

## COVID-19 - Updates from our Chamber and “Partners in Prosperity”

Dear Members and Associates: As a vested member of the Ontario Chamber of Commerce and Canadian Chamber of Commerce, am participating in regular teleconference meetings and conversations on provincial and federal issues affecting business sector and their path forward, while also in communications with our municipal partners. We recognize the multitude of issues and concerns before us and we, together with all levels of government, are working to assist our members, local business and community.

As we respect your valued time, and with a manner to reduce efforts, we are now sharing information from our many “partners in prosperity” in formats as we receive. We trust you will appreciate the readied information.

Should you have questions or concerns, please do not hesitate to reach out. We are all in this together, yet, apart.

Yours in Prosperity and Good Health, Gail Hundt / President & CEO

Be sure to follow us on [Facebook](#) and [Twitter](#) for up-to-date information regarding COVID-19. Below, and other, resources area available at [www.chatham-kentchamber.ca](http://www.chatham-kentchamber.ca)

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### Spotlight on Chatham-Kent Positive Initiatives...



Greenfield Chatham produces alcohol for beverage and pharmaceutical industry. In the light of this pandemic situation they are supplying as much as possible alcohol for hand sanitizer business. As a bulk manufacturer they ship the alcohol to packaging facilities and the product reaches out to customers. Greenfield Chatham is working a restart of additional distillation column which is going to give us more alcohol for this high demanding market.

We are very proud how we help in this immensely difficult time.

**Veselin Nikolov**, Plant Manager



The AarKel group is proud of our team as we have been asked to produce molds for the ventilator machines in record times. We were contacted by Tiers over the week-end and given approvals to proceed Monday evening. A big thanks to everyone for giving the Government and GM the confidence in knowing we can make this happen in record times. AarKel/Platinum/Novatrim you rock!

**Larry Delaey** - President/CEO

**We are PROUD of our Chatham-Kent Businesses, our Community Thanks YOU!**

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### 2020 Economic and Fiscal Update

In an effort to draw full attention to mitigating both the health and economic fallout of the COVID-19 pandemic, the Government of Ontario has elected to delay the release of its :

Instead, on **March 25**, the government released an economic and fiscal update entitled, “Ontario’s Action Plan: Responding to COVID-19,” which provides a one-year economic government’s initial response plan to the COVID-19 crisis. The response plan consists of a proposed \$17 billion package, with measures intended to complement the federal respo

Note that we can expect a formal Budget no later than **November 15, 2020**.

#### WHAT DOES THIS MEAN FOR THE BUSINESS COMMUNITY?

##### BUSINESS SUPPORTS

*The government announced plans to:*

- Defer \$6 billion of provincially administered taxes (April 1 to August 31)
- Defer \$1.9 billion of Workplace Safety and Insurance Board (WSIB) premiums and expenses for employers for 6 months
- Work with municipal partners to defer \$1.8 billion in property taxes for 90 days (including the provincial education tax)
- Postpone the 2021 property tax reassessment
- Retroactively reduce the Employer Health Tax (EHT) and temporarily increase the exemption from \$490,000 to \$1 million
- Help support regions lagging in employment growth with the proposed new Regional Opportunities Investment Tax Credit
- Support energy affordability for small business, farm, and residential consumers with approximately \$5.6 billion towards electricity cost relief programs in 2020-21, an inc \$1.5 billion compared to the 2019 Budget plan

##### OTHER SUPPORTS

*The government announced plans to:*

- Invest an additional \$3.3 billion in health care resources beyond what was budgeted last year. This includes:

- \$935 million towards the hospital sector
- \$160 million towards public health funding to support COVID-19 monitoring, surveillance, testing, and Telehealth Ontario
- \$243 million for surge capacity in the long-term care sector
- \$75 million to supply personal protective equipment and critical medical supplies to front-line staff
- Provide \$26 million in additional support to Indigenous peoples and communities
- Help families pay for the extra costs associated with school and daycare closures by providing a one-time payment of \$200 per child up to 12 years of age, and \$250 for those with special needs
- Double the Guaranteed Annual Income System (GAINS) payment for low-income seniors for six months
- Defer loan payments and interest accrual for six months for Ontario Student Assistance Program (OSAP) borrowers

Read the [OCC's full rapid policy update](#) and read [Ontario's Action Plan: Responding to COVID-19 \(March 2020 Economic and Fiscal Update\)](#).



### 60+ Leading Canadian Business Organizations Call on Government to Protect Jobs and Postpone Non-essential New Measures

Initially issued on Saturday, an expanded call for support has resulted in over 60 plus organizations in our business coalition signing onto a joint statement from Canada and the federal government reiterating the need to focus all efforts on fighting the fight on COVID-19 on behalf of all Canadians.

[Read the Statement](#)

#### Opportunities for Canadian business

Our member - and [EBS partner](#) - OMX has sent out an email that both the federal government and Government of Ontario are looking for organizations that can supply and innovative solutions to support the fight against COVID-19.

#### For Your Attention

- Our member, Deloitte, has published a useful guide on the government funding programs available to small- and medium-sized businesses. [Click here](#) to read more.
- Our member, Shopify, has compiled resources, information and tools to support Canadian businesses and help them navigate through the COVID-19 crisis, including \$100 million in small business funding. [Click here](#) to learn more.

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### Community Futures Development Corporation of Chatham-Kent

*Considering the restrictions levied by the Government with respect to the current Coronavirus situation and how they will have a detrimental effect on businesses, especially cash flow,*

*Community Futures Chatham-Kent is offering to its clients:*

*A three (3) month deferral of payments based on the client's payment cycle ~ such payments will be added to the end of their current amortization schedule. This deferral will require written confirmation from the client along with confirmation in writing from all guarantors where required.*

For more information please contact us directly @ [peter.maguire@cfcdck.on.ca](mailto:peter.maguire@cfcdck.on.ca), [brenda.richardson@cfcdck.on.ca](mailto:brenda.richardson@cfcdck.on.ca) or [donna.pollock@cfcdck.on.ca](mailto:donna.pollock@cfcdck.on.ca) or call us during regular business hours 226-996-1234.

*We are working on a more pro-active initiative as well. We will provide that information once it is available.*

## Business Development Bank of Canada

### Business Credit Availability Program

This program allocates \$10 billion in loans to fund business transactions domestically and internationally. The program will be managed by the Business Development Bank of Canada, Export Development Canada, and Farm Credit Canada. Program details from EDC and FCC have not currently been released.

#### COVID-19 Relief Program - Working Capital (BDC program):

The working capital program is a 36-month, backend-loaded loan with principal deferment for the first 12 months. The amount of financing provided is based on a detailed projection or forecast identifying the 'carrying cost' or 'burn rate' of the operation for the upcoming 12-24 months.

Loans are available in amounts from \$100,000 to \$2 million. They are currently being offered at BDC's floating rate minus 1.75% (currently 3.3%).

Repayment terms are over 36 months. Interest-only payments apply for the first 12 months, followed by 24 months of interest and principal payments. It is possible to structure payments with a large final balloon payment of up to 60% of the principal.

BDC is offering existing clients with a total BDC loan commitment of \$1 million or less a postponement of payments for up to six months.

Standard BDC rules and due diligence will apply to the loans. Activities that do **not** qualify for these loans include refinancing existing debt, change of ownership transactions, and pre-revenue companies.

#### Exclusions

- Start-ups
- Refinancing of other debt
- Change of ownership financing
- If the entrepreneur doesn't already have BDC lending and is a good business, BDC requires the following:
  - Application for financing (attached) **Instructions below**
  - Statement of personal affairs (attached – one needs to be filled out and signed by each shareholder with 25%+ ownership) **Instructions below**
  - Ownership chart
  - Last 3 years of accountant prepared financial statements
  - If the company's fiscal year end is more than 3 months old, interim statements are required with prior year comparable figures for the same time period
  - Monthly cash flow forecasts for at least the next 6 months (12 month template attached if clients don't have their own template)
  - Specifics around the impact of COVID-19 on the business (attached is an outline of basic questions we'll need answered; companies can answer questions directly on the word doc and submit)
  - Concurrence from their primary lending institution that they will NOT pull their line of credit or other lending even if our financing puts the company in breach of covenants; if the lenders do NOT agree, we will NOT be providing additional financing

#### Application for financing

- Client fills it out in the name of the borrowing company at the top and bottom left
- Any owner can then sign and date in the signature position on behalf of the company
- Each owner/Guarantor will then fill out their own name and signature under Guarantor to the right

#### Statement of Personal Affairs

- Each owner individually fills one out as it gives us net worth and consent
- Personal assets only
- Use Current market value for homes



## Stop the Spread Business Information Line Now Open at 1-888-444-3659

The province has launched a toll-free line 1-888-444-3659 to provide support to Ontario businesses who have questions about the province's recent emergency order to close at-risk workplaces following recommendations by Ontario's Chief Medical Officer of Health.

On Monday, the province issued an [emergency order](#) to close at-risk workplaces and encourage non-essential businesses to find ways to help their employees work from home. The government also reminded businesses to put in place protocols for physical distancing and regular hand-washing in order to protect the health and safety of employees and the general public.

Businesses who have questions about closures of at-risk workplaces or how emergency measures impact their business or employment can call the Stop the Spread Business Information Line at 1-888-444-3659.

Help is available from Monday to Sunday, from 8:30 a.m.—5:00 p.m.

A complete list of essential services is available on the Government of Ontario's [website](#).

## Electricity Update

Ontario is temporarily slashing hydro rates for families, farmers and small businesses amid the COVID-19 crisis

Rates will be lowered to the current off-peak rate of 10.1 cents per kilowatt hour. No action is required. New rates will automatically be applied to your bill

News article: <https://www.theglobeandmail.com/canada/article-ontario-to-slash-hydro-rates-to-offset-costs-of-working-from-home/>

## COVID-19 Business Resources

[Chatham-Kent Economic Development is dedicated to providing local businesses with accurate and timely information.](#)

Information is changing quickly as governments at all levels adapt to the COVID-19 situation. Chatham-Kent Economic Development will be posting information to this area of our website as frequently as possible.

We have added new information to the site and a new Utilities section.

[Click here to access the information on the Economic Development website](#)

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## Resources:

### Local

[Public Health Information on COVID-19](#)

[Workplace Information](#)

### Provincial & Federal

[Ontario Chamber of Commerce – COVID-19 Preparedness Toolkit](#)

[Canadian Chamber of Commerce – Pandemic Preparedness Guide for Business](#)

[Government of Canada Support for Small Businesses](#)

[Wage subsidy for Businesses](#)

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