.
7. That staff be authorized to bring effect to the recommendations in this report, and related operational and administrative matters presented in this report.
8. That all necessary bylaws be enacted.

## **Background**

***The global Covid-19 pandemic has led to challenges in maintaining stock in Vaughan retail businesses.***

Over-buying and challenges with supply-chain management have meant that grocery stores and other retailers of essential products and services have not been able to maintain inventory.

***The global Covid-19 pandemic has led to the cancellation of major sporting, corporate and leisure events thereby causing visitors and consumers to cancel reservations and travel plans.***

Reports from local businesses and accommodations confirm that consumer spending and travel are down significantly.

***Businesses are reaching out to all levels of government for support, including local governments such as the City of Vaughan.***

City of Vaughan Business Advisory Services help businesses navigate available resources. As trained business consulting professionals, the Business Advisors' jobs are to provide advice and knowledge to local businesspeople. ECD can help businesspeople navigate available resources to help them mitigate the negative impact of Covid-19.

### **Previous Reports/Authority**

Bylaw 062-2018 (Noise): [https://www.vaughan.ca/services/residential/by-law\\_enforcement/Noise/Pages/default.aspx](https://www.vaughan.ca/services/residential/by-law_enforcement/Noise/Pages/default.aspx)

Bylaw 284-94 (Traffic): [https://www.vaughan.ca/cityhall/by\\_laws/Bylaws/284-94.pdf](https://www.vaughan.ca/cityhall/by_laws/Bylaws/284-94.pdf)

Bylaw 029-2019 (Municipal Accommodation Tax): [https://www.vaughan.ca/cityhall/by\\_laws/Bylaws/029-2019.pdf](https://www.vaughan.ca/cityhall/by_laws/Bylaws/029-2019.pdf)

Bylaw 183-2019 (Municipal Accommodation Tax – Short Term Rental): <https://pub-v Vaughan.escribemeetings.com/filestream.ashx?DocumentId=25035>

City of Vaughan MAT: <https://www.vaughan.ca/MAT/Pages/default.aspx>

City of Vaughan Business Services: [www.vaughan.ca/business](http://www.vaughan.ca/business)

### **Analysis and Options**

***ECD has heard from industry stakeholders that lifting restrictions on the delivery of goods would alleviate shortages in grocery stores AND help local businesses manage their supply chain.***

The Retail Council of Canada (RCC) has identified delivery restrictions as a major contributing factor to goods shortages in stores. In addition, local businesses have notified the City that managing their supply chain has become difficult with the tremendous over-buying that has occurred during Covid-19. Temporarily lifting restrictions on delivery hours in the City of Vaughan should alleviate these issues.

***ECD has heard from local hoteliers that cancelations to their facilities have grown exponentially since the announcement of a global pandemic. To support local hoteliers, and the tourism industry, the City could suspend the MAT.***

Local hoteliers have contacted the Tourism Vaughan Corporation (TVC) requesting support for their businesses. There are several challenges facing the tourism industry as a result of the global pandemic. Although solutions to most challenges are outside the jurisdiction of the local municipality, City of Vaughan has the opportunity to support the local accommodation industry by suspending the four per cent Municipal Accommodation Tax (MAT) during this time of crisis.

***Several business tools and Canadian federal government funds have been announced since the declaration of a global pandemic. To help businesses navigate those tools and funds, the City's Business Advisory Services should remain open to help business owners navigate the options.***

The Government of Canada has announced more than \$11 Billion in business support ranging from research funds to loans to employment support to assist businesses with liquidity as sales drop and supply chains suffer. In addition, organizations like the Canadian Chamber of Commerce, Canadian Manufacturers and Exporters, and the Canadian Federation of Independent Business have produced toolkits to help businesses cope with the pandemic. However, most business owners are not aware of these resources and funds, nor are they able to access them without help. The City's business advisors can provide the needed expertise to assist.

### **Financial Impact**

Temporarily suspending traffic and noise bylaws will have no direct financial impact.

Suspending the MAT would result in a decline loss of revenue to the City and TVC. However, it is evident that hotels are not running at normal sales levels for this time of year. Given the global situation, the loss of revenue to the City of Vaughan is likely to be much lower.

Maintaining ECD's Business Advisory Services will have no financial impact beyond their normal salaries

## **Broader Regional Impacts/Considerations**

Vaughan's sub-economy functions within a larger Greater Toronto regional economy. Other GTA jurisdictions have moved to take similar actions in the past hours. The City of Toronto, for example, has released suspensions of noise bylaws to make it easier for stores to receive goods. Mississauga, Brampton, and Caledon are expected to follow. With a larger number of municipalities adopting similar measures, and encouraging trend, all local and regional economies will rise and be more resilient as we move to the economic recovery phase of this crisis.

## **Conclusion**

Covid-19 has presented international, national, provincial and local governments with unprecedented challenges. The City of Vaughan has contributed to 'Team Canada' with measures that mitigate some of the negative effects of the pandemic on local businesses.

Suspending relevant bylaws will help businesses effected by Covid-19 with both supply-chain management and cashflow.

The best tools the City of Vaughan has to support its businesses is its advisory services, and temporarily adjusting policies that directly effect the operations of businesses and the local economic climate in general.

The City's Economic and Cultural Development Services shall remain open, even if delivered virtually, to help local business people navigate the tools that exist and will emerge to mitigate the effects of Covid-19.

**For more information**, please contact: Raphael Costa, Manager, Small Business and Entrepreneurship ([raphael.costa@vaughan.ca](mailto:raphael.costa@vaughan.ca); ext. 8891); Ashley Travassos, Manager, Tourism, Arts, and Culture ([ashley.travassos@vaughan.ca](mailto:ashley.travassos@vaughan.ca); ext. 8474); Dennis Cutajar, Director, Economic and Cultural Development ([dennis.cutajar@vaughan.ca](mailto:dennis.cutajar@vaughan.ca); ext. 8274).

## **Attachments**

None

## **Prepared by**

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